

**EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL
ACADEMIES TRUST)**

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 16
Governance Statement	17 - 20
Statement of Regularity, Propriety and Compliance	21
Statement of Trustees' Responsibilities	22
Independent Auditors' Report on the Financial Statements	23 - 26
Independent Reporting Accountant's Report on Regularity	27 - 28
Statement of Financial Activities Incorporating Income and Expenditure Account	29
Balance Sheet	30
Statement of Cash Flows	31
Notes to the Financial Statements	32 - 56

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Dr L M Harwood (Chair) Ms K Bahia (resigned 7 December 2022) Mr P Trincas Reverend M Bennet Mr M Cole
Trustees	Mr M Cole, Chair Reverend M Bennet Mr N Cornish Mrs M Hanbuerger Mrs M Harrison Mrs E Hunt (resigned 4 July 2023) Mr A James Mr M Keogh, Chair of Finance Mr N Margeson Mrs G Piper, Chief Executive and Accounting Officer
Company registered number	07543874
Company name	Equinox Learning Trust (formerly known as Kennet School Academies Trust)
Principal and registered office	Kennet School Stoney Lane Thatcham Berkshire RG19 4LL
Company secretary	Mrs G Piper (appointed 25th September 2023) Mr M Espley (appointed 25th September 2023)
Senior management team	Mrs G Piper, CEO and Accounting Officer Mrs A Humphries (resigned 2 August 2023), CFO Mr M Espley (appointed 14 August 2023), CFO Mrs Y Standing, Headteacher - Francis Bailey Primary School Mr M Irving, Headteacher - Whitelands Park Primary School Mrs G Ronksley, Headteacher - Kennet School
Independent auditors	Cooper Parry Group Limited Statutory Auditor Cubo Birmingham Office 401, 4th Floor Two Chamberlain Square Birmingham B3 3AX
Bankers	HSBC plc 6 Northbrook Street Newbury Berkshire RG14 1DJ

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Solicitors

Veale Wasbrough Vizards LLP
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

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

The Academy Trust operates 2 primary Academies and 1 secondary Academy, all serving a catchment area centred in Thatcham and its surrounding villages. Combined it has a pupil capacity of 2,867 and 2,781 pupils enrolled across the trust based on the October 2023 census.

Structure, governance and management

a. Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust.

The Trustees are also the Directors of the charitable company for the purposes of company law. The charitable company operates as Equinox Learning Trust (formerly Kennet School Academies Trust).

Details of the Trustees who served throughout the year, and to the date the approval of this report and the financial statements are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Trustees' indemnities

The Academy Trust has opted into the Department of Education's Risk Protection Arrangement ('RPA'), an alternative to insurance where UK government funds cover losses that arise. The scheme protects Members, Trustees and the Local Governing Body members from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The scheme provides cover up to £10,000,000 .

d. Method of recruitment and appointment of Trustees

The Academy Trust appoints Trustees through a number of routes having determined the skillset it seeks to complement the existing board and these include the local area, professional bodies and matching services such as Academy Ambassadors.

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

All Trustees are inducted to the Trust through a programme led by the Chair of Directors and the Chief Executive Officer (CEO) and this includes safeguarding training for all involved in governance and safer recruitment training for those involved in appointing staff.

f. Organisational structure

The Trustees have three core governance functions: ensuring clarity of vision, ethos and strategic direction. They hold the CEO accountable and oversee both the educational outcomes and financial performance of the schools within the Trust. As academy trusts are all charitable companies, the Trustees must also ensure that they comply with company law requirements. They are also responsible to the Secretary of State, for operating the Trust for the public benefit and for compliance with statutory legislation including charities legislation.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

The Trustees' role is largely strategic and as Trustees they have duties and responsibilities towards the management of the Trust and its finances. The Trustees have a schedule of agreed delegated powers and duties to Committees which are reviewed annually. The Trustees are very clear that this delegation is not one of responsibility and that there are also some items which they may not delegate; termed Reserved Matters.

The Board of Trustees meet at least 3 times a year as a full Board and in 2022-23 met 4 times with a further meeting to approve the appointment of a new Headteacher at Kennet School. In addition work was progressed by Trustees through termly meetings of its Committees and monthly Finance Management Meetings. The Board of Trustees establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees of the Board of Trustees and other groups. It receives reports from the Committees and policies for review and approval. It monitors the activities of the Committees and Governors through the minutes of their meetings and through direct reporting from the elected Chairs of the Committees.

The Board of Trustees may from time to time establish working sub-groups of Trustees to perform specific tasks over a limited timescale. In 2021-22 a sub-group of Trustees supported by external HR advice was established to review the Leadership structure of the Trust. This work led to the Trust moving from having an Executive Head of the Trust who is also Headteacher at the secondary school to separating and investing in having a CEO of the Trust and a Headteacher to align the Trust ready for further growth.

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

The Trustees in 2022-23 had 7 Committees as follows:

- Finance and Risk (6 meetings a year)
- Safeguarding (3 meetings a year)
- Staffing (4 meetings a year)
- Standards (4 meetings a year)
- Local Governing Boards for each of the 3 Academies; Kennet, Whitelands and Francis Baily.

Each Committee has its own terms of reference detailing membership and a scheme of delegation listing the responsibilities discharged to it by the Directors.

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

- to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure;
- to appoint or remove the Chair and / or Vice Chair; and
- to appoint and / or consider the performance management of the CEO.

The Trustees have devolved the day-to-day management of the Academy Trust to the Senior Leadership Team ('SLT'), which is led by the CEO and comprises the Headteachers in each school, Deputy and Assistant Headteachers. The CEO is the Academy Trust's Accounting Officer and has overall responsibility for the day-to-day financial management of the Academy Trust and is assisted in this role by the Chief Finance Officer. The SLT implements the policies laid down and approved by the Trustees and reports back to them on these and the Academy Trust's overall performance.

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

The Trustees consider the Board of Trustees and the senior management team to comprise the key management personnel of the Academy Trust in charge of directing and controlling, running and operating the Academy Trust on a day-to-day basis. All Trustees give of their time freely and no Trustee received any remuneration in the current or prior year, other than those Trustees who are also employees of the Academy Trust. Details of Trustees' remuneration and expenses are disclosed in note 11 of the financial statements respectively.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

The pay of the senior management team is reviewed annually by the Staffing Committee in line with the Academy Trust's pay policy and by reference to published pay scales for both teaching and administrative support staff and by reference to available information on similar roles in other similar sized Academy Trusts.

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	3
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time £000

Total cost of facility time	2
Total pay bill	13,936
Percentage of total pay bill spent on facility time	0.014 %

Paid trade union activities

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

i. 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 Academy Trust.

The Academies in the Trust benefit enormously from the activities and donation of funds raised by the volunteers that comprise Kennet PTA (registered charity number 1106961), Friends of Kennet Music (FoKM), Friends of Whitelands (FoW) and Francis Baily PTA. All are unincorporated charities. The officers or trustees are not appointed by the Academy Trust or Academy Trustees and they are not directed by or accountable to the Trustees of the Academy Trust. This means the Trustees do not consider the charity to be a connected charity. The donations and contributions to support particular projects are to the benefit of the pupils in each of the of the Academies and so are treated as a related party of the Academy Trust for the purposes of the financial statements. The Academy Trustees do extend their gratitude and thanks to all parents and staff who contribute their time, willingly and freely, in organising the community events.

