

THE MOUNTBATTEN SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

THE MOUNTBATTEN SCHOOL CONSOLIDATED FINANCIAL STATEMENTS

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REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mr Paul Urben – Chair of Trustees from 1 September 2022
Mr Robert Le Grice – Chair of Audit, Finance and Risk Committee
Mrs Heather McIlroy
Mrs Jane Thompson
Mr Samuel Longmore
Mr Kevin Hartshorn
Mr Stuart McAuliffe
Mr Neil Hardy
Mr Andy Jones
Mrs Jane Northedge
Ms Ana Brankovic (appointed 01/03/2023)
Mrs Geraldine Lindsay (appointed 12/06/2023)
Mr Phil Humphreys (appointed 01/09/2023)
Mr Richard Jordan-Baker (appointed 01/09/2023)
Mrs Sofia Meacham (resigned 7 October 2022)

Members

Mr Sean Flood
Mr Samuel Longmore
Mr Michael Murphy
Mrs Amanda Stevens
Mrs Jane Thompson

Senior Leadership Team

Chief Executive Officer	Mrs Heather McIlroy
Headmaster	Mr Andrew Portas
Chief Financial Officer	Mr Chris Goodrich
Associate Headteacher	Mr Chris Cox
Deputy Headteacher	Mr Chris Martin
Assistant Headteacher	Mrs Sian Cumming
Assistant Headteacher	Mr Rob Davenport
Assistant Headteacher	Mr Ian Dunn
Assistant Headteacher	Mrs Charlie Fisher

Company Secretary

Mr Chris Goodrich

Company registration number

07560175 (England and Wales)

Registered office

The Mountbatten School
Whitenap Lane
Romsey
Hampshire
SO51 5SY

Independent auditor

Baxter & Co
Lynwood House
Crofton Road
Orpington
BR6 8QE

Bankers

Lloyds Bank Plc
Manchester NATLAC
1 City Road East
Manchester
M15 4PU

Solicitors

Browne Jacobson LLP
Victoria Square House
Victoria Square
Birmingham
B2 4BU

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the year 01 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 16 serving a catchment area in Romsey and surrounding area. It has a pupil capacity of 1,420 and had a roll of 1,469 in the school census 1 October 2022.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of The Mountbatten School are also the directors of the charitable company for the purpose of company law. Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1

Members' liability

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

Trustees' Indemnities

No indemnities or guarantees have been provided to third parties by the charitable company in respect of any of its Trustees.

As part of its overall insurance with Zurich the school has insurance which protects Trustees against claims arising from negligent acts, errors, or omissions. The insurance provides cover up to £5,000,000 for any one claim.

Method of recruitment and appointment or election of Trustees

On 1 April 2011 the Trustees appointed all those Governors that served the predecessor school to be Governors of the newly formed Academy. These Governors were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process. In March 2021 the academy updated its Articles of Association, at that point governors become trustees. The trustees were appointed on a term of office that would end when their original term, thus ensuring a staggered re-election or replacement process.

The Academy shall have the following Trustees as set out in its Articles of Association and Funding Agreement:

- up to 6 Trustees who are appointed by the Members;
- up to 2 Parent Trustees who are elected by the parents of registered pupils at the Academy;
- an unlimited number of Co-opted Trustees who are appointed by the Board of Trustees (based on skills need); and
- the Chief Executive Officer who is treated for all purposes as being an ex-officio Trustee.

Trustees are appointed for a 4-year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of - Trustees, any Trustees can be re-appointed or re-elected. When appointing new Trustees, the Board of Trustees will consider the skills and experience mix of existing Trustees to ensure the Board of Trustees has the necessary skills to contribute fully to the Academy's development.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training in charity, educational, safeguarding, legal and financial matters. All Trustees are provided with the information needed (including the Trustees Handbook, policies, minutes, budgets) to undertake their role as Trustees.

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Organisational structure

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Trustees. As there are normally only a few new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. All new trustees meet with the Chair of Trustees and the Chief Executive Officer. New trustees are given a 'buddy' to support them in settling in.

We subscribe to Hampshire Trustee Services who provide a range of courses. We encourage trustees to attend as individuals and to attend local trustee conferences, an online information service is also available to all Trustees. We have a place in our regular meetings when feedback is encouraged from any trustee who has attended training recently. Every year we hold an in-house Whole Board Training session, a trainer from Trustee Services presents on a subject that has been agreed by the whole Board. We usually also invite members of the senior leadership team to attend these evening sessions. We have an identified trustee who is our Training Liaison Trustee whose role involves coordinating our training as trustees. In the Autumn and Spring terms we hold a "Trustee Experience Day" when all trustees are invited into school to experience a day around a previously agreed theme, usually following an individual student during a normal school day's activities. It is our policy that every trustee should serve on at least one committee or sub-committee, and care is taken to find the best fit according to the needs of the school and the strengths of the new trustee involved.

The Chief Executive Officer is the Accounting Officer of the Academy Trust.

The Board of Trustees operates a system of clerked Committees with delegated responsibilities. All minutes are presented and reported on at the half termly Board of Trustees.

Major issues will be referred to the Board of Trustees for ratification. (Ref the Board of Trustees' Standing Orders).

The Board of Trustees' sets objectives annually as part of the Mountbatten Improvement Plan (MIP). Each Committee has a set Terms of Reference agreed by the Board of Trustees and reviewed annually.

Leadership

To assist the decision making of the Board of Trustees, by considering strategic issues, contributing to the school's medium and long term planning. This committee facilitates a very close working relationship between the Trustees and the Senior Leadership team. To regularly make appropriate comments and recommendations, on such matters, to the Board of Trustees.

Audit, Finance and Risk

To assist the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity. To regularly make appropriate comments and recommendations, on such matters, to the Board of Trustees. The meetings of this committee are divided into audit functions and financial matters.

Full Board - School Improvement

To enable the decision making of the Board of Trustees, through more detailed consideration to be given to the best means of fulfilling the Board of Trustees responsibility to ensure sound management of the academy's teaching and learning including proper planning, monitoring and probity.

Human Resources

To assist the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure sound management of the academy's human resources, including proper planning, monitoring and probity. To regularly make appropriate comments and recommendations, on such matters, to the Board of Trustees.

Appraisal & Pay Committee

To assist the Board of Governors in the area of staff remuneration, by enabling more detailed and confidential consideration to be given to the Board of Trustees obligations to ensure sound management of the academy's pay ranges and levels of payment, including proper planning, monitoring the school appraisal process and probity. Any major issues that arise at any Committee meeting will always be referred to the Board of Governors for ratification. (Ref the Board of Governors' Standing Orders).

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The Mountbatten School has a wholly owned trading subsidiary called Mountbatten School Services (Company Number 07889300) which trades as Personal Best Education. The primary function is to provide services which benefit the community.

Arrangements for setting pay and remuneration of key management personnel

Annual Appraisal decisions are made by the Pay and Appraisal Committee (PAC) and reported to the Board of Trustees.

- July - PAC 1 Pay and Appraisal Policy in readiness for new cycle.
- November - PAC 2 - Review of Teachers and Support Staff
- November - PAC 3 - Review of SLT.

Objectives are set in the Autumn term for all SLT informed by the school improvement plan.

Interim assessments take place throughout the year through line management structure

Formal review takes place at the end of the one-year cycle where evidence is produced by each member of SLT. A report on outcomes and recommendations is produced by the Chief Executive Officer (CEO). This is presented to the PAC 3 annually in November

The Headmaster undertake the Appraisal Process for the Associate Headteacher, Deputy Headteacher and the Assistant Headteachers.

Chief Executive Officer (CEO) and Headmaster

The CEO Pay and Appraisal committee, advised by external consultant, meet to review the CEO's objectives. Recommendation based on the extent to which objectives have been met/exceeded are made to the PAC 3 meeting. Pay scales are determined by the PAC in line with the Pay Policy. This is reviewed and published annually. The Pay policy is communicated and signed by all staff annually.

The Headmaster Pay and Appraisal committee, advised by external consultant, meet to review the headmaster's objectives. Recommendation based on the extent to which objectives have been met/exceeded are made to the PAC 3 meeting. Pay scales are determined by the PAC in line with the Pay Policy.

Reports on proposals for all SLT and the Directorate are prepared in detail in readiness for the Autumn 2 HR committee and the PAC 3 Autumn meeting.

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total Cost of facility time	£0
Total Pay bill	£8,567,358
Percentage of the total pay bill spent on facility time	0%

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Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0%
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Related Parties and other Connected Charities and Organisations

The Mountbatten School operates independently of other organisations. Our wholly owned subsidiary Mountbatten School Services trading as Personal Best Education (PB Ed) has a board comprising of senior staff, trustees and other non-executive directors.

Objectives and activities

Our objects and aims, described below, put students at the heart of all that we do. We have described our main achievements within the Strategic Report and also how we have performed against our objectives. We are committed to ensuring that we maintain strong and effective relationships with students, parents and wider stakeholders in the community.

Objects and aims

The Board of Trustees believe that one of their most important roles is to provide clear and focused guidance in the area of financial management, ensuring through our monitoring processes we meet the requirements of our regulators, achieve value for money and the very best offering for our students that we can afford.

However, given the nature of our core activity the type of key financial performance indicators used by commercial companies is not deemed appropriate to our activity, our financial objectives are focused on achieving value for money, a steady return from low risk investments and a budget that ensures students receive the full benefit from in year funding allocation.

The nature of state funding for education means that opportunities to seek capital funding will continue to be opportunistic.

