

**Three Spires Trust**

Trustees' Report and Financial Statements

For the Year Ended 31 August 2023



**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Contents**

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	Page
<b>Reference and Administrative Details</b>	1 - 2
<b>Trustees' Report</b>	3 - 24
<b>Governance Statement</b>	25 - 30
<b>Statement of Regularity, Propriety and Compliance</b>	31
<b>Statement of Trustees' Responsibilities</b>	32
<b>Independent Auditors' Report on the Financial Statements</b>	33 - 36
<b>Independent Reporting Accountant's Report on Regularity</b>	37 - 38
<b>Statement of Financial Activities Incorporating Income and Expenditure Account</b>	39 - 40
<b>Balance Sheet</b>	41 - 42
<b>Statement of Cash Flows</b>	43
<b>Notes to the Financial Statements</b>	44 - 74

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Reference and Administrative Details**

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<b>Members</b>	The Venerable Dr D Lee Canon J Naylor Bishop M Parker Diocese of Lichfield Education Trust (Nominated representative is Mrs C Shaw) The Revd. Preb M Metcalf
<b>Trustees</b>	The Venerable Dr D Lee, Chair of Trustees <sup>2</sup> Mr B Halstead <sup>1</sup> Mr J Lawson <sup>1</sup> Mrs J Pilmore <sup>2</sup> Mr S Farar <sup>2</sup> Mrs K Covey Revd R Farnworth (appointed 23 September 2022) <sup>1</sup> Mrs H Robertson <sup>2</sup> Ms T Tennyson (resigned 18 September 2023) <sup>1</sup>  <sup>1</sup> Finance, Audit & Risk (FAR) Committee <sup>2</sup> Quality of Learning (QOL) Committee
<b>Company registered number</b>	13153266
<b>Company name</b>	Three Spires Trust
<b>Principal and registered office</b>	New Beacon Building Stafford Education & Enterprise Park Weston Road Stafford ST18 0BF
<b>Chief executive officer</b>	Mrs E Verow
<b>Senior management team</b>	Mrs E Verow, Chief Executive Officer & Executive Principal Mr R Mayfield, Chief Financial Officer Mr R Timmis, Director of Operations Mr W Wilson, Principal, The King's Church of England Academy, Kidsgrove Mr E Parry, Principal, St Regis CE ACademy (from 01 April 2023) Miss A Williams, Director of School Improvement Mrs L Fry, Principal, St Thomas' CE Primary Academy Mr D Coombes, Director of Education, Wolverhampton (from 01 April 2023) Mr T Mullen-Furness, Principal, St Peter's Collegiate Academy (from 01 January 2023) Mrs C Pointon, Executive Principal, St Giles' & St George's Academy and St Thomas' CE (from 01 September 2023)
<b>Independent auditors</b>	Dains Audit Limited Suite 2, Albion House 2 Etruria Office Village Forge Lane Stoke on Trent ST1 5RQ

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Reference and Administrative Details (continued)**  
**For the Year Ended 31 August 2023**

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**Bankers**                   Lloyds Bank plc  
25 Gresham Street  
London  
EC2V 7HN

**Solicitors**               VWV  
Second Floor  
3 Bridley Place  
Birmingham  
B1 2JB

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report**  
**For the Year Ended 31 August 2023**

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

The Three Spires Trust operates 3 secondary academies and 1 primary academy within the Diocese of Lichfield. The Trusts academies have a combined pupil capacity of 3,370 and had a roll of 2,999 in the school census in October 2023.

**Structure, governance and management**

**a. Constitution**

The academy trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is the primary governing document of the academy trust.

The Trustees of Three Spires Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Three Spires Trust.

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

**b. Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a member.

**c. Trustees' indemnities**

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officer from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10,000,000 on any one claim.

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

The management of the academy trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust memorandum and articles of association. Trustees are appointed to the Trust Board under sections 50- 63 of the Three Spires Trust articles of association.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Structure, governance and management (continued)**

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

The Three Spires Trust provides induction and training for new Trustees that is dependent upon their experience. All new Trustees are welcomed into the Trust by the Governance Professional who is responsible for their induction once they have completed all necessary checks.

The Trust utilises an online portal known as "Governor Hub". Governor Hub allows Trustees to gain immediate access to all Governance information. One of the benefits of this system is that it enables the Trust to avoid overwhelming new Trustees with a huge printed induction pack. In particular, Trustees are directed towards the following information:

- Organisational structure
- Trust Articles of Association
- Trust Scheme of Delegation & Governance Framework
- Keeping Children Safe in Education (KCSIE)
- Education & Skills Funding Agency Academies Handbook

All Trustees must complete and sign a declaration to state that they are eligible to perform the duties of a Director, as well as declaring any business and pecuniary interests.

Trustees complete a skills audit on appointment and complete further training if this is requested or considered necessary.

The Trust believes that strong Governance is vitally important and provides an induction and regular ongoing training provision for Governors.