The Academy Trust is aware of its responsibilities to declare in advance its intention to enter into or renew any related party transaction and to declare all transactions of any value in its financial statements. In 2022-23 there was one such transaction. A sum of £480 was paid to Oakwood Youth Challenge, a climbing centre where the CEO's brother works which was booked and used by BTEC Business pupils.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons)

The Academy Trust's policy is to consult and discuss with employees, through regular briefings, all-staff update emails, meetings and other communications, matters likely to affect employees' interests. During 2022-23 the Academy Trust conducted surveys of staff at Primary schools through the Sandwell Charter to assure itself of staff's well-being. The secondary school undertook a very focused survey to engage with staff on their experience of pupils' behaviours following the implementation of developed behaviour systems and from those responses has made further adaptations to its Behaviour Policy and approaches during the year. All schools have championed wellbeing, consulting with staff on priority areas and we have rolled out an Employee Assistance Program across the trust in response to this. Information about matters of concern seeks to achieve a common awareness on the part of all employees of the operating, financial and economic factors affecting the Academy Trust's performance.

During employment, the Trust seeks to work with employees, taking account of their personal circumstances, to ensure appropriate training, development and advanced employment opportunities are available to them to reach their full potential and all staff have individual appraisals annually where these matters are raised, views sought and progressed. Health and Wellbeing risk assessments are developed into guidance for staff, and where appropriate, personal risk assessments are carried out by the Health and Safety Leader.

The Academy Trust is very aware of its public sector duties under Equalities legislation for all protected characteristics and has a strong Equalities statement as part of its recruitment process. Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Academy Trust continues with all appropriate reasonable adjustments made and any training arranged. It is the Academy Trust's policy that the training, career development and promotion of disabled persons should as far as possible, be identical to that of other employees.

k. Engagement with suppliers, customers and others in a business relationship with the Trust

The Academy Trust seeks to work with suppliers, customers and other stakeholders in an ethical and sustainable manner.

The Academy Trust, like many public services operates within a challenging financial position and towards the end of the last year the agreement on the pay scales for teachers was reached which had an immediate impact on the planned budgets for the future. The Trust always recognised the need to increase the pay of teaching and other staff, to address the recruitment and retention of staff but that without the financial support from the government any large pay award would diminish the level service we want to provide.

Where entering into significant procurement agreements then the Trust seeks to utilise transparent procurement procedures, including framework agreements through national public procurement organisations such as ESPO or the Crown Commercial Services.

The Academy Trust is currently reviewing its estates strategy and recognises there are areas where it can improve its environmental impact, and will be looking at ways it engages with all stakeholders in achieving this.

The Academy Trust actively engages with key stakeholders and this forms one of the Trust's key objectives, to connect with the community.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities

a. Objects and aims

The principal object of the Academy Trust, as set out in its Articles of Association, is specifically restricted to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. The key aims of the Academy Trust during the year ended 31 August 2023 are summarised below:

- Excellent Education
 - To give every young person in Thatcham and the surrounding areas the opportunity to secure the very best life chances through academic excellence and character development throughout their school journey aged 4 to 18. Every pupil has the right to be inspired to achieve.
 - To grow confident individuals who are able to take appropriate risks and continue to love learning throughout their lives. We want every pupil to be excited by their potential whilst harnessing their power for good as a citizen of the world.
- Impactful Employment
 - To ensure every employee is included, developed and celebrated. We want every employee to emulate, and continually develop what we have defined as our leadership behaviours, this starts with 'leader of self'.
- Connected Community
 - We seek to enable our pupils, staff and the local community to take responsibility through respect, determination, and academic curiosity whilst enjoying the benefits of shaping their own future. Horizons are able to be broadened and best practice shared.

The Academy Trust is committed to delivering this vision through every one of its academies and, where appropriate, in conjunction with our other partners in the community.

b. Objectives, strategies and activities

The key priorities and activities of the Academy Trust for the year, which are contained in the Academy Trust's Strategic Plan and available on the Academy Trust website, were as follows:

- All academies good or outstanding for progress and outcomes with Ofsted judgements good or better.
- All academies full with pupils on roll greater than 95% of capacity.
- Attendance in all academies above national average.
- 80% of pupils continuing in Academy Trust post 16 provision.
- Trust reserves equal 5% (+/-0.5%) of total funding in times of financial stability and moving towards 10% (+/-0.5%) in times of financial turbulence.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

c. Public benefit

The Academy Trust aims to advance for the public benefit education, through offering a broad curriculum and an excellent education environment for its pupils. The Academy Trust also allows use of its facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of that community.

The details of the particular activities of the Academy Trust during the year and how these have provided public benefit are detailed in the Achievements and Performance section below.

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 Academy Trust's aims and objectives and in planning its future activities.

Strategic report

Achievements and performance

The Academy Trust continues to evolve and to adapt to the ever-changing educational environment. The Academy 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.

The particular achievements and performance of the Academy Trust during the year ended 31 August 2023 were as follows:

- Through DfE funding we instructed an External Review of Governance which identified the trust as being 'mature beyond its size and years' in structure, organisation and processes. It is clear that the statutory duties have been used as the foundation for our design of governance, and there are clear policies and procedures in place. School benefit from this.
- Ofsted visited Kennet school as a section 5. There were many strengths identified with a revisit planned to review the impact of assessment work and the longer-term impact on the newly implemented behaviour strategy. Leadership & Management was a particular strength.
- Ofsted visited Whitelands Park Primary school and deemed them to be Good.
- The Summer 2023 exam series at secondary level were all above national average, with a positive progress score of 0.34. Performance in A Level and vocational qualifications at KS5 delivered a red hot ALPS score for both. Performance in reading at KS2 has vastly improved across the Trust, a key focus area last year.
- The Trust has invested in its Estate management significantly since 2021 and currently has a number of significant building projects underway including starting to build the T Level block (6 classrooms) at the Kennet site, and the Year 5 and 6 block (6 classrooms). The raft of work carried out this year includes progress on the following projects:
 - fire door replacement at Kennet
 - electrical replacement at Kennet
 - heating system improvements at Kennet
 - water supply and distribution replacement at Francis Baily
 - roof replacement project at Francis Baily

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

A full staffing restructure of the estate team has led to improved working arrangements for all and a more efficient service on the ground for schools.

- We engaged in a voluntary SRMA which reported no findings of concern or irregularity.
- Staff recruitment has been a success this year, the Trust has appointed key senior leaders with the skills and expertise to join and strengthen the organisation.
- During the year the Trust has run a successful tender process which led to the appointment and transition to a new catering provider. This has improved the food offer across all schools, and the company are with the schools to deliver on healthy lifestyle and sustainability targets.

a. Key performance indicators

The Academy Trust uses a number of benchmarks or performance indicators to evaluate its financial performance and drive budgetary control and monitoring.

A key financial performance indicator for the Trust is the level of reserves held at the balance sheet date and, in particular, the amount of unrestricted reserves plus restricted income reserves at year end. At 31 August 2023, the balance of the unrestricted and restricted income reserves was £974,000 (2022: £714,000) which is after transfers of £28,000 to the restricted fixed asset fund to fund capital expenditure during the year. Further details on the level of reserves held by the Academy Trust are set out in the Reserves Policy section below.

As the majority of the Academy Trust's funding is based on pupil numbers, pupil numbers are also a key performance indicator. The pupil numbers at the most recent census were 2,781 which is a decrease of 42 pupils from the previous census.

