

**QUANTOCK EDUCATION TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	R Symons Rev. E Moll (appointed by the Diocese) S Watson E Gregory (appointed by the Diocese)
<b>Trustees</b>	R Brown, Chair of Trustees (appointed 6 December 2021) C Garnett, Chief Executive (appointed 30 April 2022) J Ashworth <sup>1</sup> T Hains, Vice Chair <sup>1,2,3</sup> K Canham (resigned 30 April 2022) <sup>1,2,3</sup> C Macadam G Pow (resigned 31 March 2022) <sup>2</sup> M Cooke <sup>2</sup> S Hatch <sup>1</sup> D Hannay (appointed 9 November 2021)  <sup>1</sup> People & Performance <sup>2</sup> Finance, Operations and Audit <sup>3</sup> Pay & Recruitment
<b>Company registered number</b>	07665225
<b>Company name</b>	Quantock Education Trust
<b>Principal and Registered office</b>	Haygrove School Durleigh Road Bridgwater Somerset TA6 7HW
<b>Company secretary</b>	Ms T Lee & Ms G Williams
<b>Accounting Officer</b>	Ms C Garnett
<b>Trust Leadership Team</b>	Ms C Garnett, CEO Mrs T Lee, Director of Finance and Operations Mrs J North, Director of Human Resources
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS
<b>Bankers</b>	Lloyds Bank plc 25 Cornhill Bridgwater Somerset TA6 3AY

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**Solicitors**

Browne Jacobson LLP  
Dix's Field  
Exeter  
Devon  
EX1 1UP

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

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The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2022. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates four Academies for pupils aged 4 to 18 with three in the Bridgwater and surrounding villages to the west of Bridgwater and a further school in Bruton, Sexey's School, which is an 11-18 secondary school which includes state boarding provision and joined the Trust on 1 October 2021. The Trust has a combined pupil capacity of **1828** and based on the 1 October 2021 school census had a roll of:

- Haygrove School **1079** pupils
- Spaxton C of E Primary School **73** pupils
- Stogursey C of E Primary School **54** pupils
- Sexey's School **622** pupils

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Trust. The limit of this indemnity is £10,000,000.

In accordance with normal commercial practice the Academy 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.

**Method of recruitment and appointment or election of Trustees**

The Multi Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- A minimum of 5 Trustees (see Article 45) with no maximum
- A minimum of 3 Trustee will be appointed by the Members (see Article 50)
- A minimum of 3 Trustees will be appointed by the Diocesan Corporate Member resulting in no more than a 50% representation of Foundation Trustees (see Article 50A)
- Membership includes the CEO (see Articles 46c)
- A minimum of 2 Parent Trustees can be elected or appointed or alternatively 2 may be included on each Local Governance Committee (see Article 46d)
- The total number of Trustees including the CEO, who are employees of the Trust must not exceed one third of the total number of Trustees

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

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

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The term of office for any trustee shall be four years, save that this limit shall not apply to the CEO. Subject to remaining eligible to be a particular type of trustee, any trustee may be re-appointed or re-elected as appropriate.

All re-appointments will be made based on merit, subject to the need to achieve diversity and balance of relevant skills. Succession planning will be implemented to seek potential trustees to bring the skills required on the board of trustees and address the requirement for re-appointment beyond two terms in office.

The CEO shall cease to be a trustee if he/she ceases to be employed by the trust and thereupon the office shall become vacant.

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

During the academic year 2021-22, two Trustees have resigned and have been replaced. The Trust continues to utilise business and social networks to recruit further Trustees.

**Policies and Procedures adopted for the Induction and Training of Trustees**

The Academy has a Trustee Recruitment, Induction and Training policy available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. There is an induction policy which applies to all levels of governance. Advantage is taken of specific courses offered by the Local Authority and other bodies, including the Diocese of Bath & Wells.

There is a Trustees' away session organised each year which includes training sessions to keep the Trustees updated on relevant developments impacting on their roles and responsibilities. The Trustees also participate during this session in a review of Trust progress and strategic development.

**Organisational Structure**

The Board of Trustees normally meets twice each term. The Board of Trustees may appoint committees with delegated responsibilities.

The terms of reference, constitution, and membership of each committee is determined by the trustees and must be reviewed at least annually.

The membership of any committee may include individuals who are not trustees, provided that a majority of members are trustees – in such circumstances, no vote on any matter may be taken at a committee meeting unless the majority of the individuals present are trustees.

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

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The Trustees Board receives reports including policies from its committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 3 committees – two meet three times a year, with Finance, Operations & Audit meeting half termly

**Finance, Operations & Audit**

This committee is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management

Purpose:

- Exercise the powers and duties of the Board of Trustees in respect of the financial administration of the trust, except for those items specifically reserved for the Board of Trustees and those delegated to the staff leadership team

Monitoring:

- Co-ordinate the Board of Trustees' financial responsibilities by recommending policy and strategy to the board, interpreting it for staff, and monitoring its implementation
- Oversee and agree the annual budget proposed by each Local Governing Committee including levels of staffing
- Assist the Board of Trustees in exercising its fiduciary duties, provide an overview of the trust's financial audit, and ensure proper checks and balances are in place
- Oversee the good management of the trust's physical estate and assets
- Oversee and monitoring of the risk register

**People & Performance Committee**

This committee is responsible for monitoring, evaluating and reviewing all areas of school improvement and pupil progress.

Purpose:

- Monitor, evaluate, and review performance of schools
- Ensure the well-being of staff and students.
- To review and evaluate teaching and learning; pupils' standards and progress; and teachers' CPD.
- To keep under review the curriculum for the academies and to make recommendations to the Trustees where necessary to ensure that the requirements of the National Curriculum and relevant legislation are met.
- To keep under review the academies' self-evaluation process, and detail of the completed self-evaluation form (SEF).
- To consider and make recommendations to the Trust on the adoption of policies on specific subjects or aspects of the curriculum.
- To determine such targets as an academy is required to set (where the Trust has chosen to delegate this responsibility).
- To receive reports on the monitoring of the performance of pupils and to submit reports and recommendations to the Trust as necessary.
- To carry out the Trust's responsibilities for the provision of assessment and other curriculum-related statistics and information.

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

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- To ensure that each academy's curriculum is compatible with the principles of equal opportunity.
- Promote partnership working between parents/carers and the academies to promote high standards of attendance, behaviour and learning.
- To deal with any other curriculum matters as may be referred by the Trust

Monitoring:

- Focus on learning outcomes and progress
- Promote the development of classroom practice and inter-school collaboration / support
- Focus on the well-being and advancement of students including safeguarding, behaviour, and attendance
- Promote the well-being and advancement of staff

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**Pay and Recruitment Committee**

This committee is responsible for monitoring and approving decisions relating to staff pay and performance, and the recruitment of staff, governors and Trustees.

Purpose:

- Pay and performance relating to the staff across all schools
- To oversee and support the recruitment of senior Trust staff, Trustees and where required, local governors
- To appoint a Chair of the committee at the autumn term meeting each year.
- To achieve the aims of the Trust-wide pay policy in a fair and equal manner
- To ensure a consistent approach to appraisal and benchmarking of proposed pay awards has taken place.
- To observe all statutory and contractual obligations for both teachers and support staff.

Monitoring:

- Oversee pay and performance for all staff including the executive leadership
- Appraisal and pay policies
- Oversees the recruitment of Trustees, for recommendation to the Members
- Engages in the recruitment of members of the Senior Leadership Team
- Supports LGCs in the recruitment of governors

Committee meeting minutes will be shared with the Board of Trustees and made available to Local Governance Committees across the Trust (with the exception of any confidential minutes, which will only be shared on an as-needed basis). If the chair of committee is not available for any meeting, a delegate/volunteer will provide cover.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairperson and/or Vice Chairperson, to appoint the Headteacher (with diocesan involvement where appropriate) and Clerk to the Trustees, to approve the annual School Development Plan and budget.

The Trustees and Board of Trustees have devolved responsibility for day-to-day management of the Multi Academy Trust to the CEO and Executive Team. The Executive Team comprises of the CEO, DFO and the Director of HR.



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

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The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Multi Academy Trust by the use of budgets and other data, and making major decisions about the direction of the Multi Academy Trust, capital expenditure and staff appointments.

The Trust Senior Leadership Team (QET SLT), which comprises the Headteachers, and CEO are responsible for translating the vision into practice and implementing it in the schools.

The CEO, DFO and the Finance, Operations and Audit Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation.

The Trust SLT controls the Trust at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Headteacher and Academy Business/Office Manager are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff in line with the Scheme of Delegation through appointment panels for teaching posts and where possible, always include a local governor. Senior Leadership appointments, including Deputy and Assistant Headteachers have to be approved by the Trust CEO. The Headteacher is however a Trust/Diocese appointment.

