

Company Registration No. 08010464 (England and Wales)

**THE ROWAN LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**TRUSTEES' REPORT AND AUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

# THE ROWAN LEARNING TRUST

## CONTENTS

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	<b>Page</b>
Reference and administrative details	1 - 2
Trustees' report	3 - 12
Governance statement	13 - 16
Statement on regularity, propriety and compliance	17
Statement of trustees' responsibilities	18
Independent auditor's report on the accounts	19 - 22
Independent reporting accountant's report on regularity	23 - 24
Statement of financial activities including income and expenditure account	25 - 26
Balance sheet	27
Statement of cash flows	28
Notes to the accounts including accounting policies	29 - 54

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# THE ROWAN LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

G A Wilson (Chair)  
L Tipping  
M Woodhouse  
N Richards  
A Colley

### Trustees

G A Wilson (Chair of The Rowan Learning Trust)  
A Foster  
D Leonard  
A Ball  
M Chadwick  
S Beswick (Resigned 31 December 2022)  
A McGlown  
D Stewart (Resigned 16 November 2022)  
C Roberts  
P Rimmer (CEO & Accounting Officer)  
J Davies (Appointed 1 January 2023)  
S Davis (Appointed 1 January 2023)

### Senior management team

- Chief Executive Officer & Accounting Officer	P Rimmer
- Director of Standards	C Bolton
- Director of Operations	J Robinson
- Chief Financial Officer	G Goulding
- Director of Communication & Governance	E Roberts
- Director of Primary Education	S Beswick
- Director of Secondary Education	R Conefrey
- Director of People Relations	H Robinson

### Company secretary

E Roberts

### Company registration number

08010464 (England and Wales)

### Principal and registered office

18 Beecham Court  
Goose Green  
Wigan  
WN3 6PR

### Academies operated

Marus Bridge Primary School  
Three Towers Alternative Provision  
Kirkby High School  
Hawkley Hall High School  
The Heys School  
Farington Primary School  
Whitley Village School  
The Acorns Primary and Nursery School  
Plantation Primary School

### Location

Wigan  
Wigan  
Knowsley  
Wigan  
Prestwich  
Leyland  
Warrington  
Ellesmere Port  
Liverpool

### Principal

R Aldridge  
A Isherwood  
A Dobson  
M Klinck  
P McKendrick  
A Williams  
H Broom  
H Broom  
S Hanley

# THE ROWAN LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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**Independent auditor**

UHY Hacker Young Manchester LLP  
St James Building  
79 Oxford Street  
Manchester  
M1 6HT

**Bankers**

Lloyds Bank  
2-6 Market Street  
Wigan  
WN1 1JN

**Solicitors**

Eversheds Sutherland  
Eversheds House  
70 Great Bridgewater Street  
Manchester  
M1 5ES

# THE ROWAN LEARNING TRUST

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 AUGUST 2023*

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The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The trust operates three secondary academies, an alternative provision academy and five primary academies in the North West.

- Hawkey Hall High School has a student capacity of 1184 and had a roll of 1164 in the census on 18 May 2023.
- Kirkby High School has a student capacity of 1000 and had a roll of 956 in the census on 18 May 2023.
- The Heys School has a student capacity of 860 and had a roll of 566 in the census on 18 May 2023.
- Three Towers Alternative Provision Academy has a student capacity of 193 and had a roll of 149 in the census on 18 May 2023.
- Marus Bridge Primary School has a student capacity of 420 and had a roll of 410 in the census on 18 May 2023.
- Farington Primary School has a student capacity of 210 and had a roll of 195 in the census on 18 May 2023.
- The Acorns Primary & Nursery School has a student capacity of 394 and had a roll of 355 in the census on 18 May 2023.
- Whitley Village School has a student capacity of 91 and had a roll of 75 in the census on 18 May 2023.
- Plantation Primary School has a student capacity of 630 and had a roll of 447 in the census on 18 May 2023.

#### **Structure, governance and management**

##### Constitution

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

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

##### Members' liability

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

##### Trustees' indemnities

The academy trust has purchased professional indemnity and directors' and officers' cover, provided by industry professionals on behalf of the DfE, via the Risk Protection Arrangement to protect the directors and officers from claims arising from negligence, errors or omissions occurring whilst on academy trust business.

##### Method of recruitment and appointment or election of trustees

The Members of the academy trust are responsible for the appointment of trustees. The Members may appoint Trustees through such process as they may determine. Trustees are appointed to ensure that any gaps identified in the regular skills audit are filled. Full details are outlined in the Trust's Articles of Association (2021).

##### Policies and procedures adopted for the induction and training of trustees

Trustees are appointed based on the skills that they will bring to the academy trust or based on a proposal to the academy trust by representative groups. On appointment, trustees will receive information relating to the academy trust and attend a briefing on the role and responsibilities of trustees.

Where necessary, training will be provided on charity, educational, financial and legal matters.

# THE ROWAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Organisational structure

The governance of the academy trust is defined in the memorandum and articles of association together with the funding agreement with the Department for Education.

The management structure consists of the board of trustees, cross trust executive team, heads of the academies, and their leadership teams.

The board of trustees is responsible for making decisions about the direction of the academy trust, senior staff appointments, setting general policy, approving annual plans and budgets, monitoring the academy trust through results and financial data.

The chief executive is the accounting officer of the academy trust. The executive headteacher, headteachers and head of schools manage the individual academies, implementing policies by the board of trustees and report to them on key data.

The executive leadership team is responsible for supporting academies with leadership development, teaching and learning, safeguarding & SEN, information systems, estates management, finance, curriculum & assessment, human resources, marketing and data.

The day-to-day management of the academies is delegated to the headteachers and head of school, who have appointed a senior leadership team.

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

An executive pay structure was agreed by the board of trustees for the CEO, and other senior management personnel benchmarked, using the Cendex platform, against other MATs of a similar size, composition and location and in addition local Job Evaluation Schemes for non-teaching personnel. Academy Headteachers, Executive Headteachers and Senior Leadership Team's pay is set following STPCD guidance and formulae.

#### Trade union facility time

##### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period	5
Full-time equivalent employee number	-

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

Percentage of time	Number of employees
0%	-
1%-50%	5
51%-99%	-
100%	-

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

Total cost of facility time	5,283
Total pay bill	23,416,022
Percentage of the total pay bill spent on facility time	-

##### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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# THE ROWAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 AUGUST 2023*

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

The academy trust works with professional associations and trade unions and engages in consultation, as required, to ensure that all aspects of the academy trust's performance affecting its employees, including financial and economic factors, are conveyed, discussed and consulted upon with them.

The academy trust's policy is to support recruitment and retention of pupils and employees with disabilities. The academy trust does this by adapting the physical environment, making support resources available and through training and career development. Ramps and disabled toilets are installed, and door widths are adequate to enable wheelchair access to the main areas of the academy trust's establishments.

#### Engagement with suppliers, customers and others in a business relationship with the academy trust

Trustees have had regard to the need to foster the company's business relationship with suppliers, customers and others, by publishing Payment, Practice & Performance Data reports in March 2023 and September 2023, via Companies House, in respect of qualifying contracts during the period.

#### Related parties and other connected charities and organisations

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local, public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The trust has identified the following related party transactions which took place in the financial period and were declared:

The academy was related to Winstanley College, Wigan, by Mrs Louise Tipping who is a Member of the Rowan Learning Trust and Principal of Winstanley College. £15,199 (2022: £14,820) expenses were paid on account of the Rowan Learning Trust for the provision of student careers advisor service.

The academy was related to Makerfield Academy Trust, Wigan, by Mrs Louise Tipping who is a Member of the Rowan Learning Trust and a trustee of Makerfield Academy Trust. £3,788 (2022: £3,400) expenses were paid on account of the Rowan Learning Trust for the provision of initial teacher training on behalf of LFP (funds held at Hawkley Hall High School on behalf of the Learning Futures Partnership (LFP)).