The Trust subscribes to the National Governance Association (NGA) which provides links to further online training for both Governors and Trustees.

New Trustees spend some specific time during induction with the CEO and the Chair of the Trust Board.

The Trust has recently commissioned our internal audit partner to complete an audit of Corporate Governance to provide quality assurance and scrutiny.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

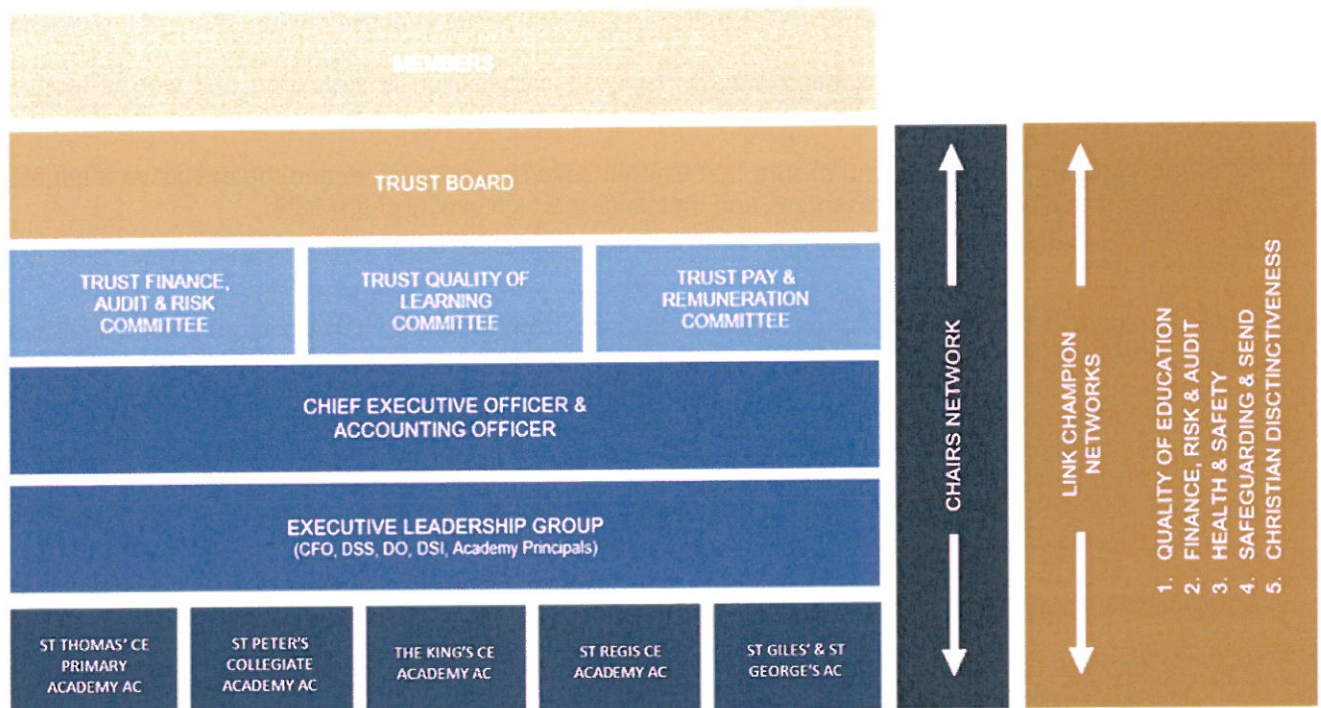
**Structure, governance and management (continued)**

**f. Organisational structure**

Three Spires Trust operates a flat governance structure as detailed below, demonstrating that all stakeholders are partners in the Trust and its vision for education.

The Executive Leadership Group and Central Support Team consists of Officers employed by the Trust to carry out the strategic and operational objectives set by the Trust board.

Our high-quality governance model provides confident and strong strategic leadership at all levels, which is shaped by our Christian values. By fulfilling this aim we ensure robust accountability, oversight, scrutiny and quality assurance for the educational and financial performance of the Trust and its academies.



The TST Board has overall legal responsibility for the operation of the Trust and the academies within it. The Board works in partnership with its family of academies and uses the skills and knowledge of the Trustees and Academy Committees to help challenge and support the professionals working within the academies to provide the best outcomes for every child and young person in the Trust.

TST is run by a Board of Trustees who are accountable to the Secretary of State for Education for the performance of each academy within the Trust. The CEO is the Accounting Officer and is personally responsible to the Secretary of State for Education.

Within TST, typically the Trust Board appoints an Academy Committee to each academy. This includes both parent and staff representatives with the majority of governors appointed by the TST Board. We have clear processes and procedures for the recruitment and appointment of our governors. Some academies may choose to have shared governance with one Academy Committee overseeing more than one school and this will be constituted by the Board following discussions between the CEO and the Academy Committee of the schools concerned.