Pupil Numbers	Kennet	Whitelands	Francis Baily	Total
Oct 2017	1,759	314	-	2,073
Oct 2018	1,818	347	-	2,165
Oct 2019	1,814	341	581	2,736
Oct 2020	1,819	358	586	2,763
Oct 2021	1,878	367	557	2,802
Oct 2022	1,881	393	549	2,823
Oct 2023	1,865	392	524	2,781
Capacity	1,881	419	567	2867

Staffing costs are another key performance indicator for the Academy Trust and the percentage of total staff costs to total educational grant funding (being GAG funding plus other operating educational grants from the ESFA and / or Local Authority) for the year was 83.1% (2022: 84.1%), while the percentage of staff costs to total costs (excluding depreciation and LGPS FRS102 pension cost charges) was 80.9% (2022: 82.7%).

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

After making appropriate enquiries, gathered evidence and assessing it, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Trustees considered and challenged updated forecasts for 2023-24, stress testing the budgets to consider the tolerance for pay increases, national funding rates for 2024-25 published by the DfE in July 2023, reserves and cash balances, pupil number projections and wider demographic changes for the Thatcham area. 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 within the financial statements.

c. Promoting the success of the company

As identified in all recent Ofsted inspections and the External Review of Governance, the Trustees are very clear about their duties and have acted in the way which they consider, in good faith, promotes the success of the Academy Trust for the benefit of its pupils and their parents, the Department for Education and the Education and Skills Funding Agency as principal funders and regulators, its suppliers and local wider school community as a whole, and in doing so have given regard to (amongst other matters):

Our educational business relationships and community

With a highly committed and dedicated workforce, the Academy Trust takes great pride in listening to what our pupils, parents and local community want and continues to provide the level of education outcomes and results that they have come to expect. The Academy Trust continues to evolve and to adapt to the ever-changing educational environment, leading to the continued increase in the awareness of the Academy Trust's overall activities and educational performance.

As an educational focused charitable organisation, public benefit is also at the heart of all we do. The details in the "Objectives and Activities" and "Achievements and Performance" section of the Trustees' report above provide full details of the impact of our activities and our achievements for the year.

With respect to suppliers, the Academy Trust's policy for the payment of suppliers is to agree to terms of payment in advance in line with normal commercial practices and, provided a supplier performs in accordance with the agreement, to abide by such terms.

The Academy Trust is prioritising the responsibility for sustainability and the lasting impact that this has on the environment. Over the year there have been steps to measure our impact and set targets for reducing this through eco energy tariffs, recycling, removing plastic from all food and drink service areas in all school to name some. This is a developing program of work, and the Trust have taken some time to consider what success looks like in the future and built it into the three-year plan.

Our stakeholders

In addition to our pupils, parents, suppliers and wider local community, the Trustees also recognise the importance of their relationship with the Department for Education (DfE) and the Education and Skills Funding Agency (ESFA), as principal funders, regulators and stakeholders. The Trustees are committed to the effective engagement with the DfE and the ESFA (and their representatives) and recognise that its success depends on the Trustees and senior management's ability to engage with them effectively and to work with them constructively, taking into account their guidance and best practice initiatives, whilst also working in line with the specific requirements of the Academy Trust's funding agreement and the Academy Trust Handbook.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

Our people

The Academy Trust's key asset is its people. It employs over 400 staff and is the largest employer in the community. It is through the combined effort of this workforce, together with our supporters and volunteers, that we can change the lives of the children under our care. The Academy Trust encourages the involvement of all employees in decision making processes that impact on them directly and further details on our engagement with our people is detailed in the "Engagement with Employees (including Disabled Persons)" section of the Trustees' report above.

Our Members

The Trustees are committed to and openly engaged with our Members through regular and effective dialogue with them, including an Annual General Meeting, a further meeting at the end of the academic year to review the year and the strategy and vision day for the coming year as well as attending the annual Trust governance conference. The Members are actively engaged in understanding our strategy and vision for the future, our culture and ethos, our people and our educational performance and standards.

Maintaining a reputation for high standards

The Academy Trust has been in existence for 12 years, and is committed to continual improvement, which it achieves in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning. The Academy Trust also continually develops strategies to maintain and grow its pupil base, including looking for new schools and academies to join the Trust, and further improve relationships with our suppliers. The information in the "Achievements and Performance" section of the Trustees' report above provide full details of our achievements during the year and the standards of educational performance we have achieved for all our stakeholders.

Financial review

For the year ended 31 August 2023, the Academy Trust's total income (excluding capital grants) was £18,111,000 (2022: £16,448,000) while the total expenditure (excluding depreciation and LGPS FRS102 pension cost charges) was £17,823,000 (2022: £16,063,000), resulting in a net operating surplus for the year of £288,000 (2022: £385,000).

After transfers from reserves to fund capital expenditure in the year, the balance of reserves at 31 August 2023, excluding the restricted fixed asset funds and LGPS liability fund was £974,000 (2022: £714,000).

The net book value of fixed assets at 31 August 2023 were £27,215,000 (2022: £27,618,000). The fixed assets held by the Academy Trust are used exclusively for providing education and associated support services to the pupils of the Academy Trust.

Included within the Academy's balance sheet at year end is a defined benefit pension scheme liability of £1,896,000 (2022: liability of £2,672,000), which arises from the deficit in the Local Government Pension Scheme ("LGPS") that is attributable to the Academies. Further details regarding the deficit in the LGPS at 31 August 2023 and the basis on which this has been recognised in the financial statements are set out in note 25 to the financial statements.

The key financial policies reviewed and adopted during the period included the Financial Procedures Policies and Manual, which lays out the framework for the Academy Trust's financial management, including financial responsibilities of the Board of Trustees, CEO, managers, budget holders and other staff, as well as the delegated authorities for spending.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

a. Reserves policy

During the year the Trustees set a goal of general operating reserves of 5% of the statutory funding within the Trust and they review the reserve levels of the Academy Trust annually. This policy was reviewed during the year and increased from the previously set 3% to be in line with the ESFA guidance. The intention is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, long term staff absences etc.

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

The Academy Trust's current level of operating reserves at 31 August 2023 is £974,000 (2022: £714,000), which is made up of restricted income reserves of £664,000 (2022: £417,000) and unrestricted funds of £310,000 (2022: £297,000). Although the current level of operating reserves is above the target level identified above, the Trustees expectation is that these reserves will be utilised over the next few years to fund the ongoing development of the Academy Trust, including the need to fund ongoing pay increases and energy cost increases across the sector and the need to fund ongoing capital projects and developments.

The value of the restricted fixed asset fund at 31 August 2023 is £30,572,000 (2022: £28,661,000), which is represented by the fixed assets that are used exclusively for providing education and associated support services to the pupils of the Trust, and the balance of unspent capital grants to be used on future capital expenditure. These funds can only be realised by disposing of the associated tangible fixed assets or by utilising the amounts of unspent capital grants in line with the terms and conditions of those grants.

The pension reserve fund has a deficit balance at 31 August 2023 of £1,896,000, which represents the deficit in the LGPS at the balance sheet date. The effect of this deficit position is that Academy Trust is required to make additional pension contributions over a number of years in order to fund the deficit. These additional pension contributions will be funded from the Trust's annual recurring income, which may significantly impact its ability to continue to deliver its educational outcomes with the available public funding it receives. The Trustees have noted however that the Government has provided a guarantee that in the event of an Academy closure, any outstanding LGPS liabilities would be met by the Department for Education.

b. Investment policy

All funds surplus to immediate requirements are invested to optimal effect by the Academy Trust with the objective of ensuring maximum return on assets invested but with minimal risk. Daily this is achieved by holding surplus funds in an overnight deposit account with the Academy Trust's principal bankers.

c. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Academy Trust is exposed, especially in the operational areas, such as teaching, health & safety, safeguarding and school trips, and in relation to the control of finances and strategic development of the Trust. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk and have agreed a Risk Management Strategy and Risk Management Plan, which incorporates a Risk Register. The Risk Management Plan is constantly reviewed in light of any new information and formally reviewed annually.