During the academic year 2021-22, the Multi Academy Trust was comprised of four schools – Haygrove School, Sexey's School, Spaxton C of E Primary School and Stogursey C of E Primary School. Each school has its own Local Governance Committee responsible for day-to-day operations and has oversight of the management of the school's budget in a consultative capacity in line with our Scheme of Delegation.

The CEO is the Accounting Officer.

**Governance update**

During the last year the Trust has:

- Appointed a new CEO (formerly the Director of School Improvement)
- Appointed a new Chair of the Board of Trustees
- Appointed four Trustees and is currently advertising for two more
- Had an external Trust evaluation of its development and strategic objectives
- Appointed 2 local governors
- Organised two external local governance reviews conducted by a National Leader of Governance
- Established a meeting schedule for Members and for Chairs of Governors which is facilitated by the Chair of the Board of Trustees and the CEO
- Established new Trust level strategic roles: Trust Inclusion Lead and Trust Christian Ethos Lead

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Board of Trustees and the Executive team comprise the key management personnel of the Multi Academy Trust in charge of directing and controlling, running and operating the Trust on a

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

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day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of any Trustees' expenses and related party transactions are disclosed in the notes to the financial statements.

The pay of key management personnel is reviewed annually and is subject to a review of performance under Academy appraisal process. The pay policy clearly defines the Multi Academy Trust's approach to awarding pay increases. All pay recommendations made by the Headteacher are submitted to the Trustees for approval. The Headteacher's remuneration is determined by the Pay and Recruitment Committee.

All members of the senior leadership teams in schools are appraised annually by the Headteacher using the national Headteacher standards and evidence of achievement of agreed challenging objectives which fit with the aims contained in the school development plan.

The Trustees benchmark against pay levels in other Academies of a similar size at the point of recruitment to ensure parity of pay to enable effective recruitment of quality staff into the Multi Academy Trust.

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

There are no related parties which either control or significantly influence the decisions and operations of the Quantock Education Trust. Spaxton School operates a Parent Teacher Association and Sexey's School operates a charity which was established to support the school and the students within it: SEXEY'S SCHOOL BRUTON TRUST (SSBT). The SSBT is the freehold owner of part of the land on which Sexey's School is sited. In 2011, when the school became an academy trust, the SSBT granted the academy trust a 125-year lease giving it the right to occupy the site. The DfE model for a single academy trust was used for the lease and the associated Church Supplemental Agreement. At the time of the transfer to QET a new lease was drawn up giving QET the right to occupy the site on exactly the same terms as Sexey's Academy Trust. The SSBT constitution was also changed in 2011 so that the Chair of the Academy Trust automatically became Chair of the SSBT, but varied to the extent that the Chair of Local Governance Committee (LGC) is made Chair, rather than the Chair of the QET Trust Board. It was noted that the LGC Chair is appointed by QET in any event.

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

The Trust engages with their employees through many means and methods, including:

- consulting with employees on key matters
- conducting biannual stakeholder voice surveys
- a staff representative on the board
- regular updates to all staff members, via termly updates and newsletters,
- the CEO and HR Director facilitate termly meetings with Trade Union representatives from across the QET.

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

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**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal object and activity of the Trust is to advance education for the public benefit, in particular by enriching life opportunities for all members of our Trust community, working and learning together with aspiration, ambition and care.

We maintain a strong emphasis on developing character as a holistic approach to the personal development of a child, as well as achieving high standards of academic success.

The aims of the Trust during the year ended 31 August 2022 are summarised below:

- to develop a consistent approach to Teaching & Learning and curriculum design informed by nationally acclaimed research
- to grow our Trust ethically and in a measured manner in line with our vision and values
- to ensure that children's mental health and overall wellbeing remain a Trust priority
- to continue to raise the standard of educational progress and attainment of all pupils with a particular focus of the progress of disadvantaged students and those with SEND
- to develop students as more effective learners who demonstrate confidence, self-belief and embody the values and character attributes promoted by each school
- to improve attendance in line with national data
- to improve the effectiveness of the Multi Academy Trust by keeping the curriculum and organisational structure under continual review
- to maximise the number of students who make more than expected progress at all Key Stages
- to maximise the number of students who meet and exceed national averages in terms of achievement, particularly in the categories of Pupil Premium and SEND
- To invite external scrutiny to baseline our current educational provision and to inform our future improvement plans
- to provide value for money for the funds expended
- to maintain close links with industry and commerce, providing valuable access to work related opportunities
- to conduct the Multi Academy Trust's business in accordance with the highest standards of integrity, probity and openness
- to promote and develop staff and student welfare
- to formalise Trust strategic roles to facilitate collaboration and the sharing of resources and expertise around aligned priorities.

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

**Objectives, Strategies and Activities**

Key priorities for the year are contained in our Trust Improvement Plan which is available from the CEO's PA. Improvement priorities identified for this year include:

<b>Trust Improvement Area</b>	<b>Objective</b>
Quality of Education (QoE)	<ul style="list-style-type: none"> <li>• Primary Age-Related Expectations show an improving trend over time against 2019, 2022 results and national benchmarks.</li> <li>• GCSE outcomes demonstrate an improving trend over time against 2019, 2022 results and national benchmarks</li> <li>• A Level outcomes demonstrate improvement on 2022 outcomes and are in line with 2019 results</li> <li>• Implementation of reading recovery and whole school reading approaches improves literacy levels of pupils of all ages.</li> <li>• Removal of barriers to learning results in all children being able to achieve and succeed.</li> <li>• Attendance rates improve and are at least in line with national averages</li> <li>• Staff have high expectations and students demonstrate positive attitudes to their learning</li> <li>• Pupils receive a high-quality curriculum in all subjects at all ages that supports their academic, character and spiritual development</li> </ul>
People: Workforce resilience and wellbeing	<ul style="list-style-type: none"> <li>• New Appraisal Policy provides a fair and equitable experience of support for professional growth for all colleagues across the QET</li> <li>• Collaborative networks are developed across the Trust to support communities of practice around shared school improvement priorities (see QoE above)</li> <li>• A QET People Strategy in place by Summer 23</li> <li>• QET engages positively with Trade Union representatives to maintain good working relations with its employees</li> </ul>
Efficiency and Effectiveness: finance, sustainability and compliance	<ul style="list-style-type: none"> <li>• QET complies with requirements determined by the DfE on statutory policy and legal requirements including Academies Financial Handbook</li> <li>• QET is in a financially sustainable position</li> <li>• The QET central function delivers a high-quality shared business and school improvement offer</li> </ul>
System leadership & civic responsibility	<ul style="list-style-type: none"> <li>• The QET works with a network of regional and national partners both as a capacity giver and taker</li> <li>• Schools engage successfully and effectively with parents and the wider community, and act as an 'anchor institution' within their locale.</li> </ul>

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

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Governance & Accountability	<ul style="list-style-type: none"><li>• QET maintains a coherent and accessible Scheme of Delegation that is reviewed annually and adapted according to each school's context/inspection outcome as appropriate</li><li>• High quality governance ensures the effective delivery of the Trust vision, mission and strategic aims, and prioritises the most effective and efficient use of resources in order to secure excellent outcomes for its pupils.</li><li>• External inspections recognise the positive impact that Trust and Governor leaders have on the school and the quality of education provided to QET's pupils</li></ul>
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**STRATEGIC REPORT**

**Achievements and Performance**

The Trust is now in its sixth year of operation, although it is only its fourth year of having other school membership. The total number of children in the year ended 31<sup>st</sup> August 2022 was 1,828.

The summer of 2022 saw the return to external testing and examinations for primary and secondary, and post 16 cohorts of children in the Trust. Phonics outcomes were particularly strong across our primary schools, exceeding national averages but there was variance in the numbers of children reaching the expected standard in KS1 and KS2 tests. Both Year 6 cohorts were small (9 pupils). GCSE results were particularly pleasing with students at Haygrove and Sexey's either in line with or exceeding national averages across all metrics (with the exception of the numbers of children at Haygrove entered for the EBACC) A Level results were strong overall but a little below pre pandemic levels in 2019. In Somerset rankings, both secondaries performed well.

Haygrove was subject to a Section 8 inspection in the summer term of 2022. The school retained its current 'Good' judgement, however the inspectors will return within 12 – 18 months for a full Section 5 inspection. Both Sexey's and Spaxton school were subject to a SIAMS inspection early in the Autumn Term and both schools achieved a 'Good' outcome.

**CAPITAL NEWS**

Haygrove School completed the installation of a 3G Astro turf pitch as a replacement for the end-of-life redgra hockey pitch. Project cost is £361,000 with grant funding of £60,000 supporting the project.