The Scheme of Delegation is predicated on 'responsibility can be delegated but accountability cannot'.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Structure, governance and management (continued)**

This Scheme of Delegation provides for certain functions to be carried out by one or more of the following:

- the Members
- the TST Board;
- the Chief Executive Officer (CEO) and other officers as specified;
- the Academy Committee of the academy; and
- the Principal of the academy;

The board of trustees is responsible for ensuring that the vision, values and strategic direction of the trust are clearly defined and followed. The trustees are also responsible for monitoring the proper and effective use of the trust's resources and ensuring value for money principles are followed.

The Trust has reviewed its Scheme of Delegation to ensure that the effective management of the organisation.

The Scheme of Delegation provides clarity on how the organisation is structured and who is responsible for making decisions.

It is the Trustees' responsibility to ensure that via the Governance Structure and the executive team the Trust is making effective use of public resources and maintaining a high quality of provision.

**The Members**

The members of TST have a different status to Trustees. They have been the signatories to the memorandum of association and have agreed the TST first articles of association (a document which outlines the governance structure and how the Trust operates). The articles of association also describe how members are recruited and replaced, and how many of the Trustees the members can appoint to the director board. The members appoint Trustees to ensure that the Trust's charitable object is carried out and so are able to remove Trustees if they fail to fulfil this responsibility. Accordingly, the Three Spires Trust board will submit an annual report on the performance of the Trust to the members. Members are also responsible for approving any amendments made to the TST articles of association.

**Main duties and responsibilities**

- To appoint Trustees to the Trust Board bearing in mind the Articles of Association and the need for a balanced skill set to manage the Trust effectively
- To remove any Trustee who is not considered to be acting in the best interests of the Trust
- From time to time to review the Articles of Association and to make changes where deemed necessary after taking advice from the Trust Board
- To appoint other Members (to not exceed 5) as necessary in line with the provisions of the Articles of Association
- Ensure the success of the Trust
- Appoint and remove the auditors
- To receive a signed off copy of the annual report and accounts.

Currently the Members are:

- The Diocese of Lichfield Education Trust (DLET) acting corporately on behalf of the Diocese of Lichfield Board of Education;
- Two individual members of the Diocesan Board of Education nominated by that Board;
- One individual nominated by the Bishop of Lichfield;
- The Chair of the Board of Trustees who is nominated by the 4 Members.



**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Structure, governance and management (continued)**

**The Trust Board**

The Trustees are the charity directors (within the terms of section 177(1) of the Charities Act 2011) and are responsible for the general control and management of the administration of the Trust in accordance with the provisions set out in the memorandum and articles of association. The Trust board is the accountable body for the performance of all academies within the Three Spires Trust and as such must:

- Ensure clarity of vision, ethos and strategic direction
- Hold the CEO to account for the educational performance of the academies and their students, and the performance management of staff
- Oversee the financial performance of the trust and make sure its money is well spent
- Because Trustees are bound by both charity and company law, the terms 'trustees' and 'directors' are often used interchangeably. We use the term Trustee. The Trust board is permitted to exercise all the powers of the Three Spires Trust. The Trust board will delegate to the Chief Executive responsibility for the day to day operations of the Trust. The Trustees can determine whether to delegate any governance functions.
- The Trust board has the right to review and adapt its governance structure at any time which includes removing delegation.

**Main duties and responsibilities**

- To ensure that the activities of the Trust fulfil the objectives as described in the Articles of Association
- To ensure compliance with the Trust's duties under company and charity law
- To ensure the academies are compliant with all statutory obligations (eg curriculum, SEND, safeguarding)
- To uphold the Christian distinctiveness of each Church of England academy within the Trust
- To safeguard the assets of the Trust
- To ensure the solvency of the trust and to abide by the agreements made with the DfE and Educational and Skills Funding Agency (ESFA) including the Master Funding agreement and the Supplemental Funding Agreement and as defined in the current issue of the Academies Financial Handbook
- To determine the overall strategic direction and development of the Trust through good governance and clear strategic planning
- To approve the Trust's strategic plan
- To challenge and support the Trust's CEO, executive leaders and academy leaders to achieve the outcomes of the strategic plan
- To oversee the performance of the Trust and its academies and direct change where performance falls short of expectation
- To agree policies across the academies within the Trust (unless otherwise delegated to individual academies)
- To ensure that risks are mitigated where possible and otherwise effectively managed
- To review the Trust Board's terms of reference on a regular basis and to recommend any changes to the Board of Members
- To approve the terms of reference of the Board's committees
- To approve the Trust's annual budget and monitor progress through the receipt of regular reports and to commission auditors
- To approve the annual budget for each academy and monitor expenditure against the budgets
- To approve the annual and other statutory reports to Members and the ESFA
- To agree and review from time to time the scheme of delegation to the academies
- To approve the annual report and accounts prior to submission to Companies House
- To review the effectiveness and skill set of the Board and recommend appropriate changes to the Board of Members

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Structure, governance and management (continued)**

Composition of the Trust Board

The Board comprises 9 Trustees.