The principal risks and uncertainties facing the Academy Trust as identified on its register are as follows:

Trust Growth

The Academy Trust is aligned with the DfE agenda and needs to properly resource and prepare for growth that can scale from the existing 3 academy structure that has been in place since 2019 and seeks to grow to be a Trust with a family of 5 schools by the end of 2024 and then to 7 schools by 2030.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

IT

A major failure in or impairment in IT systems and their security has significant impact on the everyday work of Academy Trust and this became even more critical as the Trust moved to delivering remote education during the Covid pandemic. Huge work has been undertaken over the last year to develop the central systems, and additional security audits have been carried out to stress test the system. Adjustments have been made, but the risk of system failure or security breach leading to ransomware or such like remain. Assurances have been sought through monthly reporting to the Finance and Risk committee regarding the centralised IT strategy to ensure the Academy Trust is robust and delivering the efficient working practices necessary for the Trust's operations at all levels and in all areas.

Educational/Ofsted

The continuing success of the Academy Trust is dependent on continuing to attract pupil applicants in sufficient numbers by maintaining the highest educational standards across all key stages. To mitigate this risk, the Trustees ensure that pupil success and achievement are closely monitored and reviewed, with corrective actions embedded at an early stage, and that relationships and partnerships with parents, the local community and other organisations and groups are maintained and are effective in producing a cohesive and supportive community. The key risk identified is Ofsted Inspection visits and judgements that are less than good in all areas.

Funding

Continuing increases in employment costs, including unfunded pay increases and pension costs associated with both the Teachers' Pension Scheme and the Local Government Pension Scheme, and premises costs, including the significant impact of energy cost increases, will also continue to place significant pressure on the Academy Trust's financial position and its ability to deliver balance budgets in the future. The Trustees examine the financial health of the Academy Trust formally every month, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees and Finance and Resources Committee meetings. At the balance sheet date, the Academy Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Academy Trust's liquidity.

Estates

Trustees look to ensure that the importance of health and safety of students, staff and visitors is considered a top priority in its schools. Health and safety policies and procedures are in place, with independent reviews and support from specialist external advisors, and all staff are expected to complete online health and safety training annually. Financial spending decisions are made by the Trust, for instance in investment in the school property, in order to ensure the site condition is safe and fit for purpose.

The Trust has an Estates Committee which reviews the Trust procedures and processes. The Trust's Finance & Risk Committee has oversight of arrangements. It ensures health and safety is always a primary factor in its decision making, including when determining the priority areas for which it wishes to submit bids to the DfE in respect of Condition Improvement Fund (CIF) grant funding.

Staffing

The success of the Academy Trust is reliant on the quality of its staff so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

The recruitment of suitably qualified and experienced staff has been a challenge, but the schools have worked hard to ensure pupils have qualified teachers and avoided the use of agency in the main. Where agency staff have been used this has led to high costs which naturally have an adverse impact on the Trust's financial results and position at the period end. Recruitment and succession planning is integral to Trust's planning and the Chief Executive and Headteachers continue take a personal lead in the recruitment and selection of all staff and the Trust has continued to undertake permanent recruitment to all vacant posts during the period.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Failures in governance and / or management

The risk in this area arises from the potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks, which includes those relating to fraud and mismanagement of funds.

Fraud and mismanagement of funds

The Academy Trust has engaged TSO Education Ltd as internal auditor, to perform a program of work aimed at checking and reviewing the financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

Fundraising

The Academy Trust raises funds for specific projects that will enhance the learning experience and environment for existing and future students, where funds cannot be accessed via existing channels such as government education funding.

Fundraising is primarily undertaken by staff or parents and no professional fundraisers or commercial participators work with the Trust currently. The Trust does use the Greenham Trust platform which was formed in 1997 and uses its investment in Greenham Business Park and other property assets to generate surplus income for distribution to local good causes.

Fundraising is undertaken in line with the Fundraising Regulator's Code of Fundraising Practice and is monitored by the central finance function of the Trust. The Academy Trust is mindful of the requirement to protect the public, particularly vulnerable people, from unreasonably intrusive or persistent fundraising approaches or undue pressure to donate and adheres to the DfE guidance on the matter of charging for school activities. No complaints have been received in respect of fundraising activities and the general complaints policy of the Trust would be applicable if so.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Streamlined energy and carbon reporting

The Academy Trust's greenhouse gas emissions and energy consumption are as follows:

	2023	2022
Energy consumption used to calculate emissions (kWh)	2,381,662	2,557,289
Energy consumption breakdown (kWh):		
Gas	1,404,120	1,581,840
Electricity	962,156	967,845
Transport fuel	15,387	7,604
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	256.34	288.75
Owned transport - mini buses	2.72	7.60
Total scope 1	259.06	296.35
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	199.24	187.16
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	1.05	0.02
Total gross emissions (in tonnes of CO2 equivalent):	459.35	483.53
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	0.16	0.17

Quantification and reporting methodology:

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We continue to improve the physical learning environment at the schools and have across 2022-23 carried out programmes to upgrade heating and electrical works of our estate. Further projects are planned too that will see the replacement of whole teaching blocks as well as other smaller works.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Plans for future periods

The Academy Trust's plans for future periods are to grow the Trust with the aim of growing to 5 academies by 2024 and then to 7 academies by 2030.

The Trust is small and Trustees are keen to see the Trust continue to grow where there are educational benefits or economies of scale to be gained. The involvement in the DfE's Trust to Trust development programme is a recognition that the Trust has potential to do that.

The immediate short term plan and priority for 2023-24 is to continue to deliver for full educational provision, full school improvement programme and maximise additional funds for catchup strategies. In parallel the Trust will seek to maximise the synergy and benefits of being a part of a Trust of three schools, specifically focussing on driving improvement within each individual school.

Funds held as custodian on behalf of others

The Academy Trust and its Trustees do not act as Custodian Trustees of any other charity.

The Academy does however hold Post 16 Bursary Funds on behalf of the ESFA, which are distributed to students as required and in line with the terms and conditions of the funds

Disclosure of information to auditors

In so far as the Trustees are aware:

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

Auditors

The auditors, Cooper Parry Group Limited, have indicated their willingness to continue in office and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 19 December 2023 and signed on its behalf by:



Mike Cole
Chair of Trustees

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Equinox Learning Trust (formerly known as Kennet School Academies Trust) and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that information that is described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 4 times during the year ended 31 August 2023.

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

Trustee	Meetings attended	Out of a possible
Mr M Cole	4	4
Reverend M Bennet	4	4
Mr N Cornish	4	4
Mrs M Hanbuerger	3	3
Mrs M Harrison	4	4
Mr A James	4	4
Mr M Keogh	4	4
Mr N Margeson	4	4
Mrs G Piper	4	4

During the year ended 31 August 2023, the Board of Trustees reviewed the Academy Trust's governance structure in order to evaluate its impact and effectiveness, and this included undertaking a skills audit. While the Board of Trustees has a wide range of skills that contribute to the successful governance of the Trust, the skills audit identified priority areas for future recruitment.

The Board of Trustees met four times during the year and have maintained effective financial oversight and governance through the formal work undertaken by the Finance and Risk Committee. This is a sub-Committees of the Board of Trustees, and they met six times during the year. The responsibilities of and work undertaken by these sub-Committees are detailed further below. The minutes of these sub-Committee meetings are provided to the full Board of Trustees and the Chairs of these sub-Committees report to each full Board of Trustee meeting on the key matters considered at their meetings and the impact for consideration by the full Board of Trustees.