Objectives, strategies and activities

Our objectives for the year ended 31 August 2023 were as follows:

- Develop Adaptive Teaching to support disadvantaged and SEND students in their learning in the classroom and help to close the progress gap
- Develop staff understanding of Oracy and Literacy and implement strategies for the classroom
- Develop a whole school Reading Strategy
- Ensure that we implement the safeguarding strategies outlined in KCSiE 2022-23
- Develop Student Leadership and offer all Year 9 students the opportunity to take part in the Bronze Duke of Edinburgh programme
- Develop the coaching of culture amongst the 3 staff: train all ITT and ECT mentors in levels 1 & 2 coaching (NASBTT programmes)
- Further develop the campus according to our strategic site development plan;
- Ensure the school continues to remain the school of choice in the locality with strong numbers on roll in all year groups and therefore a strong income position.

Public benefit

The Trustees confirm that they have complied with the duty in Section 17 (5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

We have referred to the guidance in the Charity Commissions general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The public benefit of The Mountbatten School Academy Trust is the advancement of education within the local community.

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Strategic Report

Achievements and performance

Performance against targets and objectives:

The performance of the academy trust against the targets and objectives are summarised in the information below.

Key Performance Indicators

Although the Academy's Funding Agreement is not subject to a specific carry forward limit on the amount of GAG funding, the main financial performance indicator is the level of reserves held at the balance sheet date and, in particular, the amount of GAG funding carried forward at the balance sheet date. At 31 August 2023, the balance of the GAG Restricted Fund was £nil.

Staffing costs are another key performance indicator for the Academy. The percentage of total staff costs to total income for the period was 76.8%, while the percentage of total staff costs as a proportion of total expenditure was 72.8%.

1. Teaching & Learning

Teaching and Learning continues to enjoy a high profile in the school. All members of the SLT undertake timetabled learning walks where day-to-day standards, specific groups of students (SEND, LAC, high behaviour profile etc.) and pedagogy are observed, and all teaching staff have a pedagogy focus which forms the basis of ungraded lesson observations which are undertaken by their peers, Middle Leaders and Senior Leaders throughout the academic year. In addition, staff observe a peer out of faculty on a pedagogy focus of their choice and a student that they teach. This is creating an 'Open Door' culture where staff feel empowered to support each other in a non-judgemental environment. The staff are supported by a comprehensive CPD framework with identified strands for ITT, ECTs and whole staff and is complemented by bespoke Middle Leadership and coaching programmes underpinned by NASBTT. A weekly 'Learning Thursday' provides whole-school CPD and supports the whole school improvement plan. Teaching and Learning is closely linked to Appraisal and acts as a key driver for school improvement. Through appraisal, staff develop their craft in the classroom through a Personal Pedagogy Appraisal Objective.

2. Achievement and Performance

The DfE are very clear about the impossibility of making comparative judgements – against other schools or previous performance – using 2023's GCSE results. Nationally, the results have been reset to 2019 levels, significantly lower than recent years. Comparative progress data (P8) does not carry the same weight as previous years.

This report considers the attainment data – which captures the proportion of students who achieve benchmarks for access and success in further education.

Students had excellent attainment, achieving results above the national average and enabling them to access the next appropriate stage of their education. Summary of results:

- Attainment 8 Score of 50.11
- 70% achieving a standard pass (4+) in English & Maths
- 51% achieving a strong pass in (5+) English & Maths
- 67% achieving 5 standard passes including English and Maths
- 49% achieving 5 strong passes including English and Maths
- 30% of Pupil Premium students achieving 5 standard passes including English & Maths
- English Baccalaureate average points score of 4.3

3. To maintain a medium / long term plan for The Mountbatten School

Trustees have been part of some major strategic decisions, particularly with regard to curriculum and campus developments. Over the past few years, we were fortunate to be successful with four CIF bids in excess of £6 million for the refurbishment of the science department, changing rooms, gymnasium and heating replacement. Funds have also committed from our reserves for a new build on site.

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4. Business Development

Personal Best Education, the trading arm of the Mountbatten School, provides a wide range educational and leisure services aimed at improving the physical and mental well-being of the local community and beyond, whilst generating strong revenue streams to enable significant annual financial contribution to the school to support improvements to facilities and access to a more diverse educational proposition.

As expected and planned for, 2022-23 was a year of consolidation within the business to counteract a number of changes to its funding programmes such Bikeability and NCS as well as absorb the impact of limits to trading due to the significant heating replacement project across the Mountbatten School site.

After a decade of delivering Bikeability throughout the county, Hampshire County Council proceeded to set up an in-house delivery arm and deliver all places from September 2022 to align with its road safety strategy. In addition, with a new funding body established in Autumn 2022 to oversee UK Cycling Policy, Active Travel England, a decision was made to move all Borough and City Council Bikeability funding from SGOs to Local Authorities which resulted in the Test Valley Bikeability contract also moving to HCC's in-house provision from April 2024 - with the exception of Balance Bike training that will remain in place until March 31st 2024. Although, there was a significant impact on the business with loss of income and highly experienced staff who were required to move across to HCC as part of a TUPE process, the business managed to navigate these challenges well and remain in a good position.

Personal Best was successful in being appointed as a 'Residential Delivery Partner' across the South East for another two years on the new NCS 3.0 programme, albeit with nos. at lower levels than seen in previous NCS incarnations. In further positive news, Personal Best also won the bid to become the 'Organisation Lead' in the South East of England for the new year-round NCS Grants initiative – 23 districts inc. Kent, Hants, Berkshire, Sussex etc.

Other business streams such as the Leisure Centre and Football continued to perform strongly in spite of the school's heating works during the year. Furthermore, the new Conference Centre has seen a significant upturn - with long-term bookings from the NHS as well as the delivery of workplace training courses such as First Aid – and the newly equipped Fitness Suite achieving the excellent figure of one hundred regular members. As expected the heating works resulted in delaying the launch of the new international proposition - a joint initiative of the school and business which will benefit everyone – however, planning has continued to ensure a launch to market is possible upon completion of the site in spring 2024.

Overall, the outlook for Personal Best is very positive with it performing well in the face of sizeable challenges and is well-placed to grow its commercial revenues from the summer 2024 upon completion of the works, enabling it to reduce its reliance on funded programmes and control its own destiny through a wide-range of revenue streams that make a huge positive impact on individuals, groups and communities across the South.

5. Pastoral Developments (including attendance and Pupil Premium student achievement)

Attendance

Last year's attendance figure showed 8.70% absenteeism compared to a national figure in 2022-23 of 9.3%. The way that the government measures persistent absenteeism is as the number of students who are absent for more than 10% of the time. The rate of persistent absenteeism at Mountbatten is 23%, below the national figure of 28% for 2022-23. Our previous absence figures have been excellent, and we attribute this rise above the national figure to an increase in the number of students with anxiety, mental health issues and the impact of Covid. Especially in the upper school where persistent absenteeism in Year 11 was 31%.

Absence rates for SEN and PP students are 21% and 17.74%, compared with national figures in 2022-2023 of 17.1% and 14.7% respectively. Improving attendance, especially for our most disadvantaged students is a priority for all staff, especially our designated attendance staff and deputy heads of year. One of our directors has responsibility for coordinating actions to improve attendance. All strategies and outside agencies that could possibly be used are being tried.

Achievement of Pupil Premium Students

At the time of writing, no national data is available. Results below are from aggregated data from schools that use the data analysis package, SISRA and are displayed for comparative purposes only.

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	PP	Non-PP	All students
Boys	-1.38	0.00	-0.17
Girls	-0.72	0.32	0.11
All students	-0.96	0.16	-0.02

The data show a large gender gap with girls outperforming boys throughout. Far more girls seem to be affected by poor health issues and anxiety, some of which was COVID-related, but a significant number of students, mainly boys, failed to attend some or all of their exams, significantly affecting the overall figures and even more so of the PP boys, being a relatively small cohort of 22 students.

Exclusions and Behaviour

Exclusions data for the previous academic year are shown below.

2022-23	Number of exclusions	Cumulative days lost	Av'no of days per exclusion	Number of pupils	NOR	% NOR
Total	379	630.50	1.66	120	1463	8.20%
SEN	155	257.50	1.66	38	192	19.79%
Non-SEN	224	373	1.66	30	1271	2.36%
Male	216	376	1.74	89	749	11.88%
Female	163	254.5	1.56	48	714	6.72%
Pupil Premium	151	267	1.76	46	253	18.18%
Non-Pupil Premium	227	363.50	1.60	75	1210	6.20%

The percentage of students is broadly similar to the year before, with the exception that a higher proportion of the exclusions are from girls. In the previous academic year, approximately ¼ of exclusions came from girls, whereas in the last academic year, girls made up approximately 40% of all exclusions. Most striking is the increase in the total number of exclusions, almost 3 ½ times as many as the previous year and something that many schools are experiencing.

6. Special Educational Needs

There are currently 31 students with EHC Plans at The Mountbatten School (an increase of 8 from the previous academic year). We received 12 consults by the 4 September, most of which were for students currently in Year 6. At the start of the year, the hours stipulated on the EHCPs ranged from 15 hours of support to 35 hours. Over 336 lessons are being covered each week through TA support or SEND interventions, leaving a deficit of more than 92 lessons compared to hours identified in EHCPs. This includes one-to-one and group support as it has been necessary to group some pupils together in order to reduce the deficit in hours. We continue to see an increase in the complexity of need, which at times has not been addressed at Primary School, making the role more challenging.