In entering into these transactions, the academy trust has complied with the requirements of the Academy Trust Handbook 2022.

## **Objectives and activities**

### Objectives and aims

The academy trust's objective is to advance education for the public benefit. Our schools are working in collaboration, as one entity, to improve and maintain high educational standards across the group.

The trustees' vision is to make a positive difference to our communities by raising standards and aspirations. To ensure that students leave us with the skills, confidence and qualifications to succeed in the next stage of their lives. To support and develop our staff on their professional journey so they can meet their potential.

Students are offered supportive, positive and dynamic learning environments that enable them to focus on their studies and extra-curricular activities. As a result, students achieve academic and technological excellence and extend their sporting, artistic and musical accomplishments.

The academy trust fosters personal development that helps students to find meaning in their lives and respond with creativity and determination to the challenges that arise through the rapid pace of social change.

# THE ROWAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Objectives, strategies and activities

The Trust strategic aim is to provide a first-class education which meets the needs of individual learners and prepares them for life beyond school by:

- Attracting, developing and retaining the best talent,
- Embodying the RLT values,
- Optimising our resources,
- Expanding our reach.

The main thrust of the school improvement work was maintaining and improving upon the high standards of education provided across our schools.

#### Public benefit

The academy trust will promote, for the benefit of inhabitants of the academies' surrounding areas, the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The academy trust's trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

## **Strategic report**

### **Achievements and performance**

#### Strategic reporting

The CEO and Executive Leadership Team provide comprehensive reports to the Trustees at board meetings. The reports include DfE (Department of Education), RSC (Regional Schools Commissioner) and Ofsted updates, evaluation of the strategic plan, staffing updates, schools updates and self-evaluation; Director of Secondary Education, Director of Primary Education and the Director of Standards provide updates on school performance, data and outcomes, improvement activity and current assessment of our schools; the Chief Financial Officer's reports update on all finance and audit matters; the Director of Operations reports on the risk register, estates, health and safety & compliance; The Director of People Relations reports on HR matters. This enables The Rowan Learning Trust's directors to have a broad understanding of current performance indicators and to ensure robust governance.

#### Operational planning

The Board of trustees receive reports from the CEO which details progress against operational objectives and updates the board on outstanding matters and successes. The Board receives comprehensive due diligence reports on potential schools looking to join the Trust. These are then discussed in depth and the Board approves, or challenges, the Executive Leadership Team's recommendations. Educational considerations, financial details and estate review documentation is scrutinised to ensure effective risk management and growth strategy.

#### Staffing

From the onset, the board of trustees understood the need to establish a more sustainable staffing structure to manage the academy trust and increase our capacity to support schools effectively. In the executive team, we have in post a Chief Executive; Chief Financial Officer; Director of Operations; Director of Standards, Director of People Relations; Director of Secondary Education; Director of Primary Education and a Director of Governance and communication. We have continued to add capacity and expertise to the central team and added a central finance service to the offer for our schools.

The CEO and the executive team continue to develop strategy to support the more effective delivery of services and centralised procurement. Evaluations of catering, IT, estates, and capital are well developed. There are well coordinated plans for buildings and ICT improvement across all the existing schools. The Trust received School Condition Allocation (SCA) and plans are in place to ensure that the impact of this funding is maximised.



# THE ROWAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Key performance indicators

The Executive Leadership Team provide the Board of trustees with a comprehensive evaluation of each school's performance. The data includes external analysis (examinations and Ofsted) and internal monitoring, evaluation and quality assurance.

### **Ofsted judgements**

Hawley Hall High School	- Inspection February 2019 – 'Good' judgement
Kirkby High School	- Inspection July 2022 – 'Good' judgement
Three Towers Alternative Provision	- Inspection February 2018 – 'Outstanding' judgement
Marus Bridge Primary School	- Inspection September 2019 – 'Good' judgement
The Heys School	- No Ofsted inspection since this academy joined the trust.
Farington primary School	- No Ofsted inspection since this academy joined the trust.
The Acorns Primary & Nursery School	- No Ofsted inspection since this academy joined the trust.
Whitley Village School	- No Ofsted inspection since this academy joined the trust.
Plantation Primary School	- No Ofsted inspection since this academy joined the trust.

### **Internal evaluation of performance**

Hawley Hall High School	- 'Good'
Kirkby High School	- 'Good'
Three Towers Alternative Provision	- 'Outstanding'
Marus Bridge Primary School	- 'Good'
The Heys School	- 'RI'
Farington Primary School	- 'RI'
The Acorns Primary & Nursery School	- 'Good'
Whitley Village School	- 'Good'
Plantation Primary School	- 'Good'

The Trust also monitors staffing costs as a percentage of general funds income and expenditure, pupil numbers & capital investment.

Prudent financial management has ensured the Trust remains in a strong financial position going forward.

### Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

### Protecting the success of the academy trust

The Rowan Learning Trust has a clear framework for determining the matters within its remit and has approved Terms of Reference for the matters delegated to its Committees. Certain financial and strategic thresholds have been determined to identify matters requiring Board consideration and approval. The Scheme of delegation sets out the delegation and approval process across the organisation. When making decisions, each Trustee ensures that they act in a way they consider, in good faith, would most likely promote the Trust's success for the benefit of its stakeholders, and in doing so have regard (among other matters) to:

### *The likely consequences of any decision in the long term*

The Trustees understand the education sector is evolving and the challenges of navigating through this transition. In 2021, to help achieve the strategic aims of the Trust the Board refreshed our strategy to further focus on the growth of the organisation to ensure long term sustainability. However, while planning for the future, the Board also recognises that we must meet our mission and strategic aims for the existing schools in the Trust. The Trustees have taken the decisions they believe best support the five strategic aims.

# THE ROWAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### *The interests of the Trust's employees*

The Trustees recognise that our employees are fundamental and core to the delivery of our strategic aims. The success of our schools depends on attracting, retaining and motivating employees. From ensuring that we remain a responsible employer, from pay and benefits to our health, safety and workplace environment, the Trustees factor the implications of decisions on employees and the wider workforce, where relevant and feasible.

#### *The need to foster the Trust's business relationships with suppliers, customers and others*

Delivering our strategy requires strong mutually beneficial relationships with suppliers, the Department of Education, Regional Schools Commissioner, parents and community partners. The Trust seek the promotion and application of certain general principles in such relationships. These are outlined in the Trusts values; respect, kindness and integrity. The ability to promote these principles, which are reviewed and approved by the Board periodically, is an important factor in the decision to enter or remain in such relationships.

#### *The impact of the Trust's operations on the community and the environment*

Schools are an integral part of the local community and the trust is committed to reducing its environmental impact. Trustees receive information from individual schools which provide relevant information for specific Board decisions.

#### *The desirability of the Trust maintaining a reputation for high standards of business conduct*

The Board periodically reviews and approves policies, procedures and working practices to ensure that its high standards are maintained in the Trust. This, complemented by the ways the Board is informed and monitors compliance, help assure its decisions are taken and that Trust and the schools within the Trust act in ways that promote high standards of business conduct.

#### *The need to act fairly as between members of the Trust*

When making decisions the Trustees consider which course of action best enables delivery of our strategic aims in the long-term, taking into consideration the impact of the decision on all stakeholders. In doing so, our Trustees act fairly as between the Trust's members. Trustees are not required to balance the Trust's interest with those of individual stakeholders.

#### **Financial review**

The academy trust's financial position for the year to 31 August 2023 demonstrates total income of £41,349,000 with a surplus of £4,849,000, before actuarial gains on defined benefit pension schemes and revaluations of fixed assets.

The majority of the academy trust's income is obtained from the Education & Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year 1 September 2022 and 31 August 2023 and the associated expenditure, which enabled the Trust to meet its key objectives, is shown as restricted funds in the statement of financial activities. The main area of expenditure continues to be staff related costs.

The academy trust also received grants for fixed assets from the ESFA and DfE which are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance will be reduced by annual depreciation charges over the expected life of the assets concerned.