Appointment of Trustees

We have a clear process for the appointment of Trustees.

- Article 50 of the Trust Articles states that Members will appoint four Trustees.
- Article 58 of the Trust Articles states that Trustees may appoint Coopted Trustees. A Coopted Trustee means a person who is appointed to be a Trustee by Trustees who have not themselves been so appointed.
- The Chair of Trustees is appointed by the Members from amongst their number
- The CEO is not a Trustee.

Currently, there are three Trust Board committees:

- Finance, Audit and Risk Committee (which is required by the DfE),
- Quality of Learning Committee – QOL (encompassing Christian Distinctiveness, safeguarding and inclusion),
- Pay and Remuneration Committee.

Other committees and/or regional boards may be formed as TST grows. The term 'TST Board' will therefore include any such committees/boards that may be formed from time to time and decisions allocated to the TST Board may be taken by those committees in accordance with their terms of reference.

The Trust Board will review and approve the Scheme of Delegation annually.

**Academy Committee (AC)**

Each Academy Committee is a committee of the Trust Board which has been given delegated powers (via the Scheme of Delegation) in order to oversee the running and development of its academy.

The Trust board will establish an Academy Committee in each academy and will appoint the chair. Two parents will be elected to the committee. The Academy Committee will:

- Seek to understand how the academy is led and managed: the Principal will report termly on how the school is fulfilling the Trust's ethos, vision and strategy
- Monitoring whether the schools are:
  - Working within agreed policies
  - Meeting the agreed targets
  - Managing their finances well
  - Engaging with stakeholders
  - Reporting to the board
- Act as the panel when reviewing the head's decisions on exclusions, and parents' complaints
- Be the consultative body for the school's stakeholders
- Represent the school's stakeholders
- Forge links with the community

The AC may choose to delegate some of these powers to governor panels (e.g. admissions, suspensions or exclusions, and staffing matters or the Principal as it deems fit to fulfil its responsibilities). Where the Scheme of Delegation refers to the AC this may include such committees or further delegation as the AC sees fit, but with the understanding that the ultimate responsibility remains with the Academy Committee.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Structure, governance and management (continued)**

**Link Champions**

Link Champions will be appointed by the Trust Board and each Academy Committee to cover five key areas of responsibility, they are:

1. Christian Distinctiveness
2. Finance and audit
3. Health and Safety
4. Safeguarding and SEND
5. Quality of Education

The Trust Board permits academy committees to appoint more than one governor to a link champion role, if so desired. The Trust Board also permits academy committees the flexibility to appoint additional link champion roles where a specific focus is required, for example, leadership and management or post-16 education.

Link Champions across the Trust will meet virtually each term with their counterparts and the appropriate central team officer to discuss key themes of future visits, training requirements and to provide feedback between governors and trustees.

**The Executive Leadership Group and Central Support Team**

***The CEO***

The CEO is responsible for the performance and promotion of the Three Spires Trust.

The CEO has the delegated responsibility for the operation of the Trust including the performance of the its academies and so the CEO performance manages the Principals in each academy. Where there is delegation to an Academy Committee (AC), this will usually be with the Chair of the AC alongside.

The CEO is the accounting officer so has overall responsibility for the operation of the Trust's financial responsibilities and must ensure that the organisation is run with financial effectiveness and stability; avoiding waste and securing value for money.

The CEO leads the executive leadership group of the Trust. The CEO will delegate executive functions to the executive leadership group and is accountable to the Trust board for the performance of this executive leadership group and the central support team.

***The Executive Leadership Group***

As of September 2023 the ELG consists of the CEO as listed above together with Academy Principals and the following Trust leaders:

- Chief Financial Officer
- Director of Operations
- Director of Safeguarding and SEND
- Director of School Improvement
- Director of Education (Wolverhampton)
- Director of Post-16 Education

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Structure, governance and management (continued)**

***The Central Support Team***

From September 2023, the team at the centre of the Trust are:

- Finance Manager and Business Partner
- ICT Business Partner
- Executive Support & Governance Manager
- Senior Finance Support Officer (part time)

The Trust may appoint further specialists to the Central Support Team as required.

Together, the Executive Leadership Group and the Central Support Team supports academies with:

- Curriculum
- Safeguarding & SEND
- OFSTED inspections
- Teaching and learning
- Finance
- SIAMS Inspections (Church academies only)
- Human Resources
- Health and safety
- Governance
- Information and communications technology
- Public relations and communications
- Data Protection and freedom of information
- Funding bids
- Capital projects
- Internal & External audit
- Post-16 Education
- Business Management
- Pay & remuneration
- Performance managements & appraisal
- Single Central Register
- Legal

***Academy Principals***

In our academies, the Principal will be assigned delegated powers and may choose to delegate some of these further to another member of staff e.g. the academy business manager or Vice Principal. Where this document refers to Principal this may include other staff members who have been delegated responsibilities with the understanding that the ultimate responsibility remains with the Principal.