Spaxton School received significant CIF funding £303,000 to replace the entire heating system at the school with an eco-solution - the works were completed over the summer of 2022 with outstanding works completed over October 22 half-term. A school contribution to the final cost of the project was set at £17,000.

In November 2020 Haygrove School moved into a new building completed as part of the Priority Schools Building Programme (PSBP). Phase two of the project, demolition and reinstatement of the grounds was completed at the end of October 2021. The PSBP2 project is not finalised as the contractor went into administration and the Trust is waiting for the DfE to appoint new technical advisors and a contractor to address defects.

Sexey's School on transfer into the Trust sold four houses that were previously used as a boarding accommodation. The capital proceeds at £1.9m are held in a discrete property account with spend authorised by the DfE. Funding has been used to refurbish Lisbury Boarding house.

**Public Benefit**

The Company's objects are specifically restricted to the following:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum which:
  - Shall include Church of England Academies designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and
  - May include other Academies whether with or without a designated religious character;
- But in relation to each of the Academies, to recognise and support their individual ethos, whether or not designated Church of England.



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

Pupil numbers remain consistent at secondary level but at primary level there is likely to be a fall due to demographics in the local area

	<b>2021 – Number of Pupils Autumn CENSUS</b>	<b>2020 – Number of Pupils Autumn CENSUS</b>
Haygrove School		1083
Spaxton Primary School	73	75
Stogursey Primary School	54	65
Sexey's School	622	N/A
	1828	1223

<b>Key Performance Data</b>	<b>Actual</b>
Capital Spend per pupil - Additions £1,646,375.37	£900
Trade creditors at the end of the year	NIL
Cash and bank balances at the end of the year	£4,373,071
Trade debtors at the end of the year	£597,837
VAT refund due as at the end of the year	£137,222
Prepayments	£344,987
LGPS deficit	£2,475,000
Total GAG per pupil	£5315
Unrestricted funds balance (excluding old fixed assets funded from unrestricted funds)	£785,328
Staff Costs (£9,455,051.20) per pupil	£5172

**FINANCIAL REVIEW**

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2022, excluding fixed asset and pension reserves, the Academy received total income of £13,409,957 and incurred total expenditure of £12,499,743. The excess of income over expenditure for the year, excluding fixed asset and pension reserves, but after transfers of £414,906 to restricted fixed asset funds was £495,308.

At 31 August 2022 the net book value of fixed assets was £27,970,131 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Local Government Pension Scheme deficit is incorporated within the Statement of Financial Activity with details in Note 25 to the financial statements.

Key financial policies adopted or reviewed during the year include the Financial Procedures, Administration & Control Policy which lays out the framework for financial management, including financial responsibilities of the



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

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Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

**Reserves Policy**

The Trustees review the reserve levels of the Academy annually and a new reserves policy was put in place. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

From 22/23, Academies will maintain operational and strategic reserves.

**Operational reserves** - to enable individual academies to manage fluctuations in their normal operating income and expenditure. Utilisation of these reserves will be at the discretion of the academy. The operational reserve should always be positive and generally more than 1% and less than 3% of current year GAG income. For 22/23, our recommendation is that it is 2%. Where an academy's operating reserve is forecast to fall outside of these parameters, the DFO will work with the academy to develop a plan to bring the reserve into line over an agreed time period. Positive reserves remaining at the financial year-end are carried forward to the following year and can be considered in the budget setting process.

**Strategic reserves** - to manage the wider financial risk profile of the Trust and to allow for larger planned expenditure which would fall outside of the parameters of an academy's operational budget. Academies are expected to maintain strategic reserves as a % of current year GAG income. For 22-23, our recommendation is that it is 2%. It is noted that academies may not be able to achieve this target range – challenges such as increasing pupil numbers in a lagged funding system, or long periods of staff absence may mean that the academy has to focus on maintaining its operational reserve only. However, if strategic reserve levels do fall below threshold in an academic year, it would be expected that the budgeting process for the following year would include a contribution towards increasing the reserve going forward.

**The strategic reserve is a pooled resource**, designed to respond to need, but also to opportunities, and aligned with the Trust's Strategic Plan. Utilisation of strategic reserves will be decided upon by the Trust Executive team, subject to approval by the Board of Trustees. Academies will be required to apply for approval to access strategic reserves. The criteria and process for accessing funds will be determined and then published to schools and subject to regular review.

In the event that an academy accesses the strategic reserves of the Trust, the Trust Executive team and Board of Trustees will work with them to establish a repayment profile which returns the academy to a positive reserve position within a fair and reasonable timeframe.

Total reserves of the academy amount to £31,550,916 (excluding the defined benefit pension liability), although £29,597,287 of this is invested in fixed assets or represents non-GAG restricted funds. The remaining £1,953,629 (representing £785,328 non fixed assets unrestricted funds and £1,168,301 unspent GAG and other restricted funds) is the balance that the Trustees monitor in accordance with the Board's reserves policy. This represents 2.2 months of normal recurring expenditure.

The Trustees have capital reserves as follows:

- Reserves include £261,142 of unspent CIF balances carried forward as projects span more than one year.
- Sexey's School property account includes £1,363,161 of unspent funds generated on the sale of boarding houses.

**Investment Policy**

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

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All funds surplus to immediate requirements are invested to optimal effect. Where cash flow allows, sums in excess of £100,000 may be invested on deposit for extended periods and is currently under review as interest rates rise.

Due to the nature and timing of receipt of funding, the Academy may at times hold cash balances surplus to its short-term requirements. The Trustees have authorised the opening of additional short-term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Headteacher and Director of Finance & Operations within strict guidelines approved by the Board of Trustees.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Board of Trustees has reviewed the major risks to which the Multi Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Academy fall into 3 categories: Strategic and Reputational; Operational; Business Continuity and Financial; and are as follows:

**Financial** - the Trust has considerable reliance on continued Government funding through the ESFA. In the last year 99% of the Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. As at Autumn Term 2022 there is considerable risk posed to the financial sustainability of the Trust by changes in government funding policy including an unfunded teachers' and support staff pay award.

**Growth** - the risk in this area arises from potential failure to effectively engage schools to join the Trust, risking long term financial sustainability in the context of the White Paper which articulates the government's desire for every school to be in a strong Trust by 2030. The Trustees continue to review our Growth Strategy, monitor its implementation, and ensure that appropriate measures are in place to mitigate these risks.

**Fraud and mismanagement of funds** - The Trust has appointed a Responsible Officer/internal audit to carry out checks on financial systems and records as required by the Trust Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

**Reputational** - the continuing success of the Trust is dependent on continuing to attract pupils and a high quality workforce in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Trustees ensure that student success and achievement are closely monitored and reviewed. A priority for our newly established central HR function in 22-23 is to develop a People Strategy that articulates the QET dividend to secure even better recruitment and retention rates.

**Safeguarding and child protection** - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline. To this end we have commissioned external expertise to operate in a strategic role to support the development of all safeguarding practices.

**Effective School Improvement** – the Trust continues to deliver a high quality school improvement offer for our schools that attracts national experts to support Headteachers in achieving their priorities. This ensures that leaders are fully supported in meeting the improvement needs of their schools as well as supporting the mitigation of the risk of declining pupil and Ofsted outcomes.

The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis at school and Trust level.

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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The Trust has agreed and reviewed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Trust. The register and plan are regularly reviewed in light of any new information and formally reviewed annually. Each school maintains its own risk register, which is reviewed biannually and contributes to the Trust wide approach.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 25 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**PLANS FOR FUTURE PERIODS**

The Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Trust will continue to deliver against its Growth Strategy which was devised and published to the Regional Schools Commissioner in July 2022. We are engaged in a Trust Partnership Arrangement with Merriott Primary School in Crewkerne and are developing strong collaborative relationships with other schools in that area.

The Trust will also continue to work with partner schools in the local Bridgwater area to improve the educational opportunities for students in our wider community.

Full details of our plans for the future are given in our Trust Development Plan, which is available on our website or from the Clerk to the Trustees.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

**AUDITORS**

In so far as the Trustees are aware:

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 21st December 2022 and signed on its behalf by:



**R Brown**  
Chair of Trustees



**C Garnett**  
Accounting Officer

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Scope of responsibility**

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

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

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

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met 8 times during the 2021-22 year

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

Trustee	Meetings attended	Out of a possible
J Ashworth - Chair	7	8
K Canham, Head Teacher (resigned 01/04/22)	5	5
C Macadam	7	8
G Pow (resigned 31/03/22)	2	5
T Hains – Vice Chair	7	8
M Cooke	5	8
S Hatch	8	8
Chris Young (resigned 18/03/22)	3	4
Rob Brown (appointed 06/12/21)	7	7
David Hannay (appointed 08/11/21)	6	7
Chrysta Garnett (appointed 01/04/22)	4	4

During the year the focus has been on embedding the necessary structures around leadership and governance, enable the Trust to achieve its strategic aims during a very challenging time for the sector.