The reserves will be utilised for future capital projects, continuous improvements and for projects for the repair and replacement of educational equipment and materials. Reserves will also be allocated to the repair, replacement and updating of the academy trust's buildings, plant, equipment and contents. A proportion of the reserves have been allocated to the first-class education fund. The purpose of this is to fund projects that directly relate to the Trust achieving its stated aim of providing a first-class education. In addition to this, reserves will be used to cover the cost of the unfunded pay awards.

# THE ROWAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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The Trustees ensure that investment risk is properly managed and that value for money is achieved, complying with its Funding Agreement, Articles of Association and the Academy Trust Handbook. The Trustees regularly review investments and the investment policy.

The Trustees continue to monitor the impact of the material pension liability and seek professional advice as appropriate throughout the year.

#### Reserves policy

The trustees review the reserve levels of the academy trust annually. This review encompasses the nature of income and expenditure stream, the need to match income with commitments and the nature of reserves. The policy of the trust is to carry forward a prudent level of resources to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy trust's current level of free reserves (total funds less the amount held in fixed assets restricted fund and excluding pension reserve) is £1,799,000 restricted funds and £2,750,000 unrestricted funds totalling £4,549,000. Restricted funds are to be used to make significant financial impact in continuing to provide associated services/support in the delivery of education to our students and if required, will be utilised for continuous improvements and for projects for the repair and replacement of educational equipment and materials. At 31 August 2023 the Trust had designated reserves for school improvement, school's sports partnership and building projects.

#### Investment policy

The Board will act within its powers to invest, seek advice from a professional advisor as appropriate and ensure that investment decisions are in the best interest of the Trust. The Trustees will exercise caution in all investments and ensure exposure to investment products is tightly controlled.

Management of cash flow should ensure that there are always sufficient funds in the main bank accounts to cover operational costs. Trustees are committed to ensuring that all funds are managed in such a way as to maximise return whilst minimising risk, seeking to ensure that any cash not required for operating expenses is placed on deposit at the most favourable rate. The approval of the accounting officer is required before any investment is made and a report is presented to the audit committee.

#### Principal risks and uncertainties

The academy trust has developed risk management procedures as outlined below. The trustees have assessed the major risks to which the academies are exposed and a formal review of the academy trust's risk management process is undertaken on an annual basis.

Principal risks include:

- reputational risks arising from health and safety issues or failure to safeguard students. Trustees continue to ensure child protection policies are updated and circulated to all staff in its academies. Trustees continue to ensure the SCA & DFC funding has been utilised strategically and effectively in maintaining the condition of the estate, prioritising matters that would impact health & safety and safeguarding. Trustees continue to monitor staff recruitment and development process in academies and training programmes;
- risks associated with financial mismanagement and/or compliance failures. Trustees review procedures regularly to ensure that appropriate measures are in place to mitigate these risks;
- academic performance of each establishment;
- risk of personal data breaches; and
- cyber security.

# THE ROWAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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Key controls in place are:

- an organisational structure with defined roles, responsibilities and authorisation levels;
- terms of reference for the committees of the Board;
- financial planning, budgeting and regular management reporting highlighting areas of financial risk;
- formal written and published policies for employees;
- vetting procedures as required by law for the protection of the vulnerable;
- robust security systems including CCTV;
- Data Protection Officer appointed. All staff have GDPR training and robust ICT security measures are in place;
- robust tracking of pupil progress and planned intervention strategies are used appropriately;
- external audit, Internal assurance audits, safeguarding audits, ICO audit;
- cyber security controls including multi-factor authentication, air gap back-ups and regular systems and security audits;
- continued programme of maintenance and servicing under contracts with external specialists, ensuring we engage appropriate third parties to fulfil our health & safety obligations.

The academy trust has recognised its share of the Local Government Pension Scheme (LGPS) assets and liabilities in accordance with Financial Reporting Standard No 102. A deficit has been recognised at 31 August 2023. Trustees are assessing the impact of the pension deficit and its likely call on funds at present and in the future.

### Financial and risk management objectives and policies

#### **Fundraising**

Fundraising conforms to recognised standards. Schools within the Trust do not engage the services of professional fundraisers, nor use intrusive or persistent fund-raising approaches and are clear that stakeholders/members of the public are under no obligation to donate. Fundraising to generate funds for specific school events such as the Y11 Leavers' Prom, is managed and monitored by designated staff. Internal communications provide detailed information in respect of how voluntary contributions can be made and how the funds raised will benefit the school. All contributions are recorded in the finance system and banked in-tact.

Funds raised in schools, through various student activities and voluntary contributions, for external charities are recorded in the finance system and banked and payments remitted by cheque or bacs.

Guidance is available to Trustees via Charity Commission's publication Charity fundraising: a guide to Trustee duties.

### **Streamlined energy and carbon reporting**

	<b>2023</b>	<b>2022</b>
	<b>kWh</b>	<b>kWh</b>
Aggregate of energy consumption in the year	6,021,168	5,905,452

# THE ROWAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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	2023	2022
	metric tonnes	metric tonnes
<i>Emissions of CO2 equivalent</i>		
Scope 1 - direct emissions		
- Gas combustion	651.22	648.44
- Fuel consumed for owned transport	6.26	6.65
- Oil for heating	26.43	26.38
	<hr/>	<hr/>
	683.91	681.47
Scope 2 - indirect emissions		
- Electricity purchased	490.78	445.45
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust	12.01	6.65
	<hr/>	<hr/>
Total gross emissions	1,186.70	1,133.57
	<hr/> <hr/>	<hr/> <hr/>
<i>Intensity ratio</i>		
Tonnes CO2e per pupil	0.28	0.32
	<hr/> <hr/>	<hr/> <hr/>

### *Quantification and reporting methodology*

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

### *Intensity measurement*

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e equivalent per pupil, the recommended ratio for the sector. The number of schools, and therefore pupils, in our Trust has increased in the latest reporting period, hence our intensity ratio has decreased despite consumption staying largely the same.

### *Measures taken to improve energy efficiency*

Thermal efficiency improvements, including replacement of flat roofs with new insulation systems. LED lighting has been installed in one school that still had fluorescent lights.

### **Plans for future periods**

The Trust's focus for the 2023-24 academic year is further consolidation of improvements made in previous years and ensuring that we achieve our strategic aim of providing a world class education. There will be a continued focus on ensuring that the Heys School and Farington Primary School who both joined as sponsored academies, continue to improve in all areas. The Trust will continue to explore opportunities to maximise resources and expand our reach.

Improvements to the Trusts' governance structures and schemes of delegation which better reflect the contexts of each school have implemented. The Trust will continue to develop its executive team and central team to ensure that it has the capacity and expertise to support our current and any additional schools. These developments will be undertaken by the CEO and key Trust personnel, liaising with the Board of Trustees. In addition to the central team the Trust now draws from expertise from all of our academies to conduct school to school support within and outside of the academy trust. We have also recruited several key external consultants to provide additional support to our schools.

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

The Rowan Learning Trust held funds at Hawkley Hall High School as a STEM Learning Partner (SLP). This demonstrates capacity in our central financial services to support other establishments and is a legacy from previous school to school support. This generates reputational capital for the Trust as well as Hawkley Hall and demonstrates the high calibre of staff within the Trust.

# THE ROWAN LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Auditor**

In so far as the trustees are aware:

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

The auditor, UHY Hacker Young Manchester LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 08 December 2023 and signed on its behalf by:



G A Wilson

**Chair of The Rowan Learning Trust**

# THE ROWAN LEARNING TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Scope of responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the chief executive officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Rowan Learning 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 met four times during the period. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
G A Wilson (Chair of The Rowan Learning Trust)	4	4
A Foster	1	4
D Leonard	4	4
A Ball	3	4
M Chadwick	4	4
S Beswick (Resigned 31 December 2022)	1	2
A McGlown	3	4
D Stewart (Resigned 16 November 2022)	0	1
C Roberts	3	4
P Rimmer (CEO & Accounting Officer)	4	4
J Davies (Appointed 1 January 2023)	1	2
S Davis (Appointed 1 January 2023)	2	2

The board reviews performance of each school at key points in the academic year. They consider progress data, attendance, exclusions, safeguarding/racial incident matters as well as staffing changes. The board also reviews LGC and LAB membership.