In all cases, the TST Board is accountable directly to the Secretary of State for each academy and thus has overall responsibility for the final decisions made. The CEO has authority to challenge decisions made by ACs or to direct Principals if the CEO considers that it is in the best interests of TST to do so, or that a decision made by an AC is not in the best interests of the school.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Structure, governance and management (continued)**

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

Performance management of Trust staff is managed by the Trust Board in line with the principles highlighted in the scheme of delegation.

Performance management of Principals is managed by the Trust Board with remuneration being considered in line with School Teachers Pay and Conditions and the scope of individual leadership bands and successful achievement of performance targets.

The Trust believes it is vital to be transparent about salaries within the academies sector and how those salaries are set. Salaries are benchmarked against similar roles within the academies sector and the trust refers to a recognised pay scale. A degree of flexibility is afforded relating to salary to ensure the Trust can recruit and retain the best staff.

The pay policies of both St Peter's Collegiate Academy and what was formerly the Wade Federation of schools (St Thomas' and The King's), transferred to Three Spires Trust in May 2021 and April 2021 respectively as part of the TUPE process for existing staff members.

In April 2022 the Trust negotiated a Trade Union Recognition Agreement and JNC consultative mechanism as set out in the measures declared at the time of transfer. Following this process, it is the intention of the Trust to move to a single pay policy for all existing and new academy staff.

The Trust intends to continue to use Standard Teacher's Pay and Conditions as the basis of its pay policy for teaching staff; and for support staff the Trust intends to continue the use of the Green Book framework.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Structure, governance and management (continued)**

**h. Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

**Percentage of time spent on facility time**

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

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

	£	
Total cost of facility time	-	
Total pay bill	14,008,948	
Percentage of total pay bill spent on facility time	-	%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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**i. Related parties and other connected charities and organisations**

The Three Spires Trust serves a diverse range of communities throughout the Diocese of Lichfield. A register of business interests is maintained at Trust Board and Academy Committee level.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Structure, governance and management (continued)**

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

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The academy trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The academy trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Anti-bullying and harassment
- Appraisal and professional growth
- Dignity at work
- Equality and diversity
- Flexible working
- Managing attendance at work
- Menopause support
- Pay
- Performance improvement
- Resolving grievances
- Safer recruitment
- Time off
- Visitors and volunteers

In accordance with the academy trust's equal opportunities policy, the academy trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the academy trust's offices.

The Trust is continually seeking to develop arrangements to ensure that our engagement with employees:

- Provides employees with information on matters of concern to them
- Consults with employees regularly so that their views can be considered in decision making likely to affect their interests
- Encourages the involvement of employees in the Trusts performance
- Achieves a common awareness on the part of all employees of the factors affecting the performance of the Trust
- Develops its policy in respect of applications from disabled persons, treatment of employees who become disabled, and the training, career development and promotion of disabled people.

The Trust is currently in consultation with the JNC surrounding a number of draft policies designed to further engage with our employees and colleagues:

- Disciplinary
- Maternity, paternity and adoption leave
- Redundancy and reorganisation

The Trust invests in an Employee Assistance Programme (EAP) that provides compassionate health & wellbeing support. This is a confidential service available for our staff and their immediate families available 24 hours a day, 7 days a week, 365 days a year.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Structure, governance and management (continued)**

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

The Trust has launched an Electric Vehicle (EV) salary sacrifice scheme to provide benefits to our employees and the environment.

**Objectives and activities**

**a. Objects and aims**

**Our vision**

Three Spires Trust plays a part in young people discovering life in all its fullness. These words first spoken by Jesus, encompass every aspect of being human - relating well to those around us, confident in who we are and enjoying the spiritual dimensions of life. Our Academies are communities where individual learning and challenge flourish, tailored to the abilities and ambitions of each young person. Our Academies enable students to make great progress and reach the highest educational standards.

**Our values**

Through our Christian values, Three Spires Trust strives to enrich the lives of our communities. We will live, love and learn as we seek to **EMBRACE** 'life in all its fullness'. We believe that we can realise our full potential academically, socially, globally and spiritually through the promotion of our Christian values which enable our students to:

- Enjoy learning
- Model service
- Belong to a family
- Respect and develop the whole person
- Aspire to achieve
- Care for the earth and each other
- Experience the love of God

Three Spires Trust is committed to working within a respectful and compassionate environment. It is open to schools of all faiths and none, all educational phases and all Ofsted judgments - we celebrate diversity. The Trust exists to serve the students in its care. It has a small number of core principles:

- We expect all our academies to support each other and to share best practice for the benefit of all.
- We encourage each of our academies to celebrate its distinctive identity within our community.
- We are committed to providing quality-assured services to keep our academies legal, financially robust and continually improving.
- We consider that our Christian distinctiveness enhances the life of the Trust and all involved with us.