Governance Review

The Board of Trustees also commissioned an external review of governance during the year. The review was underpinned by the Competency Framework for Governance published by the Department for Education and specifically considered strategic governance, leadership and direction as well as the impact and effectiveness of governance. The review identified a range of strengths in governance at the Academy Trust and recommended some areas for further development which have now been incorporated into an action plan which is being implemented by the Board of Trustees.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Conflicts of Interest

The Academy Trust has a Conflicts of Interest policy in place, which is regularly reviewed and updated by management and the Board of Trustees. This policy is communicated to all Members, Trustees, Local Governors and employees of the Academy Trust and all Members, Trustees and senior leadership team employees are required to confirm they have read the Conflicts of Interest policy on annual basis.

In line with the policy, all Members, Trustees, Local Governors and senior leadership team employees are required to complete a declaration of any business or pecuniary interests on an annual basis or, in the case of individuals taking up these roles during the year, at the point of taking up their role. A register of interests is then maintained by the Academy Trust's Governance Clerk, which is reviewed at the start of each Board of Trustee meeting and also provided to Academy Trust's finance team for monitoring in relation to any transactions with any organisations in which interests have been declared. Any transactions with organisations in which any interests have been declared are reported to the Board of Trustees in advance of the transactions, so that formal approval can be provided by the Board where the transaction is considered appropriate and formal notification to the ESFA can then be made, including where relevant, seeking pre-approval.

Finance and Risk Committee

The Finance and Risk Committee is a sub-Committee of the Board of Trustees. Its purpose is to provide oversight, guidance and assistance to the Board of Trustees on all matters related to finance, resources, premises and Health & Safety (also via the Estate Committee) of the Academy Trust. This Committee also acts as the Academy Trust's Audit Committee, where its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value for money framework.

Attendance at meetings of the Finance and Risk Committee during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr M Keogh	5	6
Mr M Cole	5	6
Mr A James (Risk Lead)	6	6
Mr N Cornish	5	6
Mrs G Piper	6	6

The key issue dealt with by the Finance and Risk Committee during the year was the review of the Academy Trust's 3-year financial forecasts and the actions required to address the impact of increased cost pressures expected over this forecast period.

In addition, an important secondary issues was the review and response to the reports received from Trident in relation to the Trust's IT systems and from TSO Education in relation to the Trust's payroll processes. They have also commissioned a review of financial procedures that will be reported at the beginning of 2023-24.

Review of value for money

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

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

- Ensuring that priorities in each academies school improvement plan have led to planned purchases and investment to ensure delivery, reviewed on a monthly basis with school leaders, Trustees and Governors.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

- Framework use has been maximised for significant Academy Trust wide procurement.
- The 6th Form offer at Kennet has taken advantage of the new T Level routes for its pupils.
- Successfully securing 2 CIF bids without any financial contribution from the schools.

The purpose of the system of internal control

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

Capacity to handle risk

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and monthly financial reports which are reviewed and agreed by the Trustees;
- regular reviews by the Finance & Risk 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; and
- identification and management of risks.

The Board of Trustees has decided to buy-in an internal audit service from TSO Education Ltd for the 2022/23 year as well as from Trident in relation to the Trust's IT systems, the main work on which was undertaken in the 2021/22 year with some ongoing work in the 2022/23 year. The Trust also had an SRMA review and assessment during the year and undertook an external review of (ERG) during the year.

These options have been chosen as, given the current structure of the Academy Trust, the Board of Trustees believe this provides a robust and best value approach to providing assurance that the Academy Trust's financial and non-financial controls and risk management procedures are operating effectively.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The SRMA review included offering advice and insight to the Board of Trustees on how to address weaknesses in financial and non-financial controls as well as evaluating the suitability of, and level of compliance with, financial and non-financial controls. This includes assessing whether spend and procedures are healthy in relation to external benchmarks, and checking whether agreed controls and procedures have been followed.

The internal scrutiny review by TSO Education Ltd assessed the effectiveness of the Trusts payroll function and found that the processes in place were effective with some minor recommendations for improvements in controls which the Trust will take forward during the 2023/25 year.

Review of effectiveness

As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year ended 31 August 2023 the review has been informed by:

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance & Risk Committee and a plan to address weaknesses will always be put in place.

Approved by order of the members of the Board of Trustees on 19 December 2023 and signed on their behalf by:



Mike Cole
Chair of Trustees



Gemma Piper
Accounting Officer

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



Mrs G Piper
Accounting Officer

Date: 19 December 2023

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 19 December 2023 and signed on its behalf by:



Mike Cole
Chair of Trustees

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)**

Opinion

We have audited the financial statements of Equinox Learning Trust (formerly known as Kennet School Academies Trust) (the 'Academy Trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)**
(CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)**
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

Our assessment focused on key laws and regulations the Academy Trust has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, the Academy Trust Handbook 2022, the Academies Accounts Direction 2022 to 2023, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities, including fraud, included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Academy Trust and how the Academy Trust is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Academy Trust's control environment and how the Academy Trust has applied relevant control procedures, through discussions with Trustees and other management and by reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year and by performing walkthrough testing over key areas;
- obtaining an understanding of the Academy Trust's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

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

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)**
(CONTINUED)

Use of our report

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



Simon Atkins FCA (Senior Statutory Auditor)

for and on behalf of

Cooper Parry Group Limited

Statutory Auditor

Cubo Birmingham

Office 401, 4th Floor

Two Chamberlain Square

Birmingham

B3 3AX

22 December 2023

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST) AND THE EDUCATION AND SKILLS FUNDING AGENCY

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

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

Respective responsibilities of Equinox Learning Trust (formerly known as Kennet School Academies Trust)'s accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Equinox Learning Trust (formerly known as Kennet School Academies Trust)'s funding agreement with the Secretary of State for Education dated 10 May 2016 (alongside a subsequent deed of variation dated 26 August 2016 and 22 August 2019) and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw our conclusions included:

- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities, including reviewing the reports on the internal scrutiny work commissioned by the Academy Trust in relation to the year.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EQUINOX
LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST) AND THE
EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and
- Detailed testing of the income and expenditure of the Academy Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

Conclusion

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



Reporting Accountant
Cooper Parry Group Limited

Statutory Auditor

Cubo Birmingham
Office 401, 4th Floor
Two Chamberlain Square
Birmingham
B3 3AX

Date: 22 December 2023

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from:						
Donations and capital grants	3	12	-	3,603	3,615	2,890
Charitable activities		-	17,479	-	17,479	15,853
Other income	5	267	353	-	620	550
Total income		<u>279</u>	<u>17,832</u>	<u>3,603</u>	<u>21,714</u>	<u>19,293</u>
Expenditure on:						
Charitable activities	6,7	266	17,823	1,720	19,809	18,576
Total expenditure		<u>266</u>	<u>17,823</u>	<u>1,720</u>	<u>19,809</u>	<u>18,576</u>
Net income		13	9	1,883	1,905	717
Transfers between funds	17	-	(28)	28	-	-
Net movement in funds before other recognised gains		<u>13</u>	<u>(19)</u>	<u>1,911</u>	<u>1,905</u>	<u>717</u>
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	25	-	1,042	-	1,042	10,149
Net movement in funds		<u>13</u>	<u>1,023</u>	<u>1,911</u>	<u>2,947</u>	<u>10,866</u>
Reconciliation of funds:						
Total funds brought forward	17	297	(2,255)	28,661	26,703	15,837
Total funds carried forward	17	<u>310</u>	<u>(1,232)</u>	<u>30,572</u>	<u>29,650</u>	<u>26,703</u>