These include:

A review of the QET Scheme of Delegation following a consultation process with the Board of Trustees, Local Governance Committees and the Bath and Wells Diocese. The revised scheme of delegation once ratified by Trustees and is aligned to the details of the School Improvement and Central Services Offer which was published at the start of Autumn Term.

The Finance, Operations and Audit Committee is a sub-committee of the main Board of Trustees, and will meet half termly in 22-23 to maintain close oversight of the Sexey's financial position and QET finances given the implications on our overall position due to the impact of the teachers' pay award, rising energy costs and the shortfall in SSG funding. The purpose of FO&A is to review school budget and financial management

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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standards, review assigned school policies, evaluate the school development plan, review pay and review financial performance. In their role as Responsible Officer the Finance, Operations and Audit Committee has contracted the detailed checking of financial systems and processes to Education Financial Services. Education Financial Services has carried out a programme of checks, which included a focus on:

- Internal scrutiny foundations
- Payroll
- Income

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
K Canham (resigned 01/04/22)	2	2
T Hains	4	4
D Hannay	2	3
M Cooke	3	4
C Garnett (appointed 01/04/22)	1	1

**Review of value for money**

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

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

- Robust financial governance and budget management;
- Implementing new internal controls and processes to generate financial and operational efficiencies
- Remodelling a new central offer and core service charge to fund it
- Value for money purchasing including using of CPC frameworks
- Reviewing controls and managing risk;
- Making comparisons with similar MATs using data bench marking data
- Challenging proposals and examining their effectiveness and efficiency;
- Deploying staff effectively;
- Commissioning external high-quality expertise to support the QET with its priorities
- Reviewing quality of curriculum provision and quality of teaching;
- Reviewing pupil premium funding to target funding at strategies to improve student progress and attainment;

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Multi Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Quantock Education Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Capacity to handle risk**

The board of Trustees has reviewed the key risks to which the Multi Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Multi Academy Trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

**The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance, Operations and Audit 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
- identification and management of risks

The board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, Somerset Education Services act as an external reviewer reporting to the Finance, Environment and Audit Committee who have taken on the role, as Responsible Officer (RO).

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

The reviewer reports to the board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The independent reviewer reports to the Board of Trustees, through the Finance, Operations and Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The independent reviewer has delivered the programme of planned checks and no material control issues have arisen as a result of the checks undertaken.

**Review of effectiveness**

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

- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the Responsible Officer;
- the work of the external auditors;
- the work of the executive managers within the Multi Academy Trust who have responsibility for the development and maintenance of the internal control framework.

**QUANTOCK EDUCATION TRUST  
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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

Approved by order of the members of the Board of Trustees on 21st December 2022 and signed on their behalf by:



**R Brown**  
Chair of Trustees



**C Garnett**  
Accounting Officer



**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of Quantock Education Trust I have considered my responsibility to notify the Academy Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that I and the Academy Trust board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2021.

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



**C Garnett**  
Accounting Officer

Date: 21st December 2022

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



**R Brown**  
Chair of Trustees

Date: 21st December 2022

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
QUANTOCK EDUCATION TRUST**

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**Opinion**

We have audited the financial statements of Quantock Education Trust (the 'academy trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities (incorporating income and expenditure account), the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
QUANTOCK EDUCATION TRUST (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report and Financial Statements other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report and Financial Statements. 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 and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has 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 Trustees' Responsibilities Statement, 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.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
QUANTOCK EDUCATION TRUST (CONTINUED)**

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

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act, Charity SORP, FRS 102 and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
QUANTOCK EDUCATION TRUST (CONTINUED)**

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Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

**Use of our report**

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

*Bishop Fleming LLP*

**Tim Borton FCA DChA (Senior Statutory Auditor)**

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date: *22/12/22*

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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In accordance with the terms of our engagement letter dated 12 September 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Quantock Education Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Quantock Education Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Quantock Education Trust's funding agreement with the Secretary of State for Education dated 1 July 2012 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy complied with the framework of authorities. We also reviewed the reports commissioned by the Trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**Conclusion**

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

*Bishop Fleming LLP*

Tim Borton FCA DChA (Reporting Accountant)

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

Date: *22/12/22*



**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>						
Donations and capital grants	3	18,421	(3,102,792)	14,202,959	11,118,588	7,965,421
Other trading activities	5	137,738	-	-	137,738	30,823
Investments	6	478	-	-	478	226
Charitable activities	4	76,121	12,758,991	-	12,835,112	7,454,472
Teaching schools		-	-	-	-	11,500
<b>Total income</b>		<b>232,758</b>	<b>9,656,199</b>	<b>14,202,959</b>	<b>24,091,916</b>	15,462,442
<b>Expenditure on:</b>						
Charitable activities	7	130,290	18,436,682	701,311	19,268,283	11,819,807
Teaching schools		-	-	-	-	55,167
<b>Total expenditure</b>		<b>130,290</b>	<b>18,436,682</b>	<b>701,311</b>	<b>19,268,283</b>	11,874,974
<b>Net income/(expenditure)</b>		<b>102,468</b>	<b>(8,780,483)</b>	<b>13,501,648</b>	<b>4,823,633</b>	3,587,468
Transfers between funds	18	-	(414,906)	414,906	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>102,468</b>	<b>(9,195,389)</b>	<b>13,916,554</b>	<b>4,823,633</b>	3,587,468
<b>Other recognised gains/(losses):</b>						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	13,739,000	-	13,739,000	(536,000)
<b>Net movement in funds</b>		<b>102,468</b>	<b>4,543,611</b>	<b>13,916,554</b>	<b>18,562,633</b>	3,051,468
<b>Reconciliation of funds:</b>						
Total funds brought forward		1,111,865	(5,850,310)	15,251,728	10,513,283	7,461,815
Net movement in funds		102,468	4,543,611	13,916,554	18,562,633	3,051,468
<b>Total funds carried forward</b>		<b>1,214,333</b>	<b>(1,306,699)</b>	<b>29,168,282</b>	<b>29,075,916</b>	10,513,283

These notes on pages 28 to 60 form part of these financial statements.

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:07665225**

**BALANCE SHEET  
AS AT 31 AUGUST 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	14	4,735	-
Tangible assets	15	27,965,402	15,465,097
		<u>27,970,137</u>	<u>15,465,097</u>
<b>Current assets</b>			
Debtors	16	960,574	307,914
Cash at bank and in hand		4,396,560	1,819,105
		<u>5,357,134</u>	<u>2,127,019</u>
Creditors: amounts falling due within one year	17	(1,776,355)	(437,833)
<b>Net current assets</b>		<u>3,580,779</u>	<u>1,689,186</u>
<b>Total assets less current liabilities</b>		<u>31,550,916</u>	<u>17,154,283</u>
<b>Net assets excluding pension liability</b>		<u>31,550,916</u>	<u>17,154,283</u>
Defined benefit pension scheme liability	26	(2,475,000)	(6,641,000)
<b>Total net assets</b>		<u><u>29,075,916</u></u>	<u><u>10,513,283</u></u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	29,168,282	15,251,728
Restricted income funds	18	1,168,301	790,690
		<u>30,336,583</u>	<u>16,042,418</u>
Restricted funds excluding pension liability	18	30,336,583	16,042,418
Pension reserve	18	(2,475,000)	(6,641,000)
<b>Total restricted funds</b>	18	<u>27,861,583</u>	<u>9,401,418</u>
<b>Unrestricted income funds</b>	18	<u>1,214,333</u>	<u>1,111,865</u>
<b>Total funds</b>		<u><u>29,075,916</u></u>	<u><u>10,513,283</u></u>

The financial statements on pages 31 to 67 were approved by the Trustees, and authorised for issue on 21st December 2022 and are signed on their behalf, by:

**R Brown**  
Chair of Trustees



**C Garnett**  
Accounting Officer



The notes on pages 34 to 67 form part of these financial statements.

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<b>1,560,066</b>	503,565
<b>Cash flows from investing activities</b>	22	<b>(751,154)</b>	(33,026)
<b>Cash flows from financing activities</b>	21	<b>1,768,543</b>	-
<b>Change in cash and cash equivalents in the year</b>		<b>2,577,455</b>	470,539
Cash and cash equivalents at the beginning of the year		<b>1,819,105</b>	1,348,566
<b>Cash and cash equivalents at the end of the year</b>	23, 24	<b>4,396,560</b>	1,819,105

The notes on pages 34 to 67 form part of these financial statements

**1. ACCOUNTING POLICIES**

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements 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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

**1.2 GOING CONCERN**

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

**1. ACCOUNTING POLICIES (continued)**

**1.3 INCOME**

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

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 period is deducted from income and recognised as a liability.