The Trust maintains an up-to-date record of pecuniary interests, and this is monitored by the Director of Governance and Communication and referred to in determining any potential related party transactions.

### Conflicts of interest

The trust maintains an up-to-date and complete register of interests. Conflict of interests is a standing item on all full board meeting and committee meeting agendas in order to give trustees the opportunity to declare any interests in general, and specifically in relation to the agenda itself. This is formally minuted. Should any interests be declared, the relevant trustee would abstain from any discussion or decision making for that agenda item.

The Director of Governance and Compliance informs the Chief Financial Officer immediately of any interests declared. The Chief Financial Officer regularly provides a full list of suppliers and contractors to the full board and formally requires trustees to make any interests known at that point. This is formally minuted.

# THE ROWAN LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Governance reviews**

Self-assessment of governance forms an integral part of the trust's school improvement cycle. In the summer term of 2023, we self-assessed against section C of the Multi Academy Trust Leadership Development: Chief Executive Officer content framework. This self-evaluation will take place annually in the spring term.

The development opportunities that have been identified as a result of our self-assessments are incorporated in the Trust Development Plan for the 2023-24 academic year. An external review of governance is also planned once the next cycle of self-evaluation has taken place, in spring of 2024. The findings of this will be incorporated in the Trust's development planning for 2024-25.

### **Finance, Audit & Risk Committee**

The Finance, audit & risk committee is a sub-committee of the main board of trustees. Its purpose is to:

- review each academy's internal and external financial statements and reports to ensure that they reflect best practice and value for money;
- discuss with the external auditor the nature and scope of each forthcoming audit and the findings of the audit once completed;
- consider all relevant reports from any internal audit or the appointed external auditor, including reports on each academy's accounts, achievement of value for money and the response to any management letters;
- monitor the implementation of action to address adverse control findings by any internal audit or the appointed external auditor;
- review the effectiveness of each academy's internal control system established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner;
- consider and advise the board on each academy's annual and long-term audit programme, ensuring that each academy's internal controls are subject to appropriate independent scrutiny at least in accordance with Government standards;
- focus on providing assurances to the board of trustees that all risks are being adequately identified and managed with particular regard to reviewing the risks to internal financial control at the trust, agreeing a programme of work to address, and provide assurance on, those risks; and
- consider any other matters where requested to do so by the board; and report at least once a year to the board on the discharge of the above duties.

During the period the committee separated to form Finance and Audit & Risk committees.

Attendance at the Finance and Audit & Risk committee meetings in the year was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
G A Wilson (Chair of The Rowan Learning Trust)	3	3
A Foster	1	3
D Leonard	2	3
A Ball	1	3
D Stewart (Resigned 16 November 2022)	0	0
C Roberts	3	3
P Rimmer (CEO & Accounting Officer)	3	3
S Davis (Appointed 1 January 2023)	2	2



# THE ROWAN LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### **Review of value for money**

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

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- improving educational outcomes through the continued development of a high calibre of teaching and support staff across the academy trust;
- further increasing a centralised approach to purchasing which has delivered economies of scale in information technology equipment, licences and support, external human resources/employment law support and guidance, asset management package, behaviour management software, recruitment advertising, telephones, print solutions, bulk paper;
- governors and academy managers utilised the hire of school facilities, to the benefit of the local community, to generate income;
- continued review of the operations and strategies as the academy trust develops will lead to continuous improvement in the individual academies' achievements and services;
- Ensuring the SCA & DFC Funding has been utilised effectively in maintaining the condition of the estate, prioritising matters that would impact health & safety and safeguarding. Continued programme of maintenance and servicing under contracts with external specialists, ensuring we engage appropriate third parties to fulfil our health & safety obligations.

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

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

#### **Capacity to handle risk**

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

#### **The risk and control framework**

The 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 review by the finance, audit & risk committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (assets purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

# THE ROWAN LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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The board of trustees has decided to buy-in an internal audit service from Mitchell Charlesworth to carry out a programme of internal checks and assurance. The role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular, the checks carried out in the current period, included testing of:

- income
- expenditure
- debtors
- creditors
- bank
- accrued and deferred income
- accrued expenditure and prepayments

On a termly basis, the Internal auditor reports to the board of trustees, through the finance, audit & risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations, and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered their schedule of work as planned for the autumn and spring terms. No significant control issues were identified as a result of the internal auditor's work. The summer term review is scheduled for December 2023.

#### **Review of effectiveness**

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

- the work of the internal & external auditors
- the school resource management self-assessment tool
- the work of the finance, audit & risk committee
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit & Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system in place.

Approved by order of the board of trustees on 08 December 2023 and signed on its behalf by:



G A Wilson  
**Chair of The Rowan Learning Trust**



P Rimmer  
**CEO & Accounting Officer**

# THE ROWAN LEARNING TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2023

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As accounting officer of The Rowan Learning Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022.

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

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

*P Rimmer*

P Rimmer  
**Accounting Officer**

08 December 2023

# THE ROWAN LEARNING TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The trustees (who are also the directors of The Rowan Learning Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 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 accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.
- Make judgements and 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 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 08 December 2023 and signed on its behalf by:



G A Wilson

**Chair of The Rowan Learning Trust**

# THE ROWAN LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROWAN LEARNING TRUST

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Opinion

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

In our opinion the accounts:

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

### Basis for opinion

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

### Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts 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 accounts 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.

# THE ROWAN LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROWAN LEARNING TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, 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 charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

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

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

### **Extent to which the audit was considered capable of detecting irregularities including fraud**

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.

# THE ROWAN LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROWAN LEARNING TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Identifying and assessing potential risks related to irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, we considered the following:

- The nature of the industry and sector, control environment and business performance.
- Any matters we identified having obtained and reviewed the company'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 non-compliance with laws and regulations; and
- The matters discussed among the audit engagement team and involving relevant internal specialists, including tax, and industry 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 and identified the greatest potential for fraud in the following areas: recognition of income and misappropriation of funds. 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 the academy operates in, focussing 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 UK Companies Act and Academies Accounts Direction.

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's ability to operate or to avoid a material penalty.

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;
- Enquiring of management and those charged with governance concerning actual and potential litigation claims;
- In addressing the risk of fraud through inappropriate recording of income, we review the existence and completeness of ESFA income and reconcile all other material income streams to third party evidence;
- We carry out a detailed review of deferred income, including a review of amounts released to income in the year;
- We review a sample of expenditure to ensure it has been appropriately authorised and that tender process have been followed where applicable;
- We carry out a review of the register of interests and minutes to ensure that all related parties have been disclosed adequately;
- In assessing the risk of fraud through management override of controls, testing the appropriateness of journal entries and assessing whether judgements made in making accounting estimates are indicative of potential bias.

There are inherent limitations in the audit procedures described above 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. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

# THE ROWAN LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROWAN LEARNING TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

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

*S Grayson*

**Stephen Grayson ACA FCCA (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young Manchester LLP**

8 December 2023

**Chartered Accountants  
Statutory Auditor**

St James Building  
79 Oxford Street  
Manchester  
M1 6HT



# THE ROWAN LEARNING TRUST

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

***FOR THE YEAR ENDED 31 AUGUST 2023***

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

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

### **Respective responsibilities of The Rowan Learning Trust's accounting officer and the reporting accountant**

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

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

### **Approach**

We conducted our engagement in accordance with the 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.

In line with the Framework and guide for External Auditors and Reporting Accountants of Academy Trusts issued April 2023, we have not performed any additional procedures regarding the academy trust's compliance with safeguarding, health and safety and estates management.