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

The notes on pages 32 to 56 form part of these financial statements.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)

(A Company Limited by Guarantee)

REGISTERED NUMBER: 07543874

**BALANCE SHEET
AS AT 31 AUGUST 2023**

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	13	27,215	27,618
		<hr/>	<hr/>
		27,215	27,618
Current assets			
Debtors	14	3,273	1,986
Cash at bank and in hand		2,164	1,184
		<hr/>	<hr/>
		5,437	3,170
Creditors: amounts falling due within one year	15	(890)	(1,312)
		<hr/>	<hr/>
Net current assets		4,547	1,858
		<hr/>	<hr/>
Total assets less current liabilities		31,762	29,476
Creditors: amounts falling due after more than one year	16	(216)	(101)
		<hr/>	<hr/>
Net assets excluding pension liability		31,546	29,375
Defined benefit pension scheme liability	25	(1,896)	(2,672)
		<hr/>	<hr/>
Total net assets		<u>29,650</u>	<u>26,703</u>
 Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	30,572	28,661
Restricted income funds	17	664	417
Pension reserve	17	(1,896)	(2,672)
		<hr/>	<hr/>
Total restricted funds	17	29,340	26,406
Unrestricted income funds	17	310	297
		<hr/>	<hr/>
Total funds		<u>29,650</u>	<u>26,703</u>

The financial statements on pages 29 to 56 were approved by the Trustees, and authorised for issue on 19 December 2023 and are signed on their behalf, by:



Mr M Cole
Chair of Trustees

The notes on pages 32 to 56 form part of these financial statements.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash used in operating activities	19	(1,431)	(618)
Cash flows from investing activities	21	2,287	633
Cash flows from financing activities	20	124	(8)
Change in cash and cash equivalents in the year		980	7
Cash and cash equivalents at the beginning of the year		1,184	1,177
Cash and cash equivalents at the end of the year	22, 23	2,164	1,184

The notes on pages 32 to 56 form part of these financial statements

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

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), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Taxation

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

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

1.6 Operating leases

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

1.7 Tangible fixed assets

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

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

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following basis:

Leasehold land	-	0.8%	(being over the period of the lease)
Leasehold buildings (including leasehold improvements)	-	4.0%	
Furniture and equipment	-	20.0%	
Computer equipment	-	25.0%	
Motor vehicles	-	20.0%	

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to leasehold land and buildings.

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

1.8 Debtors

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

1.9 Liabilities

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

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 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 notes 15 and 16. 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.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.11 Pensions

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

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

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

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

1.12 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances are disclosed in note 28.

1.13 Fund accounting

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

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

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

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 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.

Tangible fixed assets are depreciated over their economic useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

3. Income from donations and capital grants

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Donations	12	-	-	12	45
Capital Grants	-	-	3,603	3,603	2,845
	<u>12</u>	<u>-</u>	<u>3,603</u>	<u>3,615</u>	<u>2,890</u>
Total 2022	<u>43</u>	<u>2</u>	<u>2,845</u>	<u>2,890</u>	

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the Academy Trust's educational operations

	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
DfE/ESFA grants			
General Annual Grant	14,801	14,801	14,008
Other DfE/ESFA grants			
Pupil Premium	583	583	484
Rates relief	27	27	51
Teachers pay grant	1	1	60
Teachers pension grant	74	74	27
Supplementary grant	388	388	161
Other DfE/ESFA grants	100	100	195
Mainstream Schools Additional grant	194	194	-
	<hr/>	<hr/>	<hr/>
	16,168	16,168	14,986
Other Government grants			
Local Authority grants	1,007	1,007	653
	<hr/>	<hr/>	<hr/>
	1,007	1,007	653
Other income from the Academy Trust's educational activities:			
	127	127	64
COVID-19 additional funding (DfE/ESFA)			
School Led Tutoring grants	72	72	61
COVID Recovery Premium	105	105	59
Other DfE/ESFA COVID related funding	-	-	29
COVID Catch-up funding	-	-	1
	<hr/>	<hr/>	<hr/>
	177	177	150
	<hr/>	<hr/>	<hr/>
	17,479	17,479	15,853
	<hr/>	<hr/>	<hr/>
	17,479	17,479	15,853
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total 2022	15,853	15,853	

The Academy Trust received £105,000 of COVID Recovery Premium funding in the year and costs incurred in respect of this funding totalled £105,000.

The Academy Trust also received £72,000 of School Led Tutoring funding in the year and costs incurred in respect of this funding totalled £72,000.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. Other incoming resources

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Hire of facilities	39	23	62	70
Income from ancillary trading activities	228	107	335	252
Income from other charitable activities	-	223	223	228
	<u>267</u>	<u>353</u>	<u>620</u>	<u>550</u>
Total 2022	<u>288</u>	<u>262</u>	<u>550</u>	

6. Expenditure

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000	Total 2022 £000
Educational activities:					
Direct costs	11,811	-	3,494	15,305	13,300
Allocated support costs	2,766	1,126	612	4,504	3,832
	<u>14,577</u>	<u>1,126</u>	<u>4,106</u>	<u>19,809</u>	<u>17,132</u>
Total 2022	<u>14,604</u>	<u>997</u>	<u>1,531</u>	<u>17,132</u>	

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Educational activities	<u>15,305</u>	<u>4,504</u>	<u>19,809</u>	<u>18,576</u>
Total 2022	<u>13,978</u>	<u>4,598</u>	<u>18,576</u>	

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £000	Total funds 2022 £000
LGPS FRS102 net interest cost	104	189
Staff costs	2,766	2,970
Depreciation	230	199
Other support cost	218	189
Premises costs	1,126	997
Governance costs	45	53
Legal costs	15	1
	4,504	4,598

8. Net income

Net income for the year includes:

	2023 £000	2022 £000
Depreciation of tangible fixed assets	1,040	1,004
Fees paid to auditors for:		
- audit	16	14
- other services	7	5
	1,063	1,028

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023	2022
	£000	£000
Wages and salaries	10,767	9,961
Social security costs	1,063	1,033
Pension costs	2,504	3,499
	14,334	14,493
Agency staff costs	236	94
Staff restructuring costs	7	17
	14,577	14,604

Staff restructuring costs comprise:

	2023	2022
	£000	£000
Redundancy payments	7	-
Severance payments	-	17
	7	17

b. Special staff severance payments

There were no staff severance payments in the current year (2022: 1 non-statutory / non-contractual severance payment totalling £11,367).

c. Staff numbers

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

	2023	2022
	No.	No.
Teachers	163	166
Administration and support	217	210
Management	16	13
	396	389

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Staff (continued)

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2023	2022
	No.	No.
Teachers	148	150
Administration and support	108	128
Management	16	13
	272	291
	272	291

d. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	3	3
In the band £70,001 - £80,000	4	4
In the band £80,001 - £90,000	2	1
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-
	1	-
	1	-

e. 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 key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £581,000 (2022 - £1,113,000).

For the current year, the definition of the key management personnel was streamlined to only include the CEO, CFO and Headteachers, who are seen to control the decision-making at an Academy Trust level. These key management personnel are detailed as the senior management team under the Reference and Administrative details on page 1. In the prior year, Deputy Headteachers and Assistant Heads were also included as part of the key management personnel.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Central services

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

- Human Resources
- Financial Services
- Legal Services
- Educational support services
- IT services and Estate Management and site project support

The Academy Trust bases the service charge on a per pupil cost. This is in line with the basis in the prior year.