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

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

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, 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.

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

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

- **Transfer of existing academies into the Academy Trust**

Where assets and liabilities are received on the transfer of an existing academy into the Academy Trust, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**1. ACCOUNTING POLICIES (continued)**

**1.4 INTEREST RECEIVABLE**

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

**1. ACCOUNTING POLICIES (continued)**

**1.5 EXPENDITURE**

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

Expenditure on raising funds includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities 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.

- **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.

**1.6 INTANGIBLE ASSETS**

Intangible assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

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

The estimated useful lives are as follows:

Computer software	-	years
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. ACCOUNTING POLICIES (continued)**

**1.7 TANGIBLE FIXED ASSETS**

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold property	- 10-50 years straight line
Long-term leasehold property	- Over the length of the lease
Furniture and equipment	- 10 years straight line
Computer equipment	- 3 years straight line
Motor vehicles	- 5 years straight line

A new building has been provided at Haygrove Academy under the Priority Schools Building Programme. The new building was opened in September 2020. On completion of the new building, part of the existing school buildings was demolished. This represents some 60% of the former buildings with a net book value of around £4.06m.

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 freehold or 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 with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**1.9 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.



**1. ACCOUNTING POLICIES (continued)**

**1.10 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.

**1.11 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 16. Prepayments are not financial instruments.

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

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

**1.12 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. ACCOUNTING POLICIES (continued)**

**1.13 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.

**1.14 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.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**1.15 OPERATING LEASES**

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

## **2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

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

Critical accounting estimates and assumptions:

The Academy Trust 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 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

During the year, the Trust has been transferred, by the Department for Education ("DfE"), new buildings built by the DfE under the Priority Schools Building Programme ("PSBP"). Because the DfE will not disclose to the Trust what the actual cost of the buildings were, the Trust has had to estimate the value using standard costing data. As part of the PSBP development, part of the original school has been demolished. Because the demolished buildings formed part of the original estate of Haygrove School transferred to the Trust on the original conversion of the academy, the Trust has had to estimate the proportion of the remaining net book value of the original estate representing the demolished buildings based on square meterage in order to assess the net book value eliminated from the accounts. Details of the amounts treated as additions and disposals are given in note 15 to the accounts.

Critical areas of judgement:

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.

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**3. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Restricted fixed asset funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Assets transferred on conversion	-	(3,102,792)	13,184,712	<b>10,081,920</b>	-
Donations	18,421	-	23,155	<b>41,576</b>	7,729,686
Capital Grants	-	-	995,092	<b>995,092</b>	235,735
<b>SUBTOTAL</b>	<u>18,421</u>	<u>-</u>	<u>1,018,247</u>	<u><b>1,036,668</b></u>	<u>7,965,421</u>
<b>TOTAL 2022</b>	<u>18,421</u>	<u>(3,102,792)</u>	<u>14,202,959</u>	<u><b>11,118,588</b></u>	<u>7,965,421</u>
TOTAL 2021	<u>13,178</u>	<u>51,309</u>	<u>7,900,934</u>	<u>7,965,421</u>	

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**4. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>EDUCATION</b>				
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	9,716,036	<b>9,716,036</b>	6,081,128
Other DfE/ESFA grants				
Start up Grants	-	-	-	23,535
Other DfE/ESFA grants	-	338,318	<b>338,318</b>	359,351
Teachers pay and pensions	-	26,148	<b>26,148</b>	342,288
Pupil premium	-	282,982	<b>282,982</b>	215,305
Universal infant free school meals	-	16,432	<b>16,432</b>	16,673
Sponsor capacity	-	-	-	115,000
Academy deficit non- recoverable	-	654,000	<b>654,000</b>	-
	-	11,033,916	<b>11,033,916</b>	7,153,280
<b>Other government grants</b>				
High needs	-	108,530	<b>108,530</b>	83,186
Other government grants: non-capital	-	179,351	<b>179,351</b>	107,784
	-	287,881	<b>287,881</b>	190,970
<b>Other income from the Academy Trust's educational operations</b>				
	76,121	166,504	<b>242,625</b>	80,892
<b>COVID-19 additional funding DfE/ESFA</b>				
Other DfE/ESFA COVID-19 funding	-	32,950	<b>32,950</b>	29,330
	-	32,950	<b>32,950</b>	29,330
	76,121	11,521,251	<b>11,597,372</b>	7,454,472
	76,121	11,521,251	<b>11,597,372</b>	7,454,472
<b>TOTAL 2021</b>	31,434	7,423,038	7,454,472	

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**5. INCOME FROM OTHER TRADING ACTIVITIES**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	Total funds 2021 £
Lettings	17,774	<b>17,774</b>	1,213
Other	119,964	<b>119,964</b>	29,610
<b>TOTAL 2022</b>	<u>137,738</u>	<u><b>137,738</b></u>	<u>30,823</u>
TOTAL 2021	<u>30,823</u>	<u>30,823</u>	

**6. INVESTMENT INCOME**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	Total funds 2021 £
Bank interest	478	<b>478</b>	226
TOTAL 2021	<u>226</u>	<u>226</u>	

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**7. EXPENDITURE**

	<b>Staff Costs 2022 £</b>	<b>Premises 2022 £</b>	<b>Other 2022 £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Direct costs - education	9,024,910	1,790,032	3,936,742	<b>14,751,684</b>	5,433,233
Support costs - education	1,405,244	831,440	362,839	<b>2,599,523</b>	1,598,022
<b>BOARDING:</b>					
Direct costs	662,299	190,981	155,803	<b>1,009,083</b>	-
Allocated support costs	393,620	272,257	242,116	<b>907,993</b>	-
Teaching school	-	-	-	-	55,167
	<u>11,486,073</u>	<u>3,084,710</u>	<u>4,697,500</u>	<u><b>19,268,283</b></u>	<u>7,086,422</u>
<b>TOTAL 2021</b>	<u><u>6,126,444</u></u>	<u><u>492,643</u></u>	<u><u>467,335</u></u>	<u><u>7,086,422</u></u>	

Following clarification in the AAD, nursery activities which were previously separately identified as their own charitable activity have now been included with the Educational activities reported throughout the accounts.

**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Education	14,751,684	2,599,523	<b>17,351,207</b>	11,819,807
Boarding	1,009,083	907,993	<b>1,917,076</b>	-
	<u>15,760,767</u>	<u>3,507,516</u>	<u><b>19,268,283</b></u>	<u>11,819,807</u>
<b>TOTAL 2021</b>	<u><u>10,037,892</u></u>	<u><u>1,781,915</u></u>	<u><u>11,819,807</u></u>	

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF DIRECT COSTS**

	<b>Education 2022 £</b>	<b>Boarding 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Pension finance costs	4,335,000	-	<b>4,335,000</b>	91,000
Staff costs	8,843,610	662,299	<b>9,505,909</b>	5,055,603
Depreciation	418,078	190,981	<b>609,059</b>	291,046
Educational supplies	334,054	322	<b>334,376</b>	187,801
Examination fees	125,372	-	<b>125,372</b>	72,240
Staff development	32,563	-	<b>32,563</b>	17,807
Other costs	67,318	74,718	<b>142,036</b>	25,561
Supply teachers	230,999	-	<b>230,999</b>	41,210
Recruitment and support	2,238	-	<b>2,238</b>	-
Technology costs	98,065	-	<b>98,065</b>	1,867
Office overheads	-	80,763	<b>80,763</b>	-
(Profit) / Loss on disposal of fixed assets	-	-	-	4,091,754
Educational consultancy	264,387	-	<b>264,387</b>	162,003
<b>TOTAL 2022</b>	<b>14,751,684</b>	<b>1,009,083</b>	<b>15,760,767</b>	<b>10,037,892</b>
<b>TOTAL 2021</b>	<b>10,037,892</b>	<b>-</b>	<b>10,037,892</b>	



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**NOTES TO THE FINANCIAL STATEMENTS  
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**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS**