**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Objectives and activities (continued)**

**b. Objectives, strategies and activities**

The Three Spires Trust exists to promote the education, health and wellbeing of children and young people in all of its academies whilst enabling them to discover life in all its fullness. All of our academies have development plans that address how they will seek to raise levels of attainment and achievement, keep children safe and develop young people to improve their life chances. Over the next 3 years the Trust will seek to:

- Admit more academies if their vision and values match the Trusts, due diligence is positive and the Governors and leadership team are keen to join.
- Manage the £30m rebuild of St Peters, Wolverhampton.
- Work in partnership with our academies to drive school improvement.
- Refine our growth strategy to enable us to benefit a wider audience.
- Ensure Christian Distinctiveness is at the heart of all we deliver as a Trust.
- Develop a high quality and supportive relationship with existing and potential associate members.
- Consider bidding for free schools within the Diocese of Lichfield.
- Help and facilitate our existing academies to deliver their development plans.
- Actively expand our provision of Trust networks to facilitate the sharing of best practice across the Trust.

**c. Public benefit**

In setting our objectives and planning our activities, the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

**Strategic report**

**Objectives**

Our vision will be achieved by meeting the following strategic aims:

- **Growth and transformation** – Establish effective systems to support the sustainable growth of the Trust.
- **A high performing organisation that makes a difference** – develop a highly efficient trust infrastructure and central services, ensuing financial probity and viability.
- **Community of learning** – Deliver a high-quality education for all pupils.

Our specific objectives and priority activities for include:

**Growth and transformation**

- Provide a range of Trust-wide opportunities which will widen horizons, add value to the academy experience of being part of a Diocesan trust with Christian distinctiveness at its core to involve, engage, enrich, and inspire all to flourish.
- Developing and growing our partnership: Strategic growth of our Trust, working alongside other local academies, partnership agencies, organisations, and academy trusts in order that all our students and staff flourish.
- Recruit, develop and retain high calibre members of staff by developing and promoting good health, wellbeing and professional growth for all employees and ensuring the Trust is an employer of choice in the region.
- Refine inclusive and relational approaches to learning and development which focus on holistic outcomes for all and ensure access to a balanced curriculum.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Strategic report (continued)**

**(continued)**

A high performing organisation that makes a difference

- Ensuring financially viable and sustainable academies in the Trust; working together to enable academies to maximise their resources to increase the quality of provision.
- Providing outstanding governance, executive leadership with clear succession planning; attracting, developing, and retaining the best, most effective people to work in our academies.
- Develop a highly efficient Trust infrastructure and central support services ensuring compliance and regulatory processes are adhered to and that we are known for excellence in safeguarding.
- Preserve and expand the distinctively Christian ethos of the trust and each academy ensuring all students and staff flourish in their roles.

**Community of learning**

- Ensure that our academies provide the very best teaching to promote and provide high quality, inclusive learning environments for our children and young people.
- Strengthen and develop links and collaborative partnerships with external organisations which benefit our students, staff, and communities across the MAT.
- Respond dynamically to the needs of the Trust's communities and academies.
- Develop collaborative, best practice and listening networks for all stakeholders.

**Achievements and performance**

Academies within the Trust continue to perform strongly; improving in a range of key performance indicators. Academic achievement is clearly very closely aligned to our strategic objectives as articulated in the report – particularly in regard to developing the whole person and achieving vocational and academic success. The Trust board receives reports via the Director of school improvement – where performance data is considered along with the academy improvement plans and professional growth targets.

With a focus on the Church of England's vision for education 'called, connected and committed', academies within the Trust are supported through a school improvement offer which is explicit in its desire to promote collaboration. It focuses on bringing inspirational leaders, teachers and support staff from across the MAT together to grow, flourish and provide an excellent education with Christian values at its heart. We are confident, as a Trust, that we have tailored an offer that recognises where each academy is on their improvement journey and confident that each is supported to perform well and deliver high quality provision to the young people in their care. This is also extended to those schools working as associate member schools.

All academies have their own unique culture and place within a local community, and this approach takes that into account when they join our family. The success of our academies depends on our investment in colleagues' professional development and learning. Our emphasis on staff development and 'growing our own' talent is based on our commitment to spotting enthusiasm and nurturing ambition at an early stage. An investment in every member of staff's development through 'in house' and external courses; coaching and mentoring, and a culture of trust where numerous opportunities are created for staff to 'step up' and lead projects in and across the Trust, is actively promoted.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Strategic report (continued)**

**(continued)**

The appointment of a Director of school improvement has accelerated the professional growth model adopted by the Trust where there is now an impressive professional network programme on offer. A robust Trust action plan has been put into place and already, has sharpened up the processes and procedures across the Trust for early identification and intervention of any vulnerable groups of children.

The Trust board believe that the academies should provide a caring, safe and vibrant environment for students where their spiritual, moral, social and physical development is developed and protected. In this respect, trustees follow statutory safeguarding guidance and practice to ensure the safety of children providing appropriate training for staff, volunteers and the board.