The actual amounts charged during the year were as follows:

	2023	2022
	£000	£000
Kennet School	300	218
Francis Baily	74	67
Whitelands Park Primary School	47	29
Total	421	314

11. Trustees' remuneration and expenses

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

		2023	2022
		£000	£000
Mrs G Piper	Remuneration	110 - 115	105 - 110
	Pension contributions paid	20 - 25	25 - 30
Mr M Keogh	Remuneration	-	30 - 35
	Pension contributions paid	-	5 - 10

During the year ended 31 August 2023, expenses totalling £860 were reimbursed or paid directly to 1 Trustee (2022 - £NIL).

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

13. Tangible fixed assets

	Long-term leasehold property £000	Assets under constructio n £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation						
At 1 September 2022	33,396	-	1,330	2,108	80	36,914
Additions	188	802	125	201	-	1,316
At 31 August 2023	<u>33,584</u>	<u>802</u>	<u>1,455</u>	<u>2,309</u>	<u>80</u>	<u>38,230</u>
Depreciation						
At 1 September 2022	6,244	-	958	2,013	80	9,295
Charge for the year	1,488	-	137	95	-	1,720
At 31 August 2023	<u>7,732</u>	<u>-</u>	<u>1,095</u>	<u>2,108</u>	<u>80</u>	<u>11,015</u>
Net book value						
At 31 August 2023	<u>25,852</u>	<u>802</u>	<u>360</u>	<u>201</u>	<u>-</u>	<u>27,215</u>
At 31 August 2022	<u>27,151</u>	<u>-</u>	<u>372</u>	<u>95</u>	<u>-</u>	<u>27,618</u>

Included in leasehold land and buildings is leasehold land with a book value of £7,033,000 (2022: £7,713,000).

14. Debtors

	2023 £000	2022 £000
Due within one year		
Trade debtors	2	11
Other debtors	61	-
Prepayments and accrued income	2,877	1,865
Tax recoverable	333	110
	<u>3,273</u>	<u>1,986</u>

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

15. Creditors: Amounts falling due within one year

	2023	2022
	£000	£000
Salix loans	38	28
Trade creditors	24	368
Other taxation and social security	441	232
Other creditors	18	186
Accruals and deferred income	369	498
	890	1,312
	890	1,312
	2023	2022
	£000	£000
Deferred income at 1 September 2022	33	-
Resources deferred during the year	92	45
Amounts released from previous periods	(33)	(12)
	92	33
	92	33

Deferred income relates to Universal Infant Free School Meals funding received in advance for the 2023/24 academic year.

16. Creditors: Amounts falling due after more than one year

	2023	2022
	£000	£000
Salix loans	216	101
	216	101

The Trust has eight SALIX loans, which are provided interest free and repayable over 8 years through deductions applied by the ESFA to September and March remittance payments. Seven SALIX loans are attached to Condition Improvement Funding (CIF) for replacement windows, boilers, roofing, heating and electrical projects. The eight is attached to the SALIX Energy Efficiency Fund for a LED lighting upgrade project. In all cases, repayments are funded through energy savings from the projects.

Each project has its own repayment schedule and a sum of £14,000 is due in September 2023 and £24,000 is due in March 2024. The remaining payments totalling £216,000 are included above with the final payment scheduled for September 2031.

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

17. Statement of funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Unrestricted funds						
General Funds - all funds	297	279	(266)	-	-	310
Restricted general funds						
General Annual Grant (GAG)	380	14,801	(14,508)	(28)	-	645
COVID Catch-up premium	-	105	(105)	-	-	-
Pupil Premium	-	583	(567)	-	-	16
Rates relief funding	-	27	(27)	-	-	-
Teachers pay grant	-	1	(1)	-	-	-
Teachers pension grant	-	74	(74)	-	-	-
Supplementary grant	-	388	(388)	-	-	-
Other DfE/ESFA grants	26	100	(123)	-	-	3
School Led Tutoring grants	10	72	(82)	-	-	-
COVID Catch-up funding	1	-	(1)	-	-	-
Local Authority grants	-	1,007	(1,007)	-	-	-
Other restricted income	-	480	(480)	-	-	-
Mainstream schools additional grant	-	194	(194)	-	-	-
Pension reserve	(2,672)	-	(266)	-	1,042	(1,896)
	<u>(2,255)</u>	<u>17,832</u>	<u>(17,823)</u>	<u>(28)</u>	<u>1,042</u>	<u>(1,232)</u>

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

17. Statement of funds (continued)

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Restricted fixed asset funds						
Inherited and donated fixed assets	22,870	-	(1,273)	-	-	21,597
Fixed assets funded DfE/ESFA capital grants and other funds	4,748	-	(447)	1,317	-	5,618
Unspent DfE/ESFA capital grants (net of loans)	1,043	3,603	-	(1,289)	-	3,357
	<u>28,661</u>	<u>3,603</u>	<u>(1,720)</u>	<u>28</u>	<u>-</u>	<u>30,572</u>
Total Restricted funds	<u>26,406</u>	<u>21,435</u>	<u>(19,543)</u>	<u>-</u>	<u>1,042</u>	<u>29,340</u>
Total funds	<u><u>26,703</u></u>	<u><u>21,714</u></u>	<u><u>(19,809)</u></u>	<u><u>-</u></u>	<u><u>1,042</u></u>	<u><u>29,650</u></u>

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

The General Annual Grant funding must be used for the normal running costs of the Academy Trust in line with the Trust's charitable objects and the terms and conditions of the Trust's funding agreement.

Other grants and income, which include other ESFA / DfE grants, Pupil Premium, Teacher Pay grants, Teachers' Pension grants, Local Authority funding, COVID Catch-up Premium, COVID Recovery premium, School Led Tutoring grants, other COVID related funding and other restricted income, are all used in accordance with the specific restrictions of the individual grants and funding provided.

The Pension reserve represents the Local Government Pension Scheme deficit.

Restricted fixed asset funds represent the investment in fixed assets, net of accumulated depreciation, and includes the value of fixed assets transferred to the Academy Trust on conversion of the Schools within the Academy Trust, together with any capital expenditure funded from restricted or unrestricted funds. Unspent capital grants and capital income are also held in this fund and their use is restricted to the capital projects for which the grant awarded.

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

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds (continued)

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

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Unrestricted funds						
General Funds	216	331	(222)	(28)	-	297
Restricted general funds						
General Annual Grant (GAG)	289	14,008	(13,615)	(302)	-	380
Pupil Premium	-	484	(474)	(10)	-	-
Rates relief funding	-	51	(51)	-	-	-
Teachers pay grant	-	60	(60)	-	-	-
Teachers pension grant	-	27	(27)	-	-	-
Supplementary grant	-	161	(161)	-	-	-
Other DfE/ESFA grants	61	194	(249)	20	-	26
COVID Recovery premium	-	59	(59)	-	-	-
School Led Tutoring grants	-	61	(51)	-	-	10
COVID Catch-up funding	59	1	(59)	-	-	1
Other DfE/ESFA COVID related funding	-	29	(29)	-	-	-
Local Authority grants	-	653	(653)	-	-	-
Other restricted income	-	329	(353)	24	-	-
Pension reserve	(11,312)	-	(1,509)	-	10,149	(2,672)
	(10,903)	16,117	(17,350)	(268)	10,149	(2,255)

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

17. Statement of funds (continued)

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Restricted fixed asset funds						
Inherited and donated fixed assets	23,394	-	(524)	-	-	22,870
Fixed assets funded DfE/ESFA capital grants and other funds	3,017	-	(480)	2,211	-	4,748
Unspent DfE/ESFA capital grants (net of loans)	113	2,845	-	(1,915)	-	1,043
	26,524	2,845	(1,004)	296	-	28,661
Total Restricted funds	15,621	18,962	(18,354)	28	10,149	26,406
Total funds	15,837	19,293	(18,576)	-	10,149	26,703

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £000	2022 £000
Kennet School	631	341
Francis Baily Primary School	460	367
Whitelands Park Primary School	(117)	6
	974	714
Total before fixed asset funds and pension reserve	974	714
Restricted fixed asset fund	30,572	28,661
Pension reserve	(1,896)	(2,672)
Total	29,650	26,703

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds (continued)

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £000
Whitelands Park Primary School	(117)

The deficit at Whiteland Park Primary School arose from unexpected costs in several areas, most notably building costs and staffing, including supply staff.