	<b>Education 2022 £</b>	<b>Boarding 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Staff costs	1,405,244	393,620	<b>1,798,864</b>	1,029,631
Depreciation	107,481	-	<b>107,481</b>	52,262
Other costs	151,176	16,794	<b>167,970</b>	98,121
Recruitment and support	59,211	-	<b>59,211</b>	18,134
Maintenance of premises and equipment	215,179	105,197	<b>320,376</b>	80,829
Cleaning	27,040	8,103	<b>35,143</b>	29,958
Rent and rates	66,011	86,093	<b>152,104</b>	41,187
Energy costs	164,489	67,364	<b>231,853</b>	99,855
Insurance	31,141	5,500	<b>36,641</b>	23,987
Security and transport	2,885	-	<b>2,885</b>	2,452
Catering	85,739	225,262	<b>311,001</b>	93,221
Technology costs	186,506	60	<b>186,566</b>	127,026
Office overheads	17,027	-	<b>17,027</b>	17,393
Professional fees	35,467	-	<b>35,467</b>	18,291
Bank interest and charges	282	-	<b>282</b>	1,905
Governance costs	24,441	-	<b>24,441</b>	18,751
Legal fees	20,204	-	<b>20,204</b>	28,912
<b>TOTAL 2022</b>	<b>2,599,523</b>	<b>907,993</b>	<b>3,507,516</b>	<b>1,781,915</b>
<b>TOTAL 2021</b>	<b>1,781,915</b>	<b>-</b>	<b>1,781,915</b>	

**9. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) for the year includes:

	<b>2022 £</b>	<b>2021 £</b>
Operating lease rentals	<b>44,478</b>	17,991
Depreciation of tangible fixed assets	<b>716,540</b>	343,308
Fees paid to auditors for:		
- audit	<b>14,350</b>	10,535
- other services	<b>3,945</b>	7,730

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

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**10. STAFF**

**a. STAFF COSTS**

Staff costs during the year were as follows:

	<b>2022</b>	2021
	£	£
Wages and salaries	<b>7,346,059</b>	4,383,157
Social security costs	<b>709,356</b>	365,585
Pension costs	<b>3,249,358</b>	1,336,492
	<hr/> <b>11,304,773</b>	<hr/> 6,085,234
Agency Staff costs	<b>181,300</b>	41,210
	<hr/> <b>11,486,073</b> <hr/>	<hr/> 6,126,444 <hr/>

**b. STAFF NUMBERS**

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

	<b>2022</b>	2021
	No.	No.
Teachers	<b>100</b>	65
Administration and support	<b>198</b>	113
Management	<b>16</b>	9
	<hr/> <b>314</b> <hr/>	<hr/> 187 <hr/>

The average headcount expressed as full-time equivalents was:

	<b>2022</b>	2021
	No.	No.
Teachers	<b>94</b>	61
Administration and support	<b>117</b>	58
Management	<b>16</b>	9
	<hr/> <b>227</b> <hr/>	<hr/> 128 <hr/>

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

**10. STAFF (CONTINUED)**

**c. HIGHER PAID STAFF**

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

	<b>2022</b>	2021
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>2</b>	1
In the band £70,001 - £80,000	<b>2</b>	1
In the band £80,001 - £90,000	<b>1</b>	1
In the band £100,001 - £110,000	<b>-</b>	1
	<b>=====</b>	<b>=====</b>

**d. KEY MANAGEMENT PERSONNEL**

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £239,993 (2021: £229,769).

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the key management personnel other than in their role as trustee, their remuneration as set out in note 13 has not been included in the total benefits received by key management personnel above.

**11. CENTRAL SERVICES**

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

- Executive head support
- IT
- HR
- Premises
- Legal costs

The Academy Trust charges for these services on the following basis:

Each Academy contributes 3% of GAG funding towards the cost of central services. A recharge for the CEO's salary is also made to Quantock Education Trust by Haygrove School.

The actual amounts charged during the year were as follows:

	<b>2022</b>	2021
	<b>£</b>	£
Haygrove School	<b>175,933</b>	153,299
Stogursey Church of England Primary School	<b>12,333</b>	11,945
Spaxton CofE Primary School	<b>11,770</b>	10,735
Sexeys School	<b>152,408</b>	-
<b>TOTAL</b>	<b>=====</b> <b>352,444</b>	<b>=====</b> 175,979

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**12. TRUSTEES' REMUNERATION AND EXPENSES**

The Chief Executive Officer and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Head and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, from the Academy in respect of their role as Trustees. The values of Trustees' remuneration and other benefits was as follows K Canham: Remuneration £65,000 - £70,000 (2021: £100,000 - £105,000), Employer's pension contributions £15,000 - £20,000 (2021: £20,000 - £25,000); C Garnett: Remuneration £30,000 - £35,000 (2021 £Nil), Employer's pension contributions £5,000 - £10,000 (2021: £Nil).

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

**13. TRUSTEES' AND OFFICERS' INSURANCE**

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

**14. INTANGIBLE ASSETS**

	<b>Computer Software £</b>
<b>COST</b>	
On transfer of academy	<b>4,735</b>
At 31 August 2022	<b>4,735</b>
<b>NET BOOK VALUE</b>	
At 31 August 2022	<b>4,735</b>
At 31 August 2021	-

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

**15. TANGIBLE FIXED ASSETS**

	Freehold property £	Long-term leasehold property £	Office equipment £	Computer equipment £	Motor vehicles £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2021	16,776,184	28,669	239,721	552,052	33,500	17,630,126
Additions	1,258,835	-	404,482	78,672	-	1,741,989
On transfer of academy	10,968,881	-	492,334	3,518	5,737	11,470,470
At 31 August 2022	<u>29,003,900</u>	<u>28,669</u>	<u>1,136,537</u>	<u>634,242</u>	<u>39,237</u>	<u>30,842,585</u>
<b>DEPRECIATION</b>						
At 1 September 2021	1,651,147	1,433	84,041	411,408	17,000	2,165,029
Charge for the year	466,465	-	137,241	101,757	6,691	712,154
At 31 August 2022	<u>2,117,612</u>	<u>1,433</u>	<u>221,282</u>	<u>513,165</u>	<u>23,691</u>	<u>2,877,183</u>
<b>NET BOOK VALUE</b>						
At 31 August 2022	<u><u>26,886,288</u></u>	<u><u>27,236</u></u>	<u><u>915,255</u></u>	<u><u>121,077</u></u>	<u><u>15,546</u></u>	<u><u>27,965,402</u></u>
At 31 August 2021	<u><u>15,125,037</u></u>	<u><u>27,236</u></u>	<u><u>155,680</u></u>	<u><u>140,644</u></u>	<u><u>16,500</u></u>	<u><u>15,465,097</u></u>

**16. DEBTORS**

	2022 £	2021 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	478,366	548
Prepayments and accrued income	344,987	256,447
VAT recoverable	137,221	50,919
	<u><u>960,574</u></u>	<u><u>307,914</u></u>

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

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**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2022</b>	2021
	£	£
Salix Loan	<b>24,436</b>	-
Other taxation and social security	<b>172,936</b>	109,133
Other creditors	<b>183,989</b>	113,937
Accruals and deferred income	<b>1,394,994</b>	214,763
	<b>1,776,355</b>	437,833
	<hr/> <hr/>	<hr/> <hr/>
	<b>2022</b>	2021
	£	£
Deferred income at 1 September 2021	<b>25,593</b>	14,384
Resources deferred during the year	<b>459,631</b>	25,593
Amounts released from previous periods	<b>(25,593)</b>	(14,384)
	<b>459,631</b>	25,593
	<hr/> <hr/>	<hr/> <hr/>

At the Balance Sheet date, the Academy Trust was holding funds received in advance for educational visits and rates.

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

**18. STATEMENT OF FUNDS**

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b>UNRESTRICTED FUNDS</b>						
General Funds	624,746	124,678	(30,469)	-	-	718,955
Fixed Assets	444,234	-	(15,229)	-	-	429,005
Other funds	42,885	108,080	(84,592)	-	-	66,373
	<b>1,111,865</b>	<b>232,758</b>	<b>(130,290)</b>	<b>-</b>	<b>-</b>	<b>1,214,333</b>
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	675,096	9,716,036	(8,699,401)	(414,906)	-	1,276,825
High Needs	-	108,530	(108,530)	-	-	-
Pupil Premium	31,700	282,982	(304,682)	-	-	10,000
Other restricted funds	31,268	51,157	(54,009)	-	-	28,416
Lottery funding	32,626	-	(32,626)	-	-	-
Local authority	-	89,374	(89,374)	-	-	-
Other income - non GAG	20,000	1,273,171	(1,293,171)	-	-	-
Restricted Funds transferred from existing academy	-	418,209	(81,253)	(336,956)	-	-
Boarding	-	1,237,740	(1,721,636)	336,956	-	(146,940)
Pension reserve	(6,641,000)	(3,521,000)	(6,052,000)	-	13,739,000	(2,475,000)
	<b>(5,850,310)</b>	<b>9,656,199</b>	<b>(18,436,682)</b>	<b>(414,906)</b>	<b>13,739,000</b>	<b>(1,306,699)</b>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	5,337,681	-	(99,829)	-	-	5,237,852
Fixed assets purchased from GAG	225,687	-	(71,913)	414,906	-	568,680
DfE/ESFA Capital grants	644,446	961,668	(52,137)	-	-	1,553,977

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

**18. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Academy Capital Maintenance Fund	1,238,531	-	(28,777)	-	-	1,209,754
Priority schools building programme (PSBP)	7,584,000	33,424	(247,274)	-	-	7,370,150
Donation	221,383	23,156	(10,400)	-	-	234,139
Assets transferred from Academy	-	11,475,205	(190,981)	-	-	11,284,224
Property Capital Fund	-	1,709,506	-	(346,345)	-	1,363,161
Assets purchased through capital fund	-	-	-	346,345	-	346,345
	<u>15,251,728</u>	<u>14,202,959</u>	<u>(701,311)</u>	<u>414,906</u>	<u>-</u>	<u>29,168,282</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>9,401,418</u>	<u>23,859,158</u>	<u>(19,137,993)</u>	<u>-</u>	<u>13,739,000</u>	<u>27,861,583</u>
<b>TOTAL FUNDS</b>	<u><u>10,513,283</u></u>	<u><u>24,091,916</u></u>	<u><u>(19,268,283)</u></u>	<u><u>-</u></u>	<u><u>13,739,000</u></u>	<u><u>29,075,916</u></u>

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

**RESTRICTED FUNDS**

General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Other restricted funds - This includes other funding restricted for specific purposes.