The Trust board has continued to be appropriately sustained with a wide range of experience in the fields of education, commerce, human resources and corporate affairs. These attributes have contributed to effective control, strong challenge and positive ambition for the academies as well as their students, their staff and the communities they serve.

Strong budgetary controls are exercised as part of a culture of disciplined financial management – achieving optimum value for money. The annual programme of repairs, along with significant capital projects, are resulting in buildings within the Trust being maintained and developed to a high standard.

The academic results of the academies for examinations sat can be found on the DfE performance tables.

**a. Key performance indicators**

Our schools aim to ensure that our pupils experience "Life in All its Fullness". This means that in addition to providing excellent educational outcomes, and a rich and diverse curriculum, we also seek to grow all pupils regardless of their ability or background so that they develop strong values and become a valued part of society.

To this end, our key performance indicator is reflected through the creation of our curricular, both at primary and secondary phases. Although educational outcomes are hugely important, we aim to provide a quality of education which means that the young people who leave our care are in the best position to progress onto their next steps. We aim to establish a curriculum which gives all students, of whatever ability and background, access to a wide range of opportunities, both inside and outside of the classroom.

The impact of our improvement strategy will be measured by the following KPIs:

- Our academies will demonstrate excellent leadership, including governance, and this inspirational leadership will be shared across academies.
- Our academies will be able to accurately self-evaluate and will have a robust academy development plan that focuses on a culture of continuous improvement.
- Our academies will provide a broad and balanced curriculum that ensures students have the knowledge, skills, and behaviours they need to flourish in their future life and work.
- Our academies will endeavour to develop all teaching so that every child receives a positive learning experience.

**b. 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, they continue 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 accounting policies.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Strategic report (continued)**

**Financial review**

The majority of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA), this takes the form of recurrent grants the use of which is restricted to educational purposes.

Grants received from ESFA during the period ended 31 August 2023 and associated expenditure are shown as restricted funds in the statement of financial activities.

The Trust is a Church of England multi academy trust. The academy land and buildings are owned by the Diocese of Lichfield. The Diocese leases the land and buildings to the Trust by way of the Church Supplemental Agreement (CSA) which has a rolling 2-year term. This arrangement is typical for a Church of England MAT and means that most of the land & buildings utilised by the Trust and our academies do not show on the Trust balance sheet. At first glance this makes the trust's net asset position appear lower than expected. This arrangement and the government backed pensions deficit inherited when schools joined the Trust are key to understanding the Trust's balance sheet.

The Trust considers the following as key financial indicators:

- Robust financial monitoring in line with ESFA AH regulations.
- Ensuring value for money through effective financial management procedures.
- The Trust and its academies comply with the Trust's financial regulations and policies.
- Monitoring and maintaining a positive cash balance to ensure all expenditure obligations can be met.
- Monthly review and reporting of income and expenditure.
- Production of annual 5 year forecasts for all academies and the Trust.
- Academy Committee monitoring of Management Accounts.

The Trust held fund balances at 31 August 2023 of £9,109,209 excluding a pensions reserve of (£1,079,000). This comprised an amount of unrestricted funds of £1,167,191 and restricted funds of £7,942,018 (excluding the pension reserve). Total funds including the pension deficit were £8,030,209. The pensions deficit is backed by the UK Government.

The Three Spires Trust has reviewed the major risks that can affect the Trust. In particular, these relate to Finance, Audit & Risk, Quality of Learning (including Safeguarding & SEND), and Pay & Conditions which is why the Trust have set up Trust sub committees in these areas to ensure increased scrutiny. Accordingly, the Trustees are confident that they have implemented systems, procedures and internal controls to monitor and manage these risks. Further information is included in the Risk Management section below. Where significant financial risks still remain adequate insurance cover is in place.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**a. Reserves policy**

The Reserves policy establishes a framework within which decisions will be made regarding the level of reserves held by TST and the purposes for which they will be used and maintained. The Reserves Policy:

- Assists in strategic planning by considering how new projects or activities will be funded;
- Informs the budget process by considering whether reserves need to be used during the financial year or built up for future projects;
- Informs the budget and risk management process by identifying any uncertainty in future income streams.

The trust's Risk Management Strategy and Risk Register are actively used to make informed judgements about the appropriate level of reserves to hold for future activities undertaken by TST for its beneficiaries.

The reserves policy takes into account income and expenditure, capital expenditure commitments and the reserves required to cover any urgent requirements for expenditure and any potential shortfalls in income.

Details of all reserves and year end balances are contained in the Trust's annual Statement of Accounts.

The level of reserves will be kept under review by the Trustees.

**b. Investment policy**

The investment policy governs the investment strategy of TST and all establishments that constitute TST. The management of charitable funds and investments will comply with the requirements of the:

- Charities Act 2016; Trustee Act 2000.
- Financial Services and Markets Act (FSMA) 2000; and the
- Charity Commission.