# THE ROWAN LEARNING TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE ROWAN LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Conclusion**

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

*S Grayson*

### **Reporting Accountant**

UHY Hacker Young Manchester LLP

Dated: 08/12/2023 .....

# THE ROWAN LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2023 £'000	Total 2022 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	9	1,193	1,202	897
Donations - transfer from local authority on conversion	29	-	748	5,468	6,216	3,568
Charitable activities:						
- Funding for educational operations	4	-	32,608	-	32,608	28,107
Other trading activities	5	695	627	-	1,322	985
Investments	6	1	-	-	1	1
<b>Total</b>		696	33,992	6,661	41,349	33,558
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	9	537	34,611	1,352	36,500	31,510
<b>Total</b>	7	537	34,611	1,352	36,500	31,510
<b>Net income/(expenditure)</b>		159	(619)	5,309	4,849	2,048
Transfers between funds	20	(531)	531	-	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	22	-	3,706	-	3,706	16,782
Restriction for pension scheme asset	22	-	(2,536)	-	(2,536)	-
Revaluation of fixed assets	13	-	-	829	829	432
<b>Net movement in funds</b>		(372)	1,082	6,138	6,848	19,262
<b>Reconciliation of funds</b>						
Total funds brought forward		3,122	(705)	31,475	33,892	14,630
Total funds carried forward		2,750	377	37,613	40,740	33,892

# THE ROWAN LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted	Restricted funds:		Total
		funds £'000	General £'000	Fixed asset £'000	2022 £'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	6	891	897
Donations - transfer from local authority on conversion	29	-	(226)	3,794	3,568
Charitable activities:					
- Funding for educational operations	4	-	28,107	-	28,107
Other trading activities	5	613	372	-	985
Investments	6	1	-	-	1
<b>Total</b>		614	28,259	4,685	33,558
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	9	406	29,922	1,182	31,510
<b>Total</b>	7	406	29,922	1,182	31,510
<b>Net income/(expenditure)</b>		208	(1,663)	3,503	2,048
Transfers between funds	20	(221)	(220)	441	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	22	-	16,782	-	16,782
Revaluation of fixed assets	13	-	-	432	432
<b>Net movement in funds</b>		(13)	14,899	4,376	19,262
<b>Reconciliation of funds</b>					
Total funds brought forward		3,135	(15,604)	27,099	14,630
Total funds carried forward		3,122	(705)	31,475	33,892

# THE ROWAN LEARNING TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2023

		2023		2022	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	13		37,762		31,676
<b>Current assets</b>					
Stock	14	1		2	
Debtors	15	1,303		1,163	
Cash at bank and in hand		6,963		7,847	
		<u>8,267</u>		<u>9,012</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	16	(3,598)		(3,496)	
<b>Net current assets</b>			4,669		5,516
<b>Total assets less current liabilities</b>			42,431		37,192
Creditors: amounts falling due after more than one year	17		(20)		(35)
Provisions for liabilities	18		(249)		(182)
<b>Net assets excluding pension liability</b>			42,162		36,975
Defined benefit pension scheme liability	22		(1,422)		(3,083)
<b>Total net assets</b>			40,740		33,892
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	20				
- Fixed asset funds			37,613		31,475
- Restricted income funds			1,799		2,378
- Pension reserve			(1,422)		(3,083)
<b>Total restricted funds</b>			37,990		30,770
<b>Unrestricted income funds</b>	20		2,750		3,122
<b>Total funds</b>			40,740		33,892

The accounts on pages 25 to 54 were approved by the trustees and authorised for issue on 08 December 2023 and are signed on their behalf by:



G A Wilson

Chair of The Rowan Learning Trust

Company registration number 08010464 (England and Wales)

# THE ROWAN LEARNING TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

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		2023		2022	
	Notes	£'000	£'000	£'000	£'000
<b>Cash flows from operating activities</b>					
Net cash (used in)/provided by operating activities	23		(924)		707
Cash funds transferred on conversion	29		-		18
			<u>(924)</u>		<u>725</u>
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		1		1	
Capital grants from DfE Group		1,193		861	
Purchase of tangible fixed assets		(1,141)		(1,209)	
Proceeds from sale of tangible fixed assets		-		1	
		<u></u>		<u></u>	
<b>Net cash provided by/(used in) investing activities</b>			53		(346)
<b>Cash flows from financing activities</b>					
Repayment of borrowing		(13)		(10)	
		<u></u>		<u></u>	
<b>Net cash used in financing activities</b>			(13)		(10)
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>			(884)		369
Cash and cash equivalents at beginning of the year			7,847		7,478
<b>Cash and cash equivalents at end of the year</b>			<u>6,963</u>		<u>7,847</u>

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 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

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

##### 1.2 Going concern

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company 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 accounts 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 accounts.

##### 1.3 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Plantation Primary School to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amounts recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 29.

##### 1.4 Income

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

###### Grants

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

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

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

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 1 Accounting policies

(Continued)

##### Sponsorship income

Sponsorship income provided to the academy trust 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

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

##### Other income

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

##### Donated goods, facilities and services

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

##### Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations 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.

#### 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

##### Charitable activities

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



# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 1 Accounting policies

(Continued)

##### 1.6 Tangible fixed assets and depreciation

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost or valuation, 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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Land and buildings	50 years or over the term of the PFI (excluding land)
Assets under construction	Nil
Computer equipment	3 years straight line
Fixtures, fittings & equipment	7 years straight line
Motor vehicles	5 years straight line

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.

##### 1.7 Liabilities

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

##### 1.8 Provisions

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

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

##### 1.9 Leased assets

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

##### 1.10 Financial instruments

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

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1 Accounting policies

(Continued)

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. 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.

#### 1.11 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

#### 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 chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 1.13 Pensions benefits

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

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 projected unit method. The 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 are recognised in the period to which they relate.

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

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

#### 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 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.

#### 1.15 PFI Charge

Some of the academy buildings were built under a PFI agreement, as at 31 August 2023 the agreement had a further 10 years to run. The local authority will continue to pay the unitary charge to the PFI provider under the pre-existing PFI contract. In turn, the academy trust will continue to pay the local authority.

### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 2 Critical accounting estimates and areas of judgement

(Continued)

##### Local Government Pension Scheme Liability:

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The ultimate responsibility for setting the assumptions is that of the Academy Trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The Academy Trust has, in practice with most employers, adopted the recommended actuarial assumptions following further consultation with its auditors to ensure these assumptions are reasonable and in line with those adopted by other academy trusts.

The key assumption is the discount rate, which is the estimated rate of long-term investment returns. This year the discount rate range of 5.2%-5.3% is higher than the rate range of 4.25%-4.3% used in 2022. Since a higher discount rate means assets will grow more rapidly in the future, this results in lower current liabilities. This is the key driver for the reduction in the carried LGPS deficit from £3.1m to £1.4m during the year.

##### Provision For Back Dated Holiday Pay:

At the Balance Sheet date, a provision has been recognised with regards to the back dated holiday pay of term time staff members. This provision is estimated based on an ongoing court case, whereby the trade union, Unison, has identified a discrepancy with how Wigan Council calculate the holiday pay entitlement for term time workers. Member schools of The Rowan Learning Trust had been using the same methods of calculation and continued to use this method following the conversion to an academy. Unison has secured legal victories for similar cases with different Council boroughs and so there is a probable outcome that this case will result in the outflow of economic benefits.

Whilst the court case remains unsettled, The Rowan Learning Trust has identified that a reasonable estimate for this outflow is for a 3 year period prior to the Balance Sheet date. This has meant that a calculation for a potential future obligation has been calculated at £249k (2022: £182k).

Any such settlement of a court case would impact on this provision as the outflow of cash in relation to this is uncertain and only the best available estimate.