Teaching School - This is income awarded to strong schools led by strong leaders to provide high-quality training, development and support to new and experienced school staff.

Local authority - Income received from the local authority, such as free school meals.



**18. STATEMENT OF FUNDS (CONTINUED)**

Other income - non GAG - Other funding received from the ESFA, such as teachers pay and pension grants.

Pension reserve – This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

**RESTRICTED FIXED ASSET FUND**

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the School from the Local Authority on conversion to an Academy Trust.

Fixed assets purchased from GAG - This represents the NBV of assets acquired using funds transferred from the restricted GAG funds.

DfE/ESFA Capital Grants - These funds are received from the DfE/ESFA for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

Academy Capital Maintenance Fund - These funds were received for direct expenditure on fixed asset projects.

Priority schools building programme - A new building has been provided at Haygrove Academy under the Priority Schools Building Programme.

Donation - These funds are received for direct expenditure on fixed asset projects and assets donated to the Academy Trust

Capital Property Fund - These funds were received for the sale of boarding houses at Sexey's School.

**OTHER INFORMATION**

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

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

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

**18. STATEMENT OF FUNDS (CONTINUED)**

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>UNRESTRICTED FUNDS</b>						
General Funds	578,695	46,051	-	-	-	624,746
Fixed Assets	459,463	-	(15,229)	-	-	444,234
Other funds	36,432	29,610	(23,157)	-	-	42,885
	<u>1,074,590</u>	<u>75,661</u>	<u>(38,386)</u>	<u>-</u>	<u>-</u>	<u>1,111,865</u>
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	275,729	6,320,823	(5,810,002)	(111,454)	-	675,096
High Needs	-	77,443	(77,443)	-	-	-
Pupil Premium	36,000	215,305	(219,605)	-	-	31,700
Other restricted funds	37,031	112,790	(118,553)	-	-	31,268
Teaching School	3,462	51,500	(54,962)	-	-	-
Lottery funding	32,830	-	(204)	-	-	32,626
Local authority	-	92,521	(92,521)	-	-	-
Other income - non GAG	-	615,465	(595,465)	-	-	20,000
Pension reserve	(5,657,000)	-	(448,000)	-	(536,000)	(6,641,000)
	<u>(5,271,948)</u>	<u>7,485,847</u>	<u>(7,416,755)</u>	<u>(111,454)</u>	<u>(536,000)</u>	<u>(5,850,310)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	9,632,450	-	(4,294,769)	-	-	5,337,681
Fixed assets purchased from GAG	200,389	-	(72,795)	98,093	-	225,687
DfE/ESFA Capital grants	438,992	235,735	(30,281)	-	-	644,446
Academy Capital Maintenance Fund	1,236,758	-	(11,588)	13,361	-	1,238,531

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

**18. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Priority schools building programme (PSBP)	-	7,584,000	-	-	-	7,584,000
Donation	150,584	81,199	(10,400)	-	-	221,383
	<u>11,659,173</u>	<u>7,900,934</u>	<u>(4,419,833)</u>	<u>111,454</u>	<u>-</u>	<u>15,251,728</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>6,387,225</u>	<u>15,386,781</u>	<u>(11,836,588)</u>	<u>-</u>	<u>(536,000)</u>	<u>9,401,418</u>
<b>TOTAL FUNDS</b>	<u><u>7,461,815</u></u>	<u><u>15,462,442</u></u>	<u><u>(11,874,974)</u></u>	<u><u>-</u></u>	<u><u>(536,000)</u></u>	<u><u>10,513,283</u></u>

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

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**18. STATEMENT OF FUNDS (CONTINUED)**

**Total funds analysis by academy**

Fund balances at 31 August 2022 were allocated as follows:

	<b>2022</b>	2021
	£	£
Haygrove School	<b>1,698,857</b>	1,598,141
Stogursey Church of England Primary School	<b>149,615</b>	154,042
Spaxton Church of England Primary School	<b>65,550</b>	48,402
Central	<b>29,637</b>	101,970
Sexey's School	<b>438,975</b>	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	<b>2,382,634</b>	1,902,555
Restricted fixed asset fund	<b>29,168,282</b>	15,251,728
Pension reserve	<b>(2,475,000)</b>	(6,641,000)
	<hr/>	<hr/>
<b>TOTAL</b>	<b>29,075,916</b>	10,513,283
	<hr/> <hr/>	<hr/> <hr/>

**QUANTOCK EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**18. STATEMENT OF FUNDS (CONTINUED)**

**TOTAL COST ANALYSIS BY ACADEMY**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Haygrove School	4,146,674	737,656	226,273	744,875	<b>5,855,478</b>	6,086,416
Stogursey Church of England Primary School	352,742	54,278	34,849	150,401	<b>592,270</b>	517,749
Spaxton Church of England Primary School	301,247	41,358	17,120	153,640	<b>513,365</b>	463,940
Central	135,676	77,744	57	224,864	<b>438,341</b>	371,807
Sexey's School	2,290,791	399,356	194,600	493,906	<b>3,378,653</b>	-
Boarding School	662,850	902,475	38,393	117,918	<b>1,721,636</b>	-
<b>ACADEMY TRUST</b>	<b>7,889,980</b>	<b>2,212,867</b>	<b>511,292</b>	<b>1,885,604</b>	<b>12,499,743</b>	<b>7,439,912</b>

The above cost analysis does not include the loss on disposal of the Haygrove property.

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	429,005	-	27,536,397	<b>27,965,402</b>
Intangible fixed assets	-	-	4,735	<b>4,735</b>
Current assets	785,328	2,944,656	1,627,150	<b>5,357,134</b>
Creditors due within one year	-	(1,776,355)	-	<b>(1,776,355)</b>
Pension reserve	-	(2,475,000)	-	<b>(2,475,000)</b>
<b>TOTAL</b>	<b>1,214,333</b>	<b>(1,306,699)</b>	<b>29,168,282</b>	<b>29,075,916</b>

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**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	444,236	-	15,020,861	15,465,097
Current assets	667,628	1,228,523	230,867	2,127,018
Creditors due within one year	-	(437,833)	-	(437,833)
Pension reserve	-	(6,641,000)	-	(6,641,000)
<b>TOTAL</b>	<b>1,111,865</b>	<b>(5,850,310)</b>	<b>15,251,728</b>	<b>10,513,283</b>

**20. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2022</b> £	2021 £
Net income for the year (as per Statement of Financial Activities)	<b>4,823,633</b>	3,587,468
<b>ADJUSTMENTS FOR:</b>		
Depreciation	<b>712,154</b>	343,307
Capital grants from DfE and other capital income	<b>(995,092)</b>	(235,735)
Interest received	<b>(478)</b>	(226)
Loss on disposal of property, plant and equipment	-	4,091,754
Defined benefit pension scheme cost less contributions payable	<b>686,000</b>	357,000
Defined benefit pension scheme finance cost	<b>166,000</b>	91,000
Increase in debtors	<b>(652,660)</b>	(26,782)
Increase/(decrease) in creditors	<b>1,338,522</b>	(120,221)
Non cash acquisitions of tangible fixed assets under the priority schools building programme	-	(7,584,000)
Assets transferred in	<b>(4,518,013)</b>	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>1,560,066</b>	503,565

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**21. CASH FLOWS FROM FINANCING ACTIVITIES**

	2022 £	2021 £
Cash inflows from new borrowing	(24,436)	-
Cash acquired	1,792,979	-
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>1,768,543</b>	<b>-</b>

**22. CASH FLOWS FROM INVESTING ACTIVITIES**

	2022 £	2021 £
Interest received	478	226
Purchase of intangible assets	(4,735)	-
Purchase of tangible fixed assets	(1,741,989)	(268,987)
Capital grants from DfE Group	995,092	235,735
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(751,154)</b>	<b>(33,026)</b>

**23. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2022 £	2021 £
Cash at bank and in hand	4,396,560	1,819,105
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>4,396,560</b>	<b>1,819,105</b>

**24. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1 September 2021 £	Cash flows £	Acquisition and disposal of subsidiaries £	At 31 August 2022 £
Cash at bank and in hand	1,819,105	784,476	1,792,979	4,396,560
Debt due within 1 year	-	-	(24,436)	(24,436)
	<b>1,819,105</b>	<b>784,476</b>	<b>1,768,543</b>	<b>4,372,124</b>

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**25. CAPITAL COMMITMENTS**

	<b>2022</b>	2021
	£	£
<b>CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS</b>		
Acquisition of tangible fixed assets	<b>261,142</b>	583,884

The above capital commitment figure relates to an astro turf project, roof repairs and sports hall renovations.