In addition to the students with EHC Plans, students across the school with a range of special educational needs require the support of the Learning Support team. There is a greater level of need identified by both parents and Primary Schools. The team of teaching assistants bring a range of experience and subject specialisms and are very good at developing positive working relationships with the students. One teaching assistant is ELSA trained and we currently have one HLTA, who is based in Science. The Assistant SENCo adds another dimension of leadership to this evolving faculty and long term there will be a need to review the staffing needs of the department due to the ever-increasing volume and complexity of the work. The new SENCO has been in position since January 2022 and has created a wealth of new resources to support staff with quality first teaching. Intervention programmes are being reviewed and new ones introduced, such as the 'Zones of Regulation', a social skills intervention group. The SENCO has started to review the department and consider new approaches and structures to help the department cope with the increasing demands that more EHCP students bring.

In addition to the students with EHC Plans, students across the school with a range of special educational needs require the support of the Learning Support team. There is a greater level of need identified by both parents and Primary Schools. The team of teaching assistants bring a range of experience and subject specialisms and are very

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good at developing positive working relationships with the students. Two TAs are ELSA trained and we currently have one HLTA. The Assistant SENCo adds another dimension of leadership to this evolving faculty. The new SENCo has been in position since January 2022 and has created a wealth of new resources to support staff with quality first teaching. Intervention programmes are being reviewed and new ones introduced, such as the 'Zones of Regulation', a social skills intervention group. The SENCo has started to review the department and consider new approaches and structures to help the department cope with the increasing demands that more EHCP students bring.

7. Safeguarding

As the needs of our students have evolved it has been necessary, as planned, to expand the Student Support Team, recruiting two Student Support Workers to allow the managers to be utilised in gathering evidence in safeguarding investigations without compromising the support for the wider student body. Serious breaches of the school's behaviour policy which have led to permanent exclusion, have had significant safeguarding elements requiring multiagency working with partnerships to ensure our students receive the support they need, whilst maintaining the safety and wellbeing of all other students.

The school continues to embed its #NotOk campaign encouraging students to report concerns about sexual harassment or abuse. Feedback from students and staff suggests that steps that have been taken are welcomed. The Senior Designated Safeguarding Lead presented at the Annual Child Protection Conference in London in September 2023 to highlight how schools can handle allegations of abuse, harassment and sexual harassment when reporting systems are more robust when student voice is employed to evidence outcomes effectively. The Safeguarding Team continues to work closely with the RSHE Coordinator to support the delivery of themes that are essential to the education of our students in 2023.

We are delighted that since the DSL completed the Senior Mental Health Lead training, following consultation with Hampshire County Council's Education Department and with local mental health services, the school will now receive additional support through the *Mental Health Support Teams* being established in our area. This forms part of our early help offer that provides evidence based mental health support to children and young people who would not meet the threshold for specialist Community CAMHS services. The new team will be established by January 2024 working closely with the school, supporting the wellbeing and mental health of our young people until they go fully live in January 2025 with full caseloads.

8. The Development of the Music Academy

The Music Academy continues to develop, with some notable achievements, and some exciting new developments taking place this academic year. We began the year with the sad news of the passing of Her Majesty the Queen. It was decided that the school should mark this event with a series of assemblies to commemorate her life. The Wind Band stepped up to the plate, and with only one rehearsal managed to perform at 5 assemblies playing Elgar's "Nimrod" from the "Enigma Variations." They also played "God Save the Queen" at Mourning tempo, as a memorable and fitting tribute to a life well lived. The students will remember the occasion for many years to come. This was followed in November by the Mountbatten big Band performing to great acclaim at the Royal Albert Hall in the Music For Youth Schools Prom. This was an outstanding achievement and put Mountbatten firmly on the national and international stage, as the concert recording is distributed worldwide. Along with the many other concerts throughout the remainder of the year, the Big Band performed at the Swanage Jazz Festival in July and have already been booked for a return visit in 2024, to take part in a Gala concert along with several other adult Big Bands.

Our Outreach work continues to develop, with some schools increasing the extent and scope of their buy-in. Some other Primaries are struggling with budget constraints, and Music has always been an easy area to cut, as is evidenced by the most recent OFSTED report into Music provision across the country. We have also developed closer links with Hampshire Music Service, resulting in a joint project running a 6 week pilot for our proposed Saturday Music School. The initiative is aimed at PP, SEND, and other vulnerable students. The pilot was a great success, and a full roll-out is planned for November. If successful, the model is to be deployed across the county. 2023 also saw the launch of the Mountbatten Community Wind Band. This has been a really exciting development, and we have a strong and committed membership made up of former students, parents and instrumentalists from across the region. We have also established a development programme for our steel bands, which again is aimed at supporting the more vulnerable students, and those who have not previously had the opportunity to learn an instrument. We plan to extend this to every year-group throughout this coming year.

Accommodation continues to be an issue for the Music team, resulting in constraints on the breadth and depth of the curriculum. Class sizes of 33 students in a room of 40sq/m would be difficult in any subject, but in a practical subject such as Music, where instruments are involved, the difficulties become much more acute. The development of work on Steel Pans is also constrained by lack of space.

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Forthcoming developments include an area wide brass day, supported by the Royal Marines, Hampshire Music Service, and Hayes Music. This will involve students who receive our Outreach provision on PBrass, as well as those receiving peripatetic brass lesson both here and in other schools across the region. We have also been selected as one of only 5 venues from across the UK to host the southern regional round of the National Concert Band Festival, to take place in October half-term.

9. The Development of the Sports Academy

The Sports Academy has been developing over the last two years since it's relaunch in September 2021.

The sports academy has a clear vision and focus on participation, performance and pathways. Collaboratively we have created our mission statement *'To create a culture of participation, performance and sporting development'*.

We have seen fantastic engagement in extracurricular clubs with an average of 450 students per week attending on a regular basis. Furthermore, 325 students were members of a Mountbatten sports team last academic year and represented the school.

We have added additional clubs onto our provision to support engagement. We have used external coaches to support us with this provision and have set up new clubs in Taekwondo, Basketball, Badminton, Alternative sports and Fitness alongside our extensive programme. The academy looks to support excellence alongside supporting engagement and offering all students an opportunity to be physically active within sport. We have been well supported by Personal Best Education with the delivery of those clubs.

Our academy teams in Rugby, Football & Netball in Lower & Upper School have made excellent progress. Participation to those clubs have been superb and commitment levels have increased post pandemic restrictions. We've had great success within those sports with numerous league titles, cup final representation and cup success over the course of last academic year.

Students within those Upper School Academies have been given further opportunities to attend coaching, leadership and officiating qualifications. Officiating courses within Rugby and Football have been organised and run throughout the last year and a number of students have gained these additional qualifications. Those students are now supported the Faculty by officiating Lower School fixtures and tournaments.

A key focus area of the academy teams and Upper School Academy students was to develop students' strength and conditioning to improve them as athletes. Tom Robinson has been leading a structured programme to support students within those Academy teams to develop their core movements, strength and preventative injury strategies. Attendance to those sessions has been good and many of the Academy team players have taken up the opportunity to attend those sessions in the morning and after school.

One strand of the Sports Academy model is to develop and support High Performance Athletes. We have created a comprehensive review of all High-Performance Athletes that we have within the school in a variety of sports. We have categorised those students into groups for mentoring and have prioritised the most in need with one-to-one mentoring. Those students have been well supported throughout the year with their sporting and academic commitments. We also gave those students the opportunity to attend Solent University. During our numerous the HPA students undertook fitness testing using their state-of-the-art facilities, workshops in sports psychology and sports nutrition and management alongside a tour of the University. This gave the students an insight into the life of an athlete at university and into other key elements required as a professional athlete.

We have now launched the South Africa Sports Tour 2024 where students within the Upper School Academies of Rugby, Football & Netball will have the opportunity to attend the trip and experience South Africa, whilst having the chance to play competitive fixtures against host schools. Students in those academies will be raising funds for our charity in South Africa, the Pebbles Project.

10. The Development of the Science Academy

We have made good progress with the development of the Science Academy this year and are well ahead of the schedule outlined in the last reporting period. We are now working with 8 of our local primary schools and have delivered assemblies and workshops, supplied resources and CPD for our Primary Colleagues as well as hosting Primary students on site at Mountbatten for Science days and the Big Bang Fair. Combined this activity has reached almost 3000 students.

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For our own students we have dramatically increased the number of trips, visits and events we have delivered. Highlights included The Big Bang Fair @ Mountbatten, where we hosted 2 days of workshops delivered by STEM professionals, and three foreign residential trips. This is in addition to the numerous day trips means that we have created over 3000 opportunities for students to take part in STEM activities.

Our extra-curricular club offer has also seen significant development with the number of KS2 pupils coming into school tripling and Computer Science being added to the offer. For our own students we have trained xx STEM leaders who have gained a level 2 leadership qualification with xx who will complete their training in the next AY.

We have also been successful in attracting grant money from the Ogden Trust and Royal Society of Biology to support all of this activity. Moving forward Ellie Peacock and Ed Gentle have been selected and trained as Space Advocates and will be delivering workshops to both our own pupils and pupils at other secondary schools in the South of England on behalf of the UK Space Agency. Our application to set up an Ogen Trust Local Partnership has been successful and this will provide funding, equipment and CPD support for the next 5 years. We are also in discussion with STEM learning about setting up an Enthuse Partnership which if granted will provide significant funding to support teacher CPD for STEM subjects.