#### 3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Donated fixed assets	-	-	-	30
Capital grants	-	1,193	1,193	861
Other donations	-	9	9	6
	<u>-</u>	<u>1,202</u>	<u>1,202</u>	<u>897</u>

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	25,882	25,882	23,064
Other DfE/ESFA grants:				
- UIFSM	-	125	125	85
- Pupil premium	-	1,600	1,600	1,338
- Start up grants	-	44	44	31
- Others	-	1,596	1,596	783
	-	29,247	29,247	25,301
<b>Other government grants</b>				
Local authority grants	-	2,962	2,962	2,526
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Other DfE/ESFA COVID-19 funding	-	399	399	280
<b>Total funding</b>	-	32,608	32,608	28,107

### 5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Hire of facilities	93	13	106	98
Catering income	203	-	203	212
Other income	399	614	1,013	675
	695	627	1,322	985

### 6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Short term deposits	1	-	1	1

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 7 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2023 £'000	Total 2022 £'000
Academy's educational operations					
- Direct costs	21,183	-	2,612	23,795	20,034
- Allocated support costs	5,130	4,324	3,251	12,705	11,476
	<u>26,313</u>	<u>4,324</u>	<u>5,863</u>	<u>36,500</u>	<u>31,510</u>

#### Net income/(expenditure) for the year includes:

	2023 £'000	2022 £'000
Operating lease rentals	95	93
Depreciation of tangible fixed assets	1,352	1,183
Gain on disposal of fixed assets	-	(1)
Fees payable to auditor for:		
- Audit	32	28
- Other services	7	6
Net interest on defined benefit pension liability	119	302

### 8 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services;
- maintenance and support services

The academy trust charges for these services on the following basis:

- flat percentage of GAG income (less PFI charges where applicable) - 5%
- time-apportioned (based on days spent working at each school)
- invoices as actual costs applicable to each entity
- additional TCA fund remitted to pay for infrastructure work

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 8 Central services

(Continued)

The amounts charged during the year were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Marus Bridge Primary School	106	102
Three Towers Alternative Provision	168	169
Kirkby High School	445	407
Hawkley Hall High School	393	363
The Heys School	229	236
Farington Primary School	54	51
Whitley Village School	24	4
The Acorns Primary and Nursery School	93	15
Plantation Primary School	27	-
	<u>1,539</u>	<u>1,347</u>

#### 9 Charitable activities

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Direct costs</b>				
Educational operations	314	23,481	23,795	20,034
<b>Support costs</b>				
Educational operations	223	12,482	12,705	11,476
	<u>537</u>	<u>35,963</u>	<u>36,500</u>	<u>31,510</u>

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Analysis of support costs</b>		
Support staff costs	5,248	5,404
Depreciation	1,352	1,182
Technology costs	318	235
Premises costs	2,972	1,966
Legal costs	62	133
Other support costs	2,714	2,522
Governance costs	39	34
	<u>12,705</u>	<u>11,476</u>

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 10 Staff

#### Staff costs

Staff costs during the year were:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	19,322	15,939
Social security costs	1,819	1,590
Pension costs	4,362	5,126
	<hr/>	<hr/>
Staff costs - employees	25,503	22,655
Agency staff costs	730	646
Staff restructuring costs	80	8
	<hr/>	<hr/>
Staff development and other staff costs	267	174
	<hr/>	<hr/>
Total staff expenditure	26,580	23,483
	<hr/> <hr/>	<hr/> <hr/>

Staff restructuring costs comprise:

Redundancy payments	80	7
Severance payments	-	1
	<hr/>	<hr/>
	80	8
	<hr/> <hr/>	<hr/> <hr/>

#### Staff numbers

The average number of persons employed by the academy trust during the year was as follows:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Teachers	270	214
Administration and support	378	333
Management	46	31
	<hr/>	<hr/>
	694	578
	<hr/> <hr/>	<hr/> <hr/>



# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 10 Staff

(Continued)

##### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	12	14
£70,001 - £80,000	5	4
£80,001 - £90,000	5	3
£90,001 - £100,000	3	1
£100,001 - £110,000	-	2
£110,001 - £120,000	1	-
£140,000 - £150,000	1	-

##### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £938,000 (2022: £723,000).

#### 11 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

P Rimmer (CEO/ Accounting Officer)

Remuneration £140,000 - £150,000 (2022: £110,000 - £120,000)

Employer's pension contributions £30,000 - £35,000 (2022: £25,000 - £30,000)

S Beswick (Director of Primary Education)

Remuneration £60,000 - £70,000 (2022: £nil)

Employer's pension contributions £15,000 - £20,000 (2022: £nil)

During the period ended 31 August 2023, insurance, travel and subsistence expenses totalling £246 were reimbursed or paid directly to trustees (2022: £nil).

#### 12 Trustees' and officers' insurance

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

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 13 Tangible fixed assets

	Land and buildings	Assets under construction	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>						
At 1 September 2022	32,460	131	2,009	3,213	135	37,948
Transfer	131	(131)	-	-	-	-
Transfer of school joining	5,468	-	-	-	-	5,468
Additions	631	-	197	313	-	1,141
Revaluation	829	-	-	-	-	829
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2023	39,519	-	2,206	3,526	135	45,386
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>						
At 1 September 2022	2,951	-	1,356	1,859	106	6,272
Charge for the year	663	-	406	277	6	1,352
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2023	3,614	-	1,762	2,136	112	7,624
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value</b>						
At 31 August 2023	35,905	-	444	1,390	23	37,762
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2022	29,509	131	653	1,354	29	31,676
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

The academy trust's transactions relating to land and buildings included construction of the new "H Block" building at Hawkley Hall High School at a cost of £464k.

The land and buildings at Whitley Village School was revalued by Montagu Evans on 1 September 2022 at £1,080k resulting in an uplift of £19k.

The land and buildings at The Acorns Primary and Nursery School was revalued by Montagu Evans on 1 September 2022 at £3,530k resulting in an uplift of £810k.

A total revaluation gain of £829k is included in other comprehensive income.

### 14 Stock

	2023 £'000	2022 £'000
Catering stock	1	1
Other stock	-	1
	<u>          </u>	<u>          </u>
	1	2
	<u>          </u>	<u>          </u>

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

<b>15 Debtors</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Trade debtors	69	23
VAT recoverable	137	87
Other debtors	-	1
Prepayments and accrued income	1,097	1,052
	<u>1,303</u>	<u>1,163</u>
	<u><u>1,303</u></u>	<u><u>1,163</u></u>
<b>16 Creditors: amounts falling due within one year</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Government loans	16	14
Trade creditors	264	153
Other creditors	1,105	1,054
Accruals and deferred income	2,213	2,275
	<u>3,598</u>	<u>3,496</u>
	<u><u>3,598</u></u>	<u><u>3,496</u></u>
<b>17 Creditors: amounts falling due after more than one year</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Government loans	20	35
	<u>20</u>	<u>35</u>
	<u><u>20</u></u>	<u><u>35</u></u>
<b>Analysis of loans</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Wholly repayable within five years	36	49
Less: included in current liabilities	(16)	(14)
	<u>20</u>	<u>35</u>
Amounts included above	<u>20</u>	<u>35</u>
	<u><u>20</u></u>	<u><u>35</u></u>
<b>Loan maturity</b>		
Debt due in one year or less	16	14
Due in more than one year but not more than two years	10	15
Due in more than two years but not more than five years	8	14
Due in more than five years	2	6
	<u>36</u>	<u>49</u>
	<u><u>36</u></u>	<u><u>49</u></u>

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 17 Creditors: amounts falling due after more than one year

(Continued)

At 31 August 2023 there is a total of 5 interest free Government Salix loans outstanding totalling £35,728 (2022: £50,359) with amounts due after one year of £19,596 (2022: £34,978).

The amounts consist of:

Hawkey Hall High School - £7,956 with a total of 3 repayments outstanding which are repayable in biannual instalments of £2,652. Of these repayments, 1 is due after one year.

Three Towers Alternative Provision Academy - £7,629 with a total of 3 repayments outstanding which are repayable in biannual instalments of £2,543. Of these repayments, 1 is due after one year. There is a further loan of £8,210 outstanding at 31 August 2023 with a total of 12 repayments outstanding of biannual instalments of £684. Of these repayments, 10 are due after one year.