**26. 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 Somerset County Council. Both are multi-employer defined benefit schemes.

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

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

**TEACHERS' PENSION SCHEME**

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

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



**26. 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 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year amounted to £623,120 (2021 - £645,486).

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

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

**LOCAL GOVERNMENT PENSION SCHEME**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £553,000 (2021 - £385,000), of which employer's contributions totalled £441,000 (2021 - £307,000) and employees' contributions totalled £ 112,000 (2021 - £78,000). The agreed contribution rates for future years are 17.5 per cent for employers and 5.5%-12.5% per cent for employees.

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

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

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**26. PENSION COMMITMENTS (CONTINUED)**

**PRINCIPAL ACTUARIAL ASSUMPTIONS**

	<b>2022</b>	2021
	%	%
Rate of increase in salaries	<b>4.45</b>	4.40
Rate of increase for pensions in payment	<b>2.95</b>	2.90
Discount rate for scheme liabilities	<b>4.25</b>	1.65
Inflation assumption (CPI)	<b>2.95</b>	2.90

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

	<b>2022</b>	2021
	Years	Years
Retiring today		
Males	<b>21.4</b>	23.1
Females	<b>23.2</b>	24.6
Retiring in 20 years		
Males	<b>22.6</b>	24.4
Females	<b>24.6</b>	26.1

**SENSITIVITY ANALYSIS**

	<b>2022</b>	2021
	£000	£000
Discount rate +0.1%	<b>(242)</b>	(282)
Discount rate -0.1%	<b>248</b>	289
Mortality assumption - 1 year increase	<b>310</b>	449
Mortality assumption - 1 year decrease	<b>(301)</b>	(431)
CPI rate +0.1%	<b>236</b>	263
CPI rate -0.1%	<b>(230)</b>	(257)

**SHARE OF SCHEME ASSETS**

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**26. PENSION COMMITMENTS (CONTINUED)**

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

	<b>At 31 August 2022</b>	At 31 August 2021
	£	£
Equities	<b>5,812,000</b>	3,303,000
Gilts	<b>316,000</b>	257,000
Corporate bonds	<b>709,000</b>	473,000
Property	<b>718,000</b>	326,000
Cash and other liquid assets	<b>352,000</b>	181,000
<b>TOTAL MARKET VALUE OF ASSETS</b>	<b>7,907,000</b>	4,540,000

The actual return on scheme assets was £219,000 (2021 - £763,000).

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

	<b>2022</b>	2021
	£	£
Current Service cost	<b>(1,127,000)</b>	(664,000)
Interest income	<b>126,000</b>	56,000
Interest cost	<b>(292,000)</b>	(147,000)
<b>TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES</b>	<b>(1,293,000)</b>	(755,000)

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

	<b>2022</b>	2021
	£	£
<b>AT 1 SEPTEMBER</b>	<b>11,181,000</b>	9,190,000
Conversion of academy trusts	<b>6,722,000</b>	-
Liabilities transferred on conversion	<b>1,031,000</b>	-
Actuarial losses/(gains)	<b>(9,918,000)</b>	1,241,000
Current service cost	<b>1,127,000</b>	664,000
Interest cost	<b>292,000</b>	147,000
Employee contributions	<b>112,000</b>	78,000
Benefits paid	<b>(165,000)</b>	(139,000)
<b>AT 31 AUGUST</b>	<b>10,382,000</b>	11,181,000

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**26. PENSION COMMITMENTS (CONTINUED)**

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

	<b>2022</b>	2021
	£	£
<b>AT 1 SEPTEMBER</b>	<b>4,540,000</b>	3,533,000
Conversion of academy trusts	<b>3,201,000</b>	-
Expected return	<b>126,000</b>	-
Employee contributions	<b>112,000</b>	78,000
Interest income	<b>126,000</b>	58,000
Actuarial gains/(losses)	<b>(345,000)</b>	705,000
Employer contributions	<b>441,000</b>	307,000
Benefits paid	<b>(165,000)</b>	(139,000)
Administration Expenses	<b>(3,000)</b>	(2,000)
<b>AT 31 AUGUST</b>	<b>8,033,000</b>	4,540,000

**27. OPERATING LEASE COMMITMENTS**

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

	<b>2022</b>	2021
	£	£
Not later than 1 year	<b>39,694</b>	13,296
Later than 1 year and not later than 5 years	<b>72,772</b>	717
	<b>112,466</b>	14,013

**28. MEMBERS' LIABILITY**

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

**29. GENERAL INFORMATION**

Quantock Education Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Haygrove School, Durleigh Road, Bridgwater, Somerset, TA6 7HW.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**30. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

**31. TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY TRUST**

**Sexey's School**

	Value reported by transferring trust £	Fair value adjustments £	Transfer in recognised £
<b>INTANGIBLE ASSETS</b>			
Computer software	4,735	-	4,735
<b>TANGIBLE FIXED ASSETS</b>			
Freehold property	10,968,881	-	10,968,881
Office equipment	492,334	-	492,334
Computer equipment	3,518	-	3,518
Motor vehicles	5,737	-	5,737
<b>CURRENT ASSETS</b>			
Debtors due within one year	1,174,624	-	1,174,624
Cash at bank and in hand	1,792,979	-	1,792,979
<b>LIABILITIES</b>			
Creditors due within one year	(839,888)	-	(839,888)
Creditors due after one year	(700,000)	700,000	-
<b>PENSIONS</b>			
Pensions - pension scheme liabilities	(3,521,000)	-	(3,521,000)
<b>NET ASSETS</b>			
	<u>9,381,920</u>	<u>700,000</u>	<u>10,081,920</u>

As part of the formal transfer agreement for Sexey's School to join Quantock Education Trust, the ESFA agreed to write-off an existing government loan of £700,000, this is shown above as a fair value adjustment to the closing net assets of Sexey's School at the date of the transfer, 1 October 2021.

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**32. BOARDING SCHOOL TRADING ACCOUNT**

	2022 £	2022 £	2021 £	2021 £
<b>INCOME</b>				
<b>DIRECT INCOME</b>				
Fee Income	1,054,452		-	
<b>OTHER INCOME</b>				
Trip Income	23,963		-	
Catering Income	77,264		-	
Other Income	82,061		-	
<b>TOTAL OTHER INCOME</b>	<u>183,288</u>		<u>-</u>	
<b>TOTAL INCOME</b>		<b>1,237,740</b>		<b>-</b>
<b>EXPENDITURE</b>				
<b>DIRECT EXPENDITURE</b>				
Direct staff costs	662,299		-	
Boarding supplies	23,628		-	
Trip costs	44,651		-	
Catering	1,859		-	
Other direct costs	85,665		-	
<b>TOTAL DIRECT EXPENDITURE</b>	<u>818,102</u>		<u>-</u>	
<b>OTHER EXPENDITURE</b>				
Other staff costs	393,620		-	
Premises costs	272,257		-	
Catering	225,262		-	
Other	12,395		-	
<b>TOTAL OTHER EXPENDITURE</b>	<u>903,534</u>		<u>-</u>	
<b>TOTAL EXPENDITURE</b>		<b>1,721,636</b>		<b>-</b>
<b>Transfers between funds excluding depreciation</b>		<b>336,956</b>		<b>-</b>
<b>(Deficit)/surplus from all sources</b>		<b>(146,940)</b>		<b>-</b>
<b>Boarding school balances at 1 September 2021</b>		<b>-</b>		<b>-</b>
<b>BOARDING SCHOOL BALANCES AT 31 AUGUST 2022</b>		<b>(146,940)</b>		<b>-</b>