In the next AY we intend to build on this platform. We already have a packed outreach programme and are in the early stages of working with Barton Peveril College to try to improve the transition from GCSE to A level study in STEM subjects and Getting involved with an Institute of Physics research project to enhance the teaching of physics. For the remainder of this year the focus will be on developing links with additional feeder primary schools (Cupernham, Rownhams and Nursling), enhancing the super curricular offer to our own students and working with Personal Best Education to develop the revenue earning potential of the academy. We have been invited to attend the Science Learning + conference which will provide additional opportunity to develop our existing network and identify potential sources of extra grant funding.

11. 3D Curriculum

At The Mountbatten School we know that we achieve excellent test and examination results.

What makes our school special is that we value other qualities and characteristics just as highly as academic success.

We prepare students to become:

- Rounded individuals of integrity
- Successful in the world of work
- Happy and fulfilled young people

The 3D Curriculum is how we describe the qualities and characteristics that we value, develop and reward in every aspect of school life.

The 3D Curriculum

WE CARE – We are:

Compassionate – caring for and supporting others

Resilient – keeping going and doing our best, even when things get tricky

Cooperative – working with others to succeed together

Thoughtful – thinking carefully about our opinions and actions

WE RESPECT – We show:

Excitement – by being enthusiastic and putting effort into our learning

Curiosity – by showing interest in everything and asking questions

Independence – by taking responsibility for our learning and our decisions

Tolerance – by understanding that others are different to us, not better or worse

WE ACHIEVE – We become:

Leaders – taking action and inspiring others to make the world a better place

Communicators – listening, and using words to make ourselves understood

Problem-solvers – using all our skills and learning to find solutions

Creators – using our imaginations to make (and think) new things

This is being promoted through epraise points and communicated with parents and students through the weekly newsletter, weekly staff bulletin and social media posts. Departments are in the process of making the 3D Curriculum more specific to their subject areas to further embed the 3D Curriculum.

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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.

Financial review

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as other government grants. Such income is collectively referred to as "Restricted Funds".

Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the Trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending. Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of Trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

The Trustees continue to monitor the level of reserves in line with the reserves policy and in the context of the significant financial pressures in future year the school is well placed to manage the impact.

The following balances held were held at 31 August:

Fund	Category	2023 £'000	2022 £'000
GAG	Restricted General Funds	-	-
Other DfE/ESFA Grants	Restricted General Funds	-	-
Other Income	Restricted General Funds	-	-
Sub-total – General Restricted Funds		-	-
Unspent Capital Grants	Restricted Fixed Asset Fund	2,133	3,560
Other Income	Unrestricted General Fund	909	1,232
Sub-Total – Spendable Funds		3,042	4,792
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	28,583	27,331
Net Book Value of Fixed Assets	Unrestricted General Fund	14	-
Share of LGPS Deficit	Restricted Pension Reserve	(144)	(468)
Total – All Funds		<u>31,495</u>	<u>31,655</u>

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During the year under review there was no change (2022: decrease of £124k) on general restricted funds, a decrease of £323k (2022: increase of £431k) on unrestricted funds and after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall decrease of £160k (2022: increase of £6,058k).

We will continue to invest in improving our estate (buildings), alongside investment to improve energy efficiency to address both the spiralling costs of gas and electricity, and reduce our carbon footprint.

A competitive tendering process took place in early 2022 to appoint Auditors for the Trust. James Cowper Kreston had held this role for five years and it was due for review. Baxter & Co. were successful in being appointed in April 2022.

The majority of The Mountbatten School's income is obtained from the 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 ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The principal source of funding for the period to 31.8.23 was ESFA funding of £8,788k with expenditure against this income of £8,788k.

This expenditure was used to support the key aims of The Mountbatten School in providing education for students and enhancing their opportunities. Funding was used for staffing and resources to deliver the curriculum and in maintenance of the site and buildings. The lack of increase in funding, despite increasing costs, including statutory increases in NI and pension contributions has limited the work we can undertake to the buildings on site and has limited the amount we have been able to spend on all resources and in particular IT resources. In all financial transactions best value was considered when making decisions.

Reserves policy

The Trustees' policy is to review the levels of reserves annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The policy of the Board of Trustees is to maintain a level of reserves that will be adequate to provide a stable base for continuing the operation of the Academy whilst ensuring excessive funds are not accumulated. The main aim of the Academy is to ensure that the level of curriculum provision will be maintained in future years. The Governing Body uses the 5-year plan to inform the decision making. There is a commitment to ensuring regular capital investment (whilst balances allow), to improve facilities to meet long term development plans.

Reserves have been used to appoint architects to prepare a site feasibility plan to ensure future capital projects will provide the best value. For any capital project, we wish to undertake detailed, costed plans are prepared prior to bidding for the funds.

The Trustees are concerned that reserves are reducing annually due to lack of funding being received to meet core provision. The board are continuing to closely monitor the five-year plan.

Investment policy

The academy trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the school aims to invest surplus cash funds to optimise returns but ensuring the investment instruments are such that there is no tangible risk to the loss of these cash funds.

Purposes

- To ensure adequate cash balances are maintained in the current account to cover day to-day working capital requirements
- To ensure there is no tangible risk of loss in the capital value of any cash funds invested
- To protect the capital value of any invested funds against inflation
- To optimise returns on invested funds.

Where the academy trust has identified funds which can be invested, they can only be invested in interest bearing deposit accounts with any 'A-rated' provider covered by the UK deposit protection scheme.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

Principal risks and uncertainties

The Board of Trustees have adopted a Risk Management Policy and delegates the monitoring and reporting of matters covered by the policy to the Audit, Finance and Risk Committee.

Principal risks relate to funding uncertainties and student numbers. Future major housing proposals will protect our student numbers, however the risk of these being delayed could have an adverse effect on our income. To ensure that we can maintain current income levels we have increased our intake from 284 to 296.

The Audit, Finance and Risk Committee has developed a process to identify financial and operational risks and drawn these up as a Risk Register which includes appropriate mitigations for risks that are agreed with the SLT.

Areas of principal risk monitored and mitigated for are:

- Losing highly skilled staff in key leadership positions. We have put succession planning measures in place to reduce the risk.
- Failing to maintain student numbers at PAN
- Loss of reputation through poor publicity related to incidents we should control
- Drop of standards identified in formal external assessment, for example Ofsted inspections
- Unexpected reduction of core funding
- A Health and Safety incident especially if proved to be caused by a management failure
- Failing to achieve excellent examination results
- Inappropriate operational decisions from SLT and poor decision making by the Board of Trustees or the principal committees
- Failing to implement effective communication processes

A five-year budget plan is produced, this is reviewed and updated regularly as circumstances change. All budget expenditure is scrutinised in close detail to ensure that overspends do not occur. Budgets are always set based on needs.

Actual and Forecast key financial performance indicators, using ESFA benchmark data, are reported to the Audit, Finance and Risk Committee annually.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), Trustees consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

Most of the company's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Our fundraising practices

The trust and individual academies within it organise fundraising events and appeals and co-ordinate the activities of our supporters both in the academies and in the wider community on behalf of the trust.

The trust does not use professional fundraisers or involve commercial participators.

There have been no complaints about fundraising activity this year.

The trust complies with the Fundraising Regulator's Code of Fundraising Practice.

All fundraising is undertaken by the trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, academy newsletters, our websites and via students. All fundraising material contains clear instructions on how a person can be removed from mailing lists.

The Trust complies with the Fundraising Regulator's Code of Fundraising Practice and UK law.

THE MOUNTBATTEN SCHOOL CONSOLIDATED FINANCIAL STATEMENTS TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

Plans for future periods

The Board of Trustees takes a prudent 'worst case scenario' view in terms of likely school budget settlements and has a prudent five-year rolling financial plan. Additional funding streams are being pursued which will enhance the Personal Best Education offer and see future site developments.

The Academy has established a Strategic Estate Development Group to co-ordinate bids, plan for the possibility of increases in student numbers, and ensure the buildings and site serve the school's core purpose.

There are a number of longer-term strategic issues which the school is planning:

- Consideration of additional school joining our Multi Academy Trust (including a likely new primary school).
- Continued development of the Music, Science and Sports Academy to mirror the success.
- Developing closer links with schools abroad in a strategic partnership.
- Continued development of the school estate to include major capital works to improve office and classroom accommodation.

Funds held as custodian trustee

The Academy does not hold funds as custodian trustee on behalf of others.

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.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 04 December 2023 and signed on the Board's behalf by:

.....
P Urben
Chair of Trustees

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GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that The Mountbatten School 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.

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 Mountbatten School and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 8 times during the year, including Board of Trustees - School Improvement, with the Audit, Finance and Risk Committee meeting 6 times to ensure effective oversight of funds. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr Paul Urben	7	8
Mr Robert Le Grice	2	8
Mrs Jane Thompson	6	8
Mr Samuel Longmore	8	8
Mr Kevin Hartshorn	7	8
Mrs Heather McIlroy	7	8
Mr Stuart McAuliffe	8	8
Mrs Sofia Meacham (resigned prior to the first meeting)	0	0
Mr Neil Hardy	7	8
Mr Andy Jones	5	8
Mrs Jane Northedge	4	4
Ms Ana Brankovic	3	3
Mrs Geraldine Lindsey	1	2

There has been change in the composition of the board of trustees over the last twelve months. The Chair of the Board of Trustees term of office ended on 31 August 2022, therefore from 1 September an existing trustees took over as Chair of the Board of Trustees. Two new trustees also started at the start of the academic year. During the academic year one parent trustee resigned which led to an election and subsequent appointment of a new parent trustee. The board of trustees also appointed additional trustees during the academic year to fill skills gap in relation to SEND and financial management.