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

A new process for preparing and monitoring the budgets, including a detailed analysis of staffing, is being rolled out across the Trust and savings will be identified within the school to clear the deficit over the next three years. The school will also identify opportunities to increase income.

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
Kennet School	8,239	1,676	1,409	943	12,267	11,056
Francis Baily Primary School	2,104	385	283	235	3,007	2,846
Whitelands Park Primary School	1,468	210	275	155	2,108	1,847
Central services	-	333	38	70	441	314
Academy Trust	11,811	2,604	2,005	1,403	17,823	16,063

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	27,215	27,215
Current assets	310	1,516	3,611	5,437
Creditors due within one year	-	(852)	(38)	(890)
Creditors due in more than one year	-	-	(216)	(216)
Provisions for liabilities and charges	-	(1,896)	-	(1,896)
Total	310	(1,232)	30,572	29,650

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	27,618	27,618
Current assets	297	1,305	1,568	3,170
Creditors due within one year	-	(888)	(424)	(1,312)
Creditors due in more than one year	-	-	(101)	(101)
Provisions for liabilities and charges	-	(2,672)	-	(2,672)
Total	297	(2,255)	28,661	26,703

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

19. Reconciliation of net income to net cash flow from operating activities

	2023	2022
	£000	£000
Net income for the year (as per Statement of Financial Activities)	1,905	717
	<hr/>	<hr/>
Adjustments for:		
Depreciation	1,720	1,004
Capital grants from DfE and other capital income	(3,603)	(2,845)
Defined benefit pension scheme cost less contributions payable	162	1,320
Defined benefit pension scheme finance cost	104	189
Increase in debtors	(1,287)	(1,639)
(Decrease)/increase in creditors	(432)	636
	<hr/>	<hr/>
Net cash used in operating activities	(1,431)	(618)
	<hr/> <hr/>	<hr/> <hr/>

20. Cash flows from financing activities

	2023	2022
	£000	£000
Cash inflows from new borrowing	152	19
Repayments of borrowing	(28)	(27)
	<hr/>	<hr/>
Net cash provided by/(used in) financing activities	124	(8)
	<hr/> <hr/>	<hr/> <hr/>

21. Cash flows from investing activities

	2023	2022
	£000	£000
Purchase of tangible fixed assets	(1,316)	(2,212)
Capital grants from DfE Group	3,603	2,845
	<hr/>	<hr/>
Net cash provided by investing activities	2,287	633
	<hr/> <hr/>	<hr/> <hr/>

22. Analysis of cash and cash equivalents

	2023	2022
	£000	£000
Cash in hand and at bank	2,164	1,184
	<hr/>	<hr/>
Total cash and cash equivalents	2,164	1,184
	<hr/> <hr/>	<hr/> <hr/>

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

23. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	Other non- cash changes £000	At 31 August 2023 £000
Cash at bank and in hand	1,184	980	-	2,164
Debt due within 1 year	(28)	28	(38)	(38)
Debt due after 1 year	(101)	(152)	37	(216)
	<u>1,055</u>	<u>856</u>	<u>(1)</u>	<u>1,910</u>

24. Capital commitments

	2023 £000	2022 £000
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	2,980	1,294
	<u>2,980</u>	<u>1,294</u>

25. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022.

Contributions amounting to £191,000 were payable to the schemes at 31 August 2023 (2022 - £186,000) and are included within creditors.

Teachers' Pension Scheme

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

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

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Government Actuary's Department on 27 October 2023 and by the Department for Education on 30 October 2023.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy) from 1 April 2024 (contribution rate to 31 March 2024 is 23.68% as set by the 31 March 2019 valuation).
- 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 1.7% above the rate of CPI.

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

The employer's pension costs paid to TPS in the year amounted to £1,620,000 (2022 - £1,565,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £937,000 (2022 - £806,000), of which employer's contributions totalled £727,000 (2022 - £614,000) and employees' contributions totalled £210,000 (2022 - £192,000). The agreed contribution rates for future years are 22.6% for employers and 5.5% - 12.5% for employees.

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

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

25. Pension commitments (continued)

Principal actuarial assumptions

Royal County of Berkshire Pension Fund

	2023	2022
	%	%
Rate of increase in salaries	3.90	3.90
Rate of increase for pensions in payment/inflation	2.90	2.90
Discount rate for scheme liabilities	5.30	4.25
Inflation assumption (CPI)	2.90	2.90

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

	2023	2022
	Years	Years
Retiring today		
Males	20.7	21.0
Females	23.6	23.8
Retiring in 20 years		
Males	22.0	22.3
Females	25.0	25.3

Sensitivity analysis

Increase / (decrease) in the reported value of defined benefit obligations:

	2023	2022
	£000	£000
Discount rate +0.1%	(198)	(246)
Discount rate -0.1%	204	253
Mortality assumption - 1 year increase	274	296
Mortality assumption - 1 year decrease	(266)	(287)
CPI rate +0.1%	198	236
CPI rate -0.1%	(193)	(230)

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

25. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £000	At 31 August 2022 £000
Equities	5,404	4,361
Other bonds	1,015	1,078
Property	798	934
Cash	62	116
Other	682	453
Total market value of assets	<u>7,961</u>	<u>6,942</u>

The actual return on scheme assets was £236,000 (2022 - £207,000).

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

	2023 £000	2022 £000
Current service cost	(889)	(1,934)
Interest income	312	106
Interest cost	(410)	(288)
Administrative expenses	(6)	(7)
Total amount recognised in the Statement of Financial Activities	<u>(993)</u>	<u>(2,123)</u>

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

	2023 £000	2022 £000
At 1 September	9,614	17,450
Current service cost	889	1,934
Interest cost	410	288
Employee contributions	210	192
Actuarial gains	(1,118)	(10,048)
Benefits paid	(148)	(202)
At 31 August	<u>9,857</u>	<u>9,614</u>

EQUINOX LEARNING TRUST (FORMERLY KNOWN AS KENNET SCHOOL ACADEMIES TRUST)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

25. Pension commitments (continued)

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

	2023	2022
	£000	£000
At 1 September	6,942	6,138
Interest income	312	106
Actuarial (losses)/gains	(76)	101
Employer contributions	727	614
Employee contributions	210	192
Benefits paid	(148)	(202)
Admin cost	(6)	(7)
At 31 August	7,961	6,942

26. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

27. Related party transactions

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

There were no related party transactions during the current year other than certain Trustees remuneration which is already disclosed in note 11.

28. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. For the year ended 31 August 2022, the Academy Trust received £4,723 (2022: £8,045) and disbursed £4,729 (2022: £8,078) from the fund. An amount of £2,521 (2022: £2,527) is included in other creditors relating to undistributed funds.