Marus Bridge Primary School - £7,433 with a total of 7 repayments which are repayable in biannual instalments of £1,062. Of these repayments, 5 are due after one year.

Whitley Village School - £4,500 with a total of 6 repayments which are repayable biannual instalments of £750. Of these repayments 3 are due after one year.

#### 18 Provisions for liabilities

At the Balance Sheet date, a provision has been recognised with regards to the back dated holiday pay of term time staff members.

This provision is based on an ongoing court case, whereby the trade union, Unison, has identified a problem with how Wigan Council calculate the holiday pay entitlement for term time workers. Member schools of The Rowan Learning Trust had been using the same methods of calculation and continued to use this method following the conversion to an academy. Unison has secured two legal victories for similar cases with different Council borough's and so there is a probable outcome that this case will result in the outflow of economic benefits.

Whilst the court case remains unsettled, The Rowan Learning Trust has identified that a reasonable estimate for this outflow is for a 3 year period prior to the Balance Sheet date. This has meant that a calculation for a potential future obligation has been calculated at £249,000 (2022: £182,000).

#### 19 Deferred income

	2023 £'000	2022 £'000
Deferred income is included within:		
Creditors due within one year	923	1,058
	<u>          </u>	<u>          </u>
Deferred income at 1 September 2022	1,058	1,115
Released from previous years	(1,058)	(1,115)
Resources deferred in the year	923	1,058
	<u>          </u>	<u>          </u>
Deferred income at 31 August 2023	923	1,058
	<u>          </u>	<u>          </u>

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 Deferred income

(Continued)

At the balance sheet date the trust was holding the following funds which had been received in relation to:

- Capital funds - £91k
- SEN top up - £159k
- UIFSM relief - £48k
- School trips - £75k
- NTP clawback - £116k
- PP clawback - £50k
- Sundry/other - £384k

#### 20 Funds

	Balance at 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2023 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	2,378	25,882	(26,992)	531	1,799
Start up grants	-	44	(44)	-	-
UIFSM	-	125	(125)	-	-
Pupil premium	-	1,600	(1,600)	-	-
Other DfE/ESFA COVID-19 funding	-	399	(399)	-	-
Other DfE/ESFA grants	-	1,596	(1,596)	-	-
Other government grants	-	2,962	(2,962)	-	-
Other restricted funds	-	653	(653)	-	-
Pension reserve	(3,083)	731	(240)	1,170	(1,422)
	<u>(705)</u>	<u>33,992</u>	<u>(34,611)</u>	<u>1,701</u>	<u>377</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	19,552	5,468	-	-	25,020
DfE group capital grants	11,810	1,193	(1,352)	829	12,480
Private sector capital sponsorship	113	-	-	-	113
	<u>31,475</u>	<u>6,661</u>	<u>(1,352)</u>	<u>829</u>	<u>37,613</u>
<b>Total restricted funds</b>	<u>30,770</u>	<u>40,653</u>	<u>(35,963)</u>	<u>2,530</u>	<u>37,990</u>
<b>Unrestricted funds</b>					
General funds	3,122	696	(537)	(531)	2,750
	<u>3,122</u>	<u>696</u>	<u>(537)</u>	<u>(531)</u>	<u>2,750</u>
<b>Total funds</b>	<u>33,892</u>	<u>41,349</u>	<u>(36,500)</u>	<u>1,999</u>	<u>40,740</u>

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 20 Funds

(Continued)

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

Restricted general funds are those resources that have been designated by the grant provider in meeting the objectives of the academy.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objectives of the academy.

Unrestricted funds are those which the Governing Body may use in the pursuance of the academy's objectives and are expendable at the discretion of the Governors.

Transfer of funds from General Annual Grant restricted general funds to restricted fixed asset funds are to fund assets for which no capital grant was received.

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

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Funds

(Continued)

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

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,918	23,064	(22,384)	(220)	2,378
Start up grants	-	31	(31)	-	-
UIFSM	-	85	(85)	-	-
Pupil premium	-	1,338	(1,338)	-	-
Other DfE/ESFA COVID-19 funding	-	280	(280)	-	-
Other DfE/ESFA grants	-	783	(783)	-	-
Other government grants	-	2,526	(2,526)	-	-
Other restricted funds	-	568	(568)	-	-
Pension reserve	(17,522)	(416)	(1,927)	16,782	(3,083)
	<u>(15,604)</u>	<u>28,259</u>	<u>(29,922)</u>	<u>16,562</u>	<u>(705)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	15,758	3,794	-	-	19,552
DfE group capital grants	11,258	861	(1,182)	873	11,810
Private sector capital sponsorship	83	30	-	-	113
	<u>27,099</u>	<u>4,685</u>	<u>(1,182)</u>	<u>873</u>	<u>31,475</u>
<b>Total restricted funds</b>	<u>11,495</u>	<u>32,944</u>	<u>(31,104)</u>	<u>17,435</u>	<u>30,770</u>
<b>Unrestricted funds</b>					
General funds	3,135	614	(406)	(221)	3,122
	<u>3,135</u>	<u>614</u>	<u>(406)</u>	<u>(221)</u>	<u>3,122</u>
<b>Total funds</b>	<u>14,630</u>	<u>33,558</u>	<u>(31,510)</u>	<u>17,214</u>	<u>33,892</u>

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 20 Funds

(Continued)

#### Total funds analysis by academy

	2023 £'000	2022 £'000
Fund balances at 31 August 2023 were allocated as follows:		
Marus Bridge Primary School	255	260
Three Towers Alternative Provision	19	164
Kirkby High School	1,732	1,231
Hawkley Hall High School	904	1,561
The Heys School	561	825
Farington Primary School	75	93
Whitley Village School	54	49
The Acorns Primary and Nursery School	106	137
Plantation Primary School	35	-
Central services	808	1,180
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	4,549	5,500
Restricted fixed asset fund	37,613	31,475
Pension reserve	(1,422)	(3,083)
	<hr/>	<hr/>
Total funds	40,740	33,892
	<hr/> <hr/>	<hr/> <hr/>

#### Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2023 £'000	Total 2022 £'000
Marus Bridge Primary School	1,394	258	156	325	2,133	2,136
Three Towers Alternative Provision	2,766	418	264	284	3,732	3,981
Kirkby High School	4,987	1,031	786	1,950	8,754	8,292
Hawkley Hall High School	5,526	1,103	610	959	8,198	7,801
The Heys School	2,888	1,016	259	684	4,847	4,793
Farington Primary School	796	124	75	207	1,202	1,221
Whitley Village School	330	64	46	90	530	76
The Acorns Primary and Nursery School	1,547	330	174	304	2,355	363
Plantation Primary School	444	108	33	70	655	-
Central services	506	926	78	1,232	2,742	1,664
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	21,184	5,378	2,481	6,105	35,148	30,327
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>



# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 21 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	-	-	37,762	37,762
Current assets	2,750	5,517	-	8,267
Current liabilities	-	(3,469)	(129)	(3,598)
Non-current liabilities	-	-	(20)	(20)
Provisions for liabilities	-	(249)	-	(249)
Pension scheme liability	-	(1,422)	-	(1,422)
<b>Total net assets</b>	<b>2,750</b>	<b>377</b>	<b>37,613</b>	<b>40,740</b>

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	31,676	31,676
Current assets	3,122	5,890	-	9,012
Current liabilities	-	(3,330)	(166)	(3,496)
Non-current liabilities	-	-	(35)	(35)
Provisions for liabilities	-	(182)	-	(182)
Pension scheme liability	-	(3,083)	-	(3,083)
<b>Total net assets</b>	<b>3,122</b>	<b>(705)</b>	<b>31,475</b>	<b>33,892</b>

#### 22 Pension and similar obligations

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 The Greater Manchester Pension Fund and the Merseyside Pension Fund. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2020, and that of the LGPS related to the period ended 31 March 2022.