The work of the trust board covers all aspects of the school, holding the senior leadership team to account for the school's performance both academic, pastorally and financial. The board has assessed its own effectiveness which led to the appointment of additional trustees to meet the needs of the board. The board challenges all information presented to it both through questioning in meetings and coming into school on trustee days to ensure what they are told is true in practice.

Conflict of interest

All trustees and senior leaders are required to complete the academy's register of interests at least annually and are required to update the register as soon as there is a change. The register is published on the school's website. Annually the register of interests is cross referenced with the school's finance system to search for any potential conflicts of interest. When a new supplier is set up on the finance system, the register of interests is also checked.

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Governance reviews:

As part of the internal scrutiny work in the 2019-20 academic year a full governance review was undertaken by Browne Jacobson. During the 2020-21 academic year the governing board worked to implement the recommendations of the governance review.

In March 2021 our Articles of Association and funding agreement were updated. This brought us in line with the DfE's recommended governance structure. We now have the separation of members and trustees. Only two of the five members are also trustees. The only member of staff who is a trustee is the Chief Executive Officer.

A self-evaluation exercise was undertaken in the summer of 2022 which resulted in new trustees being appointed to the board over the past twelve months to meet the identified skills need.

The Audit, Finance and Risk Committee is a committee to which the main Board of Trustees has delegated responsibility. Its purpose is:

- Regular monitoring of actual income and expenditure
- Review and recommendation of the annual budget
- Review the reports of the auditors on the effectiveness of the financial procedures and controls
- Fulfil the role of an Audit Committee

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

Trustees	Meetings attended	Out of possible
Mr Robert Le Grice	3	6
Mr Kevin Hartshorn	5	6
Mrs Heather McIlroy	5	6
Mr Stuart McAuliffe	6	6
Mr Paul Urben	6	6
Mr Andy Jones	3	6

Review of Value for Money

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

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

- Keeping staffing levels under review ensuring full delivery of the curriculum but keeping any over staffing to a minimum.
- Benchmarking data is used extensively to support Senior Leadership Team and trustee discussions and for the purpose of checking and balancing staffing levels against others.
- The Institute of School Business Leaders' Integrated Curriculum Financial Planning tool is used to benchmark spending across all areas of the school to ensure all areas of the school deliver value for money.

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 Mountbatten School for the period 01 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

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GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 01 September 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 reviews by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, they will engage with external companies to carry out the internal scrutiny work as informed by the risk register. HWB chartered accountants were employed to carry out the majority of this work. This involved the following areas:

- Budgeting
- Management Information and Reports
- Fraud, Theft and Bribery

The report was presented to the Audit and Finance Committee with key findings and recommendations. These have been considered by the committee and implemented where necessary.

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 auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 04 December 2023 and signed on its behalf by:

.....
P Urban
Chair of Trustees

.....
H McIlroy
Accounting Officer

THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2023

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

I confirm that I and the Academy Trust'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.

H McIlroy
Accounting Officer

04 December 2023

THE MOUNTBATTEN SCHOOL

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees (who are also the directors of The Mountbatten School for the purposes of company law) are responsible for preparing the Trustees' report and the Financial Statements 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 Financial Statements for each financial year. Under company law, the Trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and 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; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform 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 Financial Statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 04 December 2023 and signed on its behalf by:

P Urben
Chair of Trustees

THE MOUNTBATTEN SCHOOL

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MOUNTBATTEN SCHOOL

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the Financial Statements of The Mountbatten School (the 'parent academy') and its subsidiary (the group) for the year ended 31 August 2023 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the consolidated statement of cash flows and notes to the Financial Statements, 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 Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and 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 Financial Statements' section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the 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 Financial Statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE MOUNTBATTEN SCHOOL

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MOUNTBATTEN SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 Financial Statements are prepared is consistent with the Financial Statements; 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 Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. In preparing the Financial Statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal assurance reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

**THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MOUNTBATTEN
SCHOOL (CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2023

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.

Louise Hallsworth FCA (Senior Statutory Auditor)
for and on behalf of Baxter & Co

.....

Chartered Certified Accountants
Statutory Auditor

Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO THE MOUNTBATTEN SCHOOL AND THE EDUCATION AND SKILLS
FUNDING AGENCY
FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 9 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Mountbatten School 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 Mountbatten School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The Mountbatten School 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 Mountbatten School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Mountbatten School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Mountbatten School's funding agreement with the Secretary of State for Education dated 24 March 2011 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of internal scrutiny implemented by the Academy Trust in order to comply with its obligations under 3.1 of the Academy Trust Handbook 2022, issued by the ESFA.

**THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO THE MOUNTBATTEN SCHOOL AND THE EDUCATION AND SKILLS
FUNDING AGENCY (CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2023

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.

Reporting Accountant

Baxter & Co
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated:

THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2023

		Unrestricted funds	Restricted funds:		Total 2023	Total 2022 as restated
	Notes	£	General	Fixed asset	£	£
Income and endowments from:						
Donations and capital grants	3	11,413	-	168,793	180,206	2,937,448
Charitable activities:						
- Funding for educational operations	4	213,411	8,979,465	-	9,192,876	8,652,679
Other trading activities	5	1,938,484	-	-	1,938,484	2,388,510
Investments	6	31,892	-	-	31,892	2,846
Total		<u>2,195,200</u>	<u>8,979,465</u>	<u>168,793</u>	<u>11,343,458</u>	<u>13,981,483</u>
Expenditure on:						
Raising funds	7	1,572,163	-	3,500	1,575,663	1,703,696
Charitable activities:						
- Educational operations	8	657,625	9,106,465	614,986	10,379,076	10,066,242
Total	7	<u>2,229,788</u>	<u>9,106,465</u>	<u>618,486</u>	<u>11,954,739</u>	<u>11,769,938</u>
Net income/(expenditure)		(34,588)	(127,000)	(449,693)	(611,281)	2,211,545
Transfers between funds	19	(275,000)	-	275,000	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	21	-	451,000	-	451,000	3,827,000
Net movement in funds		<u>(309,588)</u>	<u>324,000</u>	<u>(174,693)</u>	<u>(160,281)</u>	<u>6,038,545</u>
Reconciliation of funds						
Total funds brought forward		<u>1,232,175</u>	<u>(468,000)</u>	<u>30,890,920</u>	<u>31,655,095</u>	<u>25,616,550</u>
Total funds carried forward		<u>922,587</u>	<u>(144,000)</u>	<u>30,716,227</u>	<u>31,494,814</u>	<u>31,655,095</u>

THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2022		funds	General	Fixed asset	2022
As restated	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	3	1,491	-	2,935,957	2,937,448
Charitable activities:					
- Funding for educational operations	4	215,086	8,437,593	-	8,652,679
Other trading activities	5	2,388,510	-	-	2,388,510
Investments	6	2,846	-	-	2,846
Total		<u>2,607,933</u>	<u>8,437,593</u>	<u>2,935,957</u>	<u>13,981,483</u>
Expenditure on:					
Raising funds	7	1,564,101	138,521	1,074	1,703,696
Charitable activities:					
- Educational operations	8	607,336	8,874,393	584,513	10,066,242
Total	7	<u>2,171,437</u>	<u>9,012,914</u>	<u>585,587</u>	<u>11,769,938</u>
Net income/(expenditure)		436,496	(575,321)	2,350,370	2,211,545
Transfers between funds	19	(25,000)	-	25,000	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	21	-	3,827,000	-	3,827,000
Net movement in funds		411,496	3,251,679	2,375,370	6,038,545
Reconciliation of funds					
Total funds brought forward		820,679	(3,719,679)	28,515,550	25,616,550
Total funds carried forward		<u>1,232,175</u>	<u>(468,000)</u>	<u>30,890,920</u>	<u>31,655,095</u>

THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
GROUP BALANCE SHEET
AS AT 31 AUGUST 2023

		2023		2022 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		28,596,939		27,331,365
Current assets					
Stock	14	2,439		2,439	
Debtors	15	2,605,398		3,147,886	
Investments		1,289,827		1,269,049	
Cash at bank and in hand		367,288		1,396,630	
		<u>4,264,952</u>		<u>5,816,004</u>	
Current liabilities					
Creditors: amounts falling due within one year	16	(1,214,561)		(1,013,114)	
Net current assets			<u>3,050,391</u>		<u>4,802,890</u>
Total assets less current liabilities			<u>31,647,330</u>		<u>32,134,255</u>
Creditors: amounts falling due after more than one year	17		(8,516)		(11,160)
Net assets excluding pension liability			<u>31,638,814</u>		<u>32,123,095</u>
Defined benefit pension scheme liability	21		(144,000)		(468,000)
Total net assets			<u><u>31,494,814</u></u>		<u><u>31,655,095</u></u>
Funds of the Academy Trust:					
Restricted funds	19				
- Fixed asset funds			30,716,227		30,890,920
- Pension reserve			(144,000)		(468,000)
Total restricted funds			<u>30,572,227</u>		<u>30,422,920</u>
Unrestricted income funds	19		<u>922,587</u>		<u>1,232,175</u>
Total funds			<u><u>31,494,814</u></u>		<u><u>31,655,095</u></u>

The Financial Statements on pages 26 to 56 were approved by the Trustees and authorised for issue on 04 December 2023 and are signed on their behalf by:

P Urban
Chair of Trustees

Company registration number 07560175 (England and Wales)

THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
ACADEMY BALANCE SHEET
AS AT 31 AUGUST 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12	28,582,941		27,331,367	
Investments			1		1
		28,582,942		27,331,368	
Current assets					
Debtors	15	2,394,956		3,443,892	
Investments		1,289,827		1,269,049	
Cash at bank and in hand		289,149		676,237	
		3,973,932		5,389,178	
Current liabilities					
Creditors: amounts falling due within one year	16	(914,710)		(596,825)	
Net current assets		3,059,222		4,792,353	
Total assets less current liabilities		31,642,164		32,123,721	
Creditors: amounts falling due after more than one year	17	(8,516)		(11,160)	
Net assets excluding pension liability		31,633,648		32,112,561	
Defined benefit pension scheme liability	21	(144,000)		(468,000)	
Total net assets		31,489,648		31,644,561	
Funds of the academy trust:					
Restricted funds	19				
- Fixed asset funds		30,716,227		30,891,994	
- Pension reserve		(144,000)		(468,000)	
Total restricted funds		30,572,227		30,423,994	
Unrestricted income funds	19	917,421		1,220,567	
Total funds		31,489,648		31,644,561	

The Financial Statements on pages 6 to 29 were approved by the trustees and authorised for issue on 04 December 2023 and are signed on their behalf by:

P Urban
Chair of Trustees

Company registration number 07560175 (England and Wales)

THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

		2023		2022	
	Notes	£	£	as restated	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	22		682,029		(2,178,487)
Corporation tax paid			-		(3,773)
			<u>682,029</u>		<u>(2,182,260)</u>
Cash flows from investing activities					
Dividends, interest and rents from investments		31,892		2,846	
Capital grants from DfE Group		168,793		2,935,957	
Purchase of tangible fixed assets		(1,888,634)		(292,121)	
Purchase of investments		(20,778)		(501,886)	
		<u></u>		<u></u>	
Net cash (used in)/provided by investing activities			(1,708,727)		2,144,796
Cash flows from financing activities					
Repayment of long term bank loan		(2,644)		(2,644)	
		<u></u>		<u></u>	
Net cash used in financing activities			(2,644)		(2,644)
Net decrease in cash and cash equivalents in the reporting period					
			(1,029,342)		(40,108)
Cash and cash equivalents at beginning of the year			<u>1,396,630</u>		<u>1,436,738</u>
Cash and cash equivalents at end of the year			<u><u>367,288</u></u>		<u><u>1,396,630</u></u>

THE MOUNTBATTEN SCHOOL

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

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

1.1 Basis of preparation

The Financial Statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements 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, ie 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 Financial Statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

1.3 Income

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

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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.

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.

THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges 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.

1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding 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. Where tangible fixed assets have been acquired / funded by other income, the fixed asset fund is also credited. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

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

Leasehold land and buildings	50 years
Assets under construction	not depreciated
Fixtures, fittings & equipment	3-5 years
Motor vehicles	5 years

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.

THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.6 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.

1.7 Leased assets

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

1.8 Investments

The investment in the subsidiary is valued at cost less provision for impairment in the academy's balance sheet.

1.9 Financial instruments

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

Financial assets

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

1.10 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.

1.11 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.

1.12 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 and the liabilities are held separately from those of the Academy Trust.

THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. 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.

1.13 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

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 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 21, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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 MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

2 Critical accounting estimates and areas of judgement

(Continued)

Critical areas of judgement

In preparing these Financial Statements, the Trustees have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	168,793	168,793	2,935,957
Other donations	11,413	-	11,413	1,491
	<u>11,413</u>	<u>168,793</u>	<u>180,206</u>	<u>2,937,448</u>

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
DfE/ESFA grants				
General annual grant (GAG)	-	8,033,350	8,033,350	7,797,600
Other DfE/ESFA grants:				
- Pupil premium	-	252,253	252,253	222,164
- Others	-	416,788	416,788	155,086
	<u>-</u>	<u>8,702,391</u>	<u>8,702,391</u>	<u>8,174,850</u>
Other government grants				
Local authority grants	-	132,180	132,180	122,133
	<u>-</u>	<u>132,180</u>	<u>132,180</u>	<u>122,133</u>
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	85,979	85,979	42,590
Non-DfE/ESFA				
Other COVID-19 funding	-	-	-	22,325
	<u>-</u>	<u>85,979</u>	<u>85,979</u>	<u>64,915</u>
Other funding				
Trips income	212,740	-	212,740	-
Other incoming resources	671	58,915	59,586	290,781
	<u>213,411</u>	<u>58,915</u>	<u>272,326</u>	<u>290,781</u>
Total funding	<u>213,411</u>	<u>8,979,465</u>	<u>9,192,876</u>	<u>8,652,679</u>

THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
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FOR THE YEAR ENDED 31 AUGUST 2023

4 Funding for the Academy Trust's educational operations

(Continued)

The Academy Trust has been eligible to claim additional funding in the year from government support schemes in response to the Coronavirus outbreak. The funding received is shown above under "COVID-19 additional funding".

- The funding received for coronavirus exceptional support covers £85,979 of Recovery premium and National Tutoring Programme funding costs. These costs are included in notes 7 and 8 below as appropriate.

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income from facilities and services	175,579	-	175,579	147,327
Other income - revenue	43,791	-	43,791	44,812
Trading subsidiary income	1,719,114	-	1,719,114	2,196,371
	<u>1,938,484</u>	<u>-</u>	<u>1,938,484</u>	<u>2,388,510</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	<u>31,892</u>	<u>-</u>	<u>31,892</u>	<u>2,846</u>

7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2023 £	Total 2022 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	861,758	9,500	704,405	1,575,663	1,703,696
Academy's educational operations					
- Direct costs	6,621,684	495,648	852,062	7,969,394	7,018,075
- Allocated support costs	1,224,414	693,038	492,230	2,409,682	3,048,167
	<u>8,707,856</u>	<u>1,198,186</u>	<u>2,048,697</u>	<u>11,954,739</u>	<u>11,769,938</u>

THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

7 Expenditure (Continued)

Net income/(expenditure) for the year includes:	2023	2022
	£	£
Operating lease rentals	10,511	8,083
Depreciation of tangible fixed assets	623,060	585,587
Fees payable to auditor for:		
- Audit	7,875	7,500
- Other services	6,750	5,550
- Audit of trading subsidiary	5,950	5,870
Net interest on defined benefit pension liability	21,000	64,000
	<u> </u>	<u> </u>

Included within expenditure are the following transactions:

	Total	Individual items over £5,000
	2023	2023
	£	£
Gifts made by the Academy Trust - total	173	
	<u> </u>	<u> </u>

Clarification – While the majority of disclosure in these accounts are rounded to £'000, the disclosure of gifts made is not. The value of gifts for the year is £173 (and not £173k).

THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Direct costs				
Educational operations	4,574	7,964,820	7,969,394	7,018,075
Support costs				
Educational operations	653,051	1,756,631	2,409,682	3,048,167
	<u>657,625</u>	<u>9,721,451</u>	<u>10,379,076</u>	<u>10,066,242</u>

Analysis of costs	2023 £	2022 £
Direct costs		
Teaching and educational support staff costs	6,621,684	5,824,838
Staff development	28,465	20,639
Depreciation	495,648	467,610
Technology costs	68,682	35,764
Educational supplies and services	241,807	223,410
Examination fees	138,968	97,169
Educational consultancy	72,478	70,251
Other direct costs	301,662	278,394
	<u>7,969,394</u>	<u>7,018,075</u>
Support costs		
Support staff costs	1,118,414	1,059,085
Defined benefit pension scheme - staff costs (FRS102 adjustment)	106,000	387,000
Staff development	4,979	10,453
Depreciation	123,912	116,903
Technology costs	101,702	138,515
Maintenance of premises and equipment	152,825	446,626
Cleaning	171,373	158,338
Energy costs	143,320	144,440
Rent, rates and other occupancy costs	81,892	82,737
Insurance	18,049	16,637
Security and transport	33,313	13,442
Catering	20,339	(895)
Defined benefit pension scheme - finance costs (FRS102 adjustment)	21,000	64,000
Legal costs	13,788	4,616
Other support costs	255,193	360,437
Governance costs	43,583	45,833
	<u>2,409,682</u>	<u>3,048,167</u>

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

9 Staff

Staff costs - Group

Staff costs during the year were:

	2023	2022
	£	£
Wages and salaries	6,592,696	6,173,404
Social security costs	615,915	558,996
Pension costs	1,252,747	1,116,199
Defined benefit pension scheme - staff costs (FRS102 adjustment)	106,000	387,000
	<hr/>	<hr/>
Staff costs - employees	8,567,358	8,235,599
Agency staff costs	140,498	52,976
	<hr/>	<hr/>
Total staff expenditure	<u>8,707,856</u>	<u>8,288,575</u>

Staff costs - Academy

Staff costs during the year were:

	2023	2022
	£	£
Wages and salaries	5,871,475	5,286,991
Social security costs	563,407	502,628
Pension costs	1,232,811	1,095,195
Defined benefit pension scheme - staff costs (FRS102 adjustment)	106,000	387,000
	<hr/>	<hr/>
Staff costs - employees	7,773,693	7,271,814
Agency staff costs	140,498	52,976
	<hr/>	<hr/>
Total staff expenditure	<u>7,914,191</u>	<u>7,324,790</u>

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

9 Staff

(Continued)

Staff numbers

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

	2023	2022
	Number	Number
Teachers	94	92
Administration and support	145	85
Management	10	10
	<u>249</u>	<u>187</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2023	2022
	Number	Number
Teachers	82	75
Administration and support	76	66
Management	10	10
	<u>168</u>	<u>151</u>

Higher paid staff

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

	2023	2022
	Number	Number
£60,001 - £70,000	1	3
£70,001 - £80,000	5	3
£80,001 - £90,000	1	2
£90,001 - £100,000	2	1
£140,001 - £150,000	1	-
£150,001 - £160,000	-	1
	<u>-</u>	<u>1</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,044,569 (2022: £1,000,877).