The charitable funds of TST are derived from direct government and local authority grants and these funds are defined as restricted. Additional charitable funds are generated through the operational nature of the charity's work, such as providing education, training, and development; these funds are defined as unrestricted.

The trustee of these funds is TST, which is managed by its Board of Trustees through the Finance, Audit & Risk committee. Therefore, there is a sole corporate body/trustee with responsibility for managing and administering the assets of the charitable funds and investments.

This investment policy ensures that cash flow and current account balances are monitored to ensure financial commitment can be met as and when due. Additionally, the Trust's bank account will be maintained at a level that enables it to meet any forthcoming commitments.

The Trust will ensure that its bank balance will not go overdrawn as this is not allowed by the Academies Handbook.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**c. Principal risks and uncertainties**

The Trustees have assessed the major risks and uncertainties that affect the Trust and consider the following to be the most significant challenges over the next 12 months:

- Uncertainty surrounding the UK inflation rate and its impact on wages, costs and utilities
- Potential trade union action relating to teaching pay disputes
- Potential trade union action relating to support staff disputes
- Threats of nationwide blackouts relating to energy crisis
- Catching up on education lost for pupils as a result of schools closures due to COVID 19.
- Unknown future developments relating to COVID 19.
- Changes in the Inspection framework.
- Recruitment and retention of key staff within the Trust especially in light of the teacher recruitment crisis.
- Ensuring the successful integration of academies into the Trust.
- Potential announcements relating to employer contribution to the Teachers Pension scheme.
- Managing the mental health crisis affecting young people and the unavailability of CAMHS.
- Ensuring that the trust's estate is safe, well maintained and complies with relevant regulations.

There are also the more general risks to be managed such as fraud, reputational damage and failure to deliver on school improvement targets.

**Risk Management**

The Trustees are responsible for risk management and for maintaining a robust system of internal control that supports the achievement of policies, aims and objectives whilst safeguarding the public funds and assets for which it is responsible. The Trust Board is advised in this role by the Finance, Audit & Risk Committee and both are advised and informed by the Executive Leadership Group.

The Trust Board fulfils its risk management role by establishing the following system of internal controls:

- Approving and reviewing a series of policies that underpin the internal control process;
- Agreeing objectives, plans and resources by means of the whole Trust budget, the detailed Trust strategy and its underlying delivery plan;
- Scrutinising the Audit Recommendations Tracker (ART) which logs all recommendations from external audit, internal audit and any 3rd party organisations.
- The policy statement and the risk register and the thorough review of them each year to identify risks, near misses and opportunities; and
- Considering carefully the advice from the Internal Auditor together with advice from any other external consultants and inspectors.

The Trust Leadership Team fulfils its risk management role by:

- Implementing the Trust's policies on risk management and internal control;
- Advising the Finance, Audit & Risk Committee and the Trust Board of the fundamental risks faced by the Trust and helping them to evaluate those risks;
- Providing timely and sufficient information to the Trust Board;
- Assisting the Finance, Audit & Risk Committee in drawing up the risk register; and
- Working to embed risk management and risk based internal control in all aspects of Trust management.

In its ongoing consideration of the risk register the Trust Board consider the following issues:

- Whether risk management continues to be linked to the achievement of overall Trust objectives;
- The appropriate risk appetite or level of exposure for the Trust as a whole;
- Whether risk assessment and risk based internal control are embedded in ongoing operations and form part

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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- of the Trust's culture;
- Changes in the nature and extent of fundamental risks and the Trust's ability to respond to those changes;
  - The extent and frequency of reports on internal control to the Trust Board;
  - The incidence of and fundamental control failings (risk events) or weaknesses identified at any point (near misses) and the impact that they could have; and
  - The effectiveness of the overall approach and policy to risk management and whether changes or improvements to processes and procedures are necessary.

Risk management is supported further by the individual Academy level risk registers, which are maintained at Academy level and reviewed by their Academy Committee. These are then reviewed on an annual basis by the CFO who will raise any concerns with the Finance, Audit & Risk Committee and ensure that significant risks affecting the Trust as a whole are included in the Trust Risk Register.

### **Fundraising**

Any fundraising activities taking place within the Trust or its academies will comply with the requirements of the Charities Act 2016.

Fundraising is not part of the Trust's core business or main charitable objectives. The trust does not operate a high level of fundraising activities. Most fundraising within the academies will come through non uniform, fancy dress or cake sale days. Parents are made aware of the beneficiaries of their donations in advance which may be to support a local or national charity of the pupil's choice, or alternatively, to financially support a specified school event. Contributions are not compulsory.

No fundraising income is included within the Trust income shown within the Statement of Financial Activities.

### **Plans for future periods**

The Trust will continue to work in partnership with our member schools to develop each academy offer to consistently achieve excellent outcomes for our pupils. Christian distinctiveness is at the core of our vision and values as a Trust, thus, ensuring that the Trust offers something distinctively Christian within its community