Contributions amounting to £485k were payable to the schemes at 31 August 2023 (2022: £423k) and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. 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.

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 22 Pension and similar obligations

(Continued)

##### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39.800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

The revised employer contribution rate, arising from the 2020 valuation, is due to be implemented from 1 April 2024. The valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to the TPS in the period amounted to £2,909,326 (2022: £2,442,150).

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

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

##### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17.1 - 22.3% for employers and 5.5 - 12.5% for employees.

Kirkby High School has entered into an agreement with the trustees to make contributions in addition to normal funding levels of £156,500 for 2023/24, £163,700 for 2024/25 and £171,200 for 2025/26.

As described in note 29 the LGPS obligation relates to the employees of the academy trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 22 Pension and similar obligations (Continued)

Total contributions made	2023 £'000	2022 £'000
Employer's contributions	1,335	1,072
Employees' contributions	375	292
	<u>1,710</u>	<u>1,364</u>

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.75 - 4.3	3.8 - 4.3
Rate of increase for pensions in payment/inflation	2.9 - 2.95	2.1 - 3.1
Discount rate for scheme liabilities	5.2 - 5.3	4.25 - 4.3
Inflation assumption (CPI)	3.2	2.8
	<u>3.2</u>	<u>2.8</u>

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

	2023 Years	2022 Years
Retiring today		
- Males	18.1 - 20.8	20.3-22.3
- Females	23.3 - 23.6	23.2-25
Retiring in 20 years		
- Males	21.1 - 22.1	21-23.7
- Females	24.7 - 25.1	24.1-26.8
	<u>24.7 - 25.1</u>	<u>24.1-26.8</u>

Scheme liabilities would have been affected by changes in assumptions as follows:

	Approx. increase to scheme liabilities %	Approx. monetary amount £'000
0.1% decrease in the real discount rate	+5%	985
1 year increase in member life expectancy	+3%	658
0.1% increase in the salary increase rate	+1%	143
0.1% increase in the pension increase rate	+3%	673
	<u>+3%</u>	<u>673</u>

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

22 Pension and similar obligations	(Continued)	
<b>Defined benefit pension scheme net liability</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Scheme assets	21,921	18,128
Scheme obligations	(20,807)	(21,211)
Surplus / (deficit) in scheme	1,114	(3,083)
Restriction on scheme assets	(2,536)	-
Net liability recognised	(1,422)	(3,083)
<b>The academy trust's share of the assets in the scheme</b>	<b>2023</b>	<b>2022</b>
	<b>Fair value</b>	<b>Fair value</b>
	<b>£'000</b>	<b>£'000</b>
Equities	13,571	11,641
Government bonds	388	51
Other bonds	2,450	2,815
Cash	1,081	1,027
Property	2,150	1,482
Other assets	2,281	1,112
Total market value of assets	21,921	18,128
The actual return on scheme assets was £(82,000) (2022: £87,000).		
<b>Amount recognised in the statement of financial activities</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Current service cost	1,456	2,697
Interest income	(836)	(273)
Interest cost	955	575
Total operating charge	1,575	2,999

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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<b>22 Pension and similar obligations</b>	<b>(Continued)</b>	
<b>Changes in the present value of defined benefit obligations</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
At 1 September 2022	21,211	32,722
Obligations acquired on conversion	1,613	2,006
Current service cost	1,447	2,689
Interest cost	955	575
Employee contributions	375	292
Actuarial gain	(4,615)	(16,960)
Benefits paid	(179)	(113)
	<hr/>	<hr/>
At 31 August 2023	20,807	21,211
	<hr/> <hr/>	<hr/> <hr/>
<b>Changes in the fair value of the academy trust's share of scheme assets</b>		
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
At 1 September 2022	18,128	15,200
Assets acquired on conversion	2,344	1,590
Interest income	827	265
Actuarial loss	(909)	(178)
Employer contributions	1,335	1,072
Employee contributions	375	292
Benefits paid	(179)	(113)
	<hr/>	<hr/>
At 31 August 2023	21,921	18,128
	<hr/> <hr/>	<hr/> <hr/>

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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

	Notes	2023 £'000	2022 £'000
Net income for the reporting period (as per the statement of financial activities)		4,849	2,048
Adjusted for:			
Net surplus on conversion to academy	29	(6,216)	(3,568)
Capital grants from DfE and other capital income		(1,193)	(891)
Investment income receivable	6	(1)	(1)
Defined benefit pension costs less contributions payable	22	121	1,625
Defined benefit pension scheme finance cost	22	119	302
Depreciation of tangible fixed assets		1,352	1,183
(Loss)/profit on disposal of fixed assets		-	(1)
Decrease in stocks		1	-
(Increase) in debtors		(140)	(361)
Increase in creditors		100	191
Stocks, debtors and creditors transferred on conversion	29	17	182
Increase/(decrease) in provisions	18	67	(2)
<b>Net cash (used in)/provided by operating activities</b>		<u>(924)</u>	<u>707</u>

#### 24 Analysis of changes in net funds

	1 September 2022 £'000	Cash flows £'000	31 August 2023 £'000
Cash	7,847	(884)	6,963
Loans falling due within one year	(14)	(2)	(16)
Loans falling due after more than one year	(35)	15	(20)
	<u>7,798</u>	<u>(871)</u>	<u>6,927</u>

#### 25 Long-term commitments

##### Operating leases

At 31 August 2023 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £'000	2022 £'000
Amounts due within one year	77	47
Amounts due in two and five years	163	51
	<u>240</u>	<u>98</u>

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 25 Long-term commitments

(Continued)

The academy buildings for Kirkby High School are provided on a PFI contract, which at 31 August 2023 had a further 10 years to run. No financial commitment has been included for this contract in the above note because of a shortfall in available information to calculate the cost over the life of the contract. The basic annual payment and affordability gap paid for the year to 31 August 2023 was £1,411k (2022: £1,411k).

#### 26 Capital commitments

	2023 £'000	2022 £'000
Expenditure contracted for but not provided in the accounts	117	532

#### 27 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period:

The academy was related to Winstanley College, Wigan, by Mrs Louise Tipping who is a Member of the Rowan Learning Trust and Principal of Winstanley College. £15,199 (2022: £14,820) expenses were paid on account of the Rowan Learning Trust for the provision of student careers advisor service.

The academy was related to Makerfield Academy Trust, Wigan, by Mrs Louise Tipping who is a Member of the Rowan Learning Trust and a trustee of Makerfield Academy Trust. £3,788 (2022: £3,400) expenses were paid on account of the Rowan Learning Trust for the provision of initial teacher training on behalf of LFP (funds held at Hawkey Hall High School on behalf of the Learning Futures Partnership (LFP)).

All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook 2022, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and in accordance with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

#### 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

#### 29 Conversion to an academy

On 1 June 2023 Plantation Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Rowan Learning Trust from Knowsley Council Local Authority for £nil consideration.

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

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

# THE ROWAN LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 29 Conversion to an academy

(Continued)

Academy	Location	Date of conversion
Plantation Primary School	Liverpool	1 June 2023

	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2023 £'000
<b>Net assets transferred:</b>				
Freehold land and buildings	-	-	5,468	5,468
Pension scheme surplus	-	731	-	731
Accrued income	-	29	-	29
Accruals	-	(12)	-	(12)
	<u>-</u>	<u>748</u>	<u>5,468</u>	<u>6,216</u>
	<u><u>-</u></u>	<u><u>748</u></u>	<u><u>5,468</u></u>	<u><u>6,216</u></u>

	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2023 £'000
<b>Funds surplus/(deficit) transferred:</b>				
Fixed assets funds	-	-	5,468	5,468
LA budget funds	-	17	-	17
LGPS pension funds	-	731	-	731
	<u>-</u>	<u>748</u>	<u>5,468</u>	<u>6,216</u>
	<u><u>-</u></u>	<u><u>748</u></u>	<u><u>5,468</u></u>	<u><u>6,216</u></u>