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FOR THE YEAR ENDED 31 AUGUST 2023

10 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 Executive Headteacher and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Headteacher 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:

Heather McIlroy (Executive Headteacher):

- Remuneration: £140,000 - £145,000 (2022: £160,000 - £165,000)
- Employer's pension contributions: £nil (2022: £nil)

During the year ended 31 August 2023, travel and subsistence expenses totalling £952 (2022: £nil) were reimbursed or paid directly to 1 Trustee (2022: 0 Trustees).

Other related party transactions involving the Trustees are set out within the related parties note.

11 Trustees' and officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2023 is included in the total insurance cost.

THE MOUNTBATTEN SCHOOL
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FOR THE YEAR ENDED 31 AUGUST 2023

12 Tangible fixed assets - Group

	Leasehold land and buildings £	Assets under construction £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2022	31,713,333	160,667	921,293	111,503	32,906,796
Additions	-	1,715,309	105,130	68,195	1,888,634
At 31 August 2023	31,713,333	1,875,976	1,026,423	179,698	34,795,430
Depreciation					
At 1 September 2022	4,775,611	-	688,317	111,503	5,575,431
Charge for the year	528,694	-	80,727	13,639	623,060
At 31 August 2023	5,304,305	-	769,044	125,142	6,198,491
Net book value					
At 31 August 2023	26,409,028	1,875,976	257,379	54,556	28,596,939
At 31 August 2022	26,937,722	160,667	232,976	-	27,331,365

Tangible fixed assets - Academy

	Leasehold property £	Assets under construction £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2022	31,713,333	160,667	807,562	35,535	32,717,097
Additions	-	1,715,309	105,130	50,695	1,871,134
At 31 August 2023	31,713,333	1,875,976	912,692	86,230	34,588,231
Depreciation					
At 1 September 2022	4,775,611	-	574,584	35,535	5,385,730
Charge for the year	528,694	-	80,727	10,139	619,560
At 31 August 2023	5,304,305	-	655,311	45,674	6,005,290
Net book value					
At 31 August 2023	26,409,028	1,875,976	257,381	40,556	28,582,941
At 31 August 2022	26,937,722	160,667	232,978	-	27,331,367

THE MOUNTBATTEN SCHOOL
CONSOLIDATED FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

13 Fixed asset investments

Historical cost:

At 31 August 2023	1
	<u>1</u>
At 31 August 2022	1
	<u>1</u>

Holdings of more than 20%

The Academy Trust holds more than 20% of the share capital of the following undertakings:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Mountbatten School Services Limited	UK	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principal activities	Capital and reserves £	Profit/(loss) for the year £
Mountbatten School Services Limited	Non educational training	5,167	44,508
		<u>5,167</u>	<u>44,508</u>

14 Stock

	2023 £	2022 £
Stock	2,439	2,439
	<u>2,439</u>	<u>2,439</u>

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FOR THE YEAR ENDED 31 AUGUST 2023

15 Debtors - Group

	2023	2022
	£	£
Trade debtors	43,910	15,168
VAT recoverable	245,351	154,398
Other debtors	28,241	16,273
Prepayments and accrued income	2,287,896	2,962,047
	<u>2,605,398</u>	<u>3,147,886</u>

Debtors - Academy

	2023	2022
	£	£
Trade debtors	554	1,576
Amounts owed by connected undertakings	241,493	487,069
VAT recoverable	244,873	152,147
Other debtors	28,241	16,273
Prepayments and accrued income	1,879,795	2,786,827
	<u>2,394,956</u>	<u>3,443,892</u>

THE MOUNTBATTEN SCHOOL
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FOR THE YEAR ENDED 31 AUGUST 2023

16 Creditors: amounts falling due within one year - Group

	2023	2022
	£	£
Government loans	2,644	2,644
Trade creditors	123,759	193,664
Other taxation and social security	169,830	158,353
ESFA creditors	17,358	19,795
Other creditors	248,036	50,110
Accruals and deferred income	652,934	588,548
	<u>1,214,561</u>	<u>1,013,114</u>

Creditors: amounts falling due within one year - Academy

	2023	2022
	£	£
Government loans	2,644	2,644
Trade creditors	96,415	124,916
Other taxation and social security	147,192	131,939
ESFA creditors	17,358	19,796
Other creditors	135,814	32,016
Accruals and deferred income	515,287	285,514
	<u>914,710</u>	<u>596,825</u>

THE MOUNTBATTEN SCHOOL
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FOR THE YEAR ENDED 31 AUGUST 2023

17 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Government loans	8,516	11,160
	<u>8,516</u>	<u>11,160</u>
Analysis of loans	2023 £	2022 £
Not wholly repayable within five years by instalments	-	584
Wholly repayable within five years	11,160	13,220
	<u>11,160</u>	<u>13,804</u>
Less: included in current liabilities	(2,644)	(2,644)
	<u>(2,644)</u>	<u>(2,644)</u>
Amounts included above	8,516	11,160
	<u>8,516</u>	<u>11,160</u>
Loan maturity		
Debt due in one year or less	2,644	2,644
Due in more than one year but not more than two years	2,644	2,644
Due in more than two years but not more than five years	5,872	7,932
Due in more than five years	-	584
	<u>11,160</u>	<u>13,804</u>
	<u>11,160</u>	<u>13,804</u>

THE MOUNTBATTEN SCHOOL
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FOR THE YEAR ENDED 31 AUGUST 2023

18 Deferred income - Group

	2023	2022
	£	£
Deferred income is included within:		
Creditors due within one year	403,308	252,191
	<u> </u>	<u> </u>
Deferred income at 1 September 2022	252,191	495,730
Released from previous years	(252,191)	(495,730)
Resources deferred in the year	403,308	252,191
	<u> </u>	<u> </u>
Deferred income at 31 August 2023	403,308	252,191
	<u> </u>	<u> </u>

Deferred income at 31 August 2023 includes amounts paid in advance of £341k (2022: £73k) for trips, £nil (2022: £14k) of lottery funding, £11k (2022: £nil) of Music concerts income, £18k (2022: £nil) of Science Academy income, £nil (2022: £30k) of other tuition, £2k (2022: £nil) of locker income, £6k (2022: £nil) of other deferred income, £nil (2022: £109k) of NCS, £19k (2022: £19k) of lettings and £6k (2022: £7k) for other activities.

Deferred income - Academy

	2023	2022
	£	£
Deferred income is included within:		
Creditors due within one year	378,384	117,283
	<u> </u>	<u> </u>
Deferred income at 1 September 2022	117,283	279,063
Released from previous years	(117,283)	(279,063)
Resources deferred in the year	378,384	117,283
	<u> </u>	<u> </u>
Deferred income at 31 August 2023	378,384	117,283
	<u> </u>	<u> </u>

Deferred income includes amounts paid in advance of £341k (2022: £73k) for trips, £nil (2022: £14k) of lottery funding, £11k (2022: £nil) of Music concerts income, £18k (2022: £nil) of Science Academy income, £nil (2022: £30k) relating to other tuition and £2k (2022: £nil) of locker income and £6k (2022: £nil) of other deferred income.

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FOR THE YEAR ENDED 31 AUGUST 2023

19 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	-	8,033,350	(8,033,350)	-	-
Pupil premium	-	252,253	(252,253)	-	-
Other DfE/ESFA COVID-19 funding	-	85,979	(85,979)	-	-
Other DfE/ESFA grants	-	416,788	(416,788)	-	-
Other government grants	-	132,180	(132,180)	-	-
Other restricted funds	-	58,915	(58,915)	-	-
Pension reserve	(468,000)	-	(127,000)	451,000	(144,000)
	<u>(468,000)</u>	<u>8,979,465</u>	<u>(9,106,465)</u>	<u>451,000</u>	<u>(144,000)</u>
Restricted fixed asset funds					
Inherited on conversion	20,065,139	-	(368,903)	-	19,696,236
DfE group capital grants	9,923,990	168,793	(202,266)	-	9,890,517
Sinking fund - unspent	145,506	-	-	25,000	170,506
Sinking fund - asset	54,494	-	(10,899)	-	43,595
Designated projects - unspent	639,831	-	(105,130)	250,000	784,701
Designated projects - asset	61,960	105,130	(36,418)	-	130,672
Projects - spent	-	(105,130)	105,130	-	-
	<u>30,890,920</u>	<u>168,793</u>	<u>(618,486)</u>	<u>275,000</u>	<u>30,716,227</u>
Total restricted funds	<u>30,422,920</u>	<u>9,148,258</u>	<u>(9,724,951)</u>	<u>726,000</u>	<u>30,572,227</u>
Unrestricted funds					
General funds	<u>1,232,175</u>	<u>2,195,200</u>	<u>(2,229,788)</u>	<u>(275,000)</u>	<u>922,587</u>
Total funds	<u>31,655,095</u>	<u>11,343,458</u>	<u>(11,954,739)</u>	<u>451,000</u>	<u>31,494,814</u>

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

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. All restricted funds are available to be spent for the purposes for which the funds were received.

The Pension Reserve deficit represents the Academy Trust's share of the LGPS pension fund deficit, as valued by the scheme's actuaries. This will be eliminated over the long term, following advice from the actuaries as to contribution rates.

The Restricted Fixed Asset Fund represents the net book value of fixed assets plus the unspent element of Capital funds, less Capital Loans. When assets are purchased the fund is increased and depreciation charges reduce the fund.

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Trustees, to support any of the Academy's charitable purposes.

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CONSOLIDATED FINANCIAL STATEMENTS
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FOR THE YEAR ENDED 31 AUGUST 2023

19 Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	124,321	7,797,600	(7,921,921)	-	-
Pupil premium	-	222,164	(222,164)	-	-
Other DfE/ESFA COVID-19 funding	-	42,590	(42,590)	-	-
Other Coronavirus funding	-	22,325	(22,325)	-	-
Other DfE/ESFA grants	-	155,086	(155,086)	-	-
Other government grants	-	122,133	(122,133)	-	-
Other restricted funds	-	75,695	(75,695)	-	-
Pension reserve	(3,844,000)	-	(451,000)	3,827,000	(468,000)
	<u>(3,719,679)</u>	<u>8,437,593</u>	<u>(9,012,914)</u>	<u>3,827,000</u>	<u>(468,000)</u>
Restricted fixed asset funds					
Inherited on conversion	20,434,652	-	(369,513)	-	20,065,139
DfE group capital grants	7,189,107	2,935,957	(201,074)	-	9,923,990
Sinking fund - unspent	175,000	-	(54,494)	25,000	145,506
Sinking fund - asset	-	54,494	-	-	54,494
Designated projects - unspent	716,791	-	(76,960)	-	639,831
Designated projects - asset	-	76,960	(15,000)	-	61,960
Projects - spent	-	(131,454)	131,454	-	-
	<u>28,515,550</u>	<u>2,935,957</u>	<u>(585,587)</u>	<u>25,000</u>	<u>30,890,920</u>
Total restricted funds	<u>24,795,871</u>	<u>11,373,550</u>	<u>(9,598,501)</u>	<u>3,852,000</u>	<u>30,422,920</u>
Unrestricted funds					
General funds	820,679	2,309,950	(2,171,437)	(25,000)	934,192
	-	297,983	-	-	297,983
	<u>820,679</u>	<u>2,607,933</u>	<u>(2,171,437)</u>	<u>(25,000)</u>	<u>1,232,175</u>
Total funds	<u>25,616,550</u>	<u>13,981,483</u>	<u>(11,769,938)</u>	<u>3,827,000</u>	<u>31,655,095</u>

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

20 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	14,000	-	28,582,939	28,596,939
Current assets	1,208,438	923,226	2,133,288	4,264,952
Current liabilities	(299,851)	(914,710)	-	(1,214,561)
Non-current liabilities	-	(8,516)	-	(8,516)
Pension scheme liability	-	(144,000)	-	(144,000)
Total net assets	922,587	(144,000)	30,716,227	31,494,814

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	27,331,365	27,331,365
Current assets	1,668,259	588,190	3,559,555	5,816,004
Current liabilities	(436,084)	(577,030)	-	(1,013,114)
Non-current liabilities	-	(11,160)	-	(11,160)
Pension scheme liability	-	(468,000)	-	(468,000)
Total net assets	1,232,175	(468,000)	30,890,920	31,655,095

21 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 Hampshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £1,232,810 were payable to the schemes at 31 August 2023 (2022: £116,434) 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.

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21 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 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £983,601 (2022: £892,741).

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 17.9% for employers and 5.5% to 12.5% for employees.

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

Total contributions made	2023	2022
	£	£
Employer's contributions	249,000	203,000
Employees' contributions	84,000	67,000
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Total contributions	333,000	270,000
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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21 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	4.00	3.70
Rate of increase for pensions in payment/inflation	3.00	2.70
Discount rate for scheme liabilities	5.20	4.10
CPI inflation	3.00	2.70

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	22.1	22.9
- Females	24.7	25.4
Retiring in 20 years		
- Males	22.6	24.7
- Females	25.7	27.1

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

	2023 £	2022 £
Discount rate + 0.1%	6,335,000	6,243,000
Discount rate - 0.1%	6,577,000	6,537,000
Mortality assumption + 1 year	6,714,000	6,563,000
Mortality assumption - 1 year	6,197,000	6,217,000
Salary rate +0.1%	6,464,000	6,403,000
Salary rate -0.1%	6,448,000	6,377,000
Pensions rate +0.1%	6,571,000	6,524,000
Pensions rate -0.1%	6,341,000	6,262,000

Defined benefit pension scheme net liability	2023 £	2022 £
Scheme assets	6,312,000	5,922,000
Scheme obligations	(6,456,000)	(6,390,000)
Net liability	(144,000)	(468,000)

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21 Pension and similar obligations

(Continued)

The Academy Trust's share of the assets in the scheme	2023 Fair value £	2022 Fair value £
Equities	3,724,000	3,429,000
Government bonds	-	900,000
Bonds	2,020,000	-
Cash	189,000	53,000
Property	379,000	462,000
Other assets	-	1,078,000
	<hr/>	<hr/>
Total market value of assets	6,312,000	5,922,000
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The actual return on scheme assets was £235,000 (2022: £(457,000)).

Amount recognised in the statement of financial activities	2023 £	2022 £
Current service cost	355,000	590,000
Interest income	(246,000)	(106,000)
Interest cost	267,000	170,000
	<hr/>	<hr/>
Total operating charge	376,000	654,000
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Changes in the present value of defined benefit obligations	2023 £
At 1 September 2022	6,390,000
Current service cost	355,000
Interest cost	267,000
Employee contributions	84,000
Actuarial (gain)	(462,000)
Benefits paid	(178,000)
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At 31 August 2023	6,456,000
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

21	Pension and similar obligations	(Continued)		
Changes in the fair value of the Academy Trust's share of scheme assets				2023
				£
At 1 September 2022				5,922,000
Interest income				246,000
Actuarial (loss)				(11,000)
Employer contributions				249,000
Employee contributions				84,000
Benefits paid				(178,000)
At 31 August 2023				6,312,000
22	Reconciliation of net (expenditure)/income to net cash flow from operating activities			
		Notes	2023	2022
			£	£
Net (expenditure)/income for the reporting period (as per the statement of financial activities)			(611,281)	2,211,545
Adjusted for:				
Capital grants from DfE and other capital income			(168,793)	(2,935,957)
Investment income receivable		6	(31,892)	(2,846)
Defined benefit pension costs less contributions payable		21	106,000	387,000
Defined benefit pension scheme finance cost		21	21,000	64,000
Depreciation of tangible fixed assets			623,060	585,587
Decrease in stocks			-	1,040
Decrease/(increase) in debtors			542,488	(2,577,529)
Increase in creditors			201,447	88,673
Net cash provided by/(used in) operating activities			682,029	(2,178,487)
23	Analysis of changes in net funds			
		1 September 2022	Cash flows	31 August 2023
		£	£	£
Cash		1,396,630	(1,029,342)	367,288
Loans falling due within one year		(2,644)	-	(2,644)
Loans falling due after more than one year		(11,160)	2,644	(8,516)
		1,382,826	(1,026,698)	356,128

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FOR THE YEAR ENDED 31 AUGUST 2023

24 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	2022
	£	£
Amounts due within one year	17,510	9,041
Amounts due in two and five years	23,812	34,476
	<u>41,322</u>	<u>43,517</u>

25 Capital commitments

	2023	2022
	£	£
Expenditure contracted for but not provided in the Financial Statements	1,739,250	176,000
	<u>1,739,250</u>	<u>176,000</u>

At 31 August 2023 the Trust was committed to completing a Modular Building Solutions project with total expected costs of £629k funded by reserves. No costs incurred as at 31 August 2023.

At 31 August 2023 the Trust was committed to completing a CIF Heating project with total expected costs of £3,063k funded by CIF ESFA grant of £2,908k and reserves of £155k, Less income to fund of £164k to fund the Decarbonisation Project. Costs incurred as at 31 August 2023 were of £1,860k.

At 31 August 2023 the Trust was committed to completing a Decarbonisation project with total expected costs of £87k funded by DfE grant of £87k, Costs incurred as at 31 August 2023 were £16k.

26 Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. The following related party transactions took place in the financial period.

During the year ended 31 August 2023 the Academy Trust purchased counselling services from Youth in Romsey, a company in which Mrs Jane Elspeth Christine Thompson (a Trustees) is a director, amounting to £19,188 (2022: £17,778).

In entering into the above transactions, the Trust has complied with the requirements of ESFA's Academies Trust Handbook 2022.

27 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.

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FOR THE YEAR ENDED 31 AUGUST 2023

28 Prior period adjustment

		1 September 2021 £	31 August 2022 £
Reconciliation of funds	Notes		
Funds as previously reported		25,616,550	31,674,890
Adjustments arising:			
Tutoring grant clawback	4	-	(19,795)
Funds as restated		<u>25,616,550</u>	<u>31,655,095</u>
Reconciliation of net income for the previous financial period	Notes		2022 £
Net income as previously reported			2,231,340
Adjustments arising:			
Tutoring grant clawback	4		(19,795)
Net income as restated			<u>2,211,545</u>
Notes to restatement			

The clawback of 2021-2022 National Tutoring Programme Grant has been adjusted in the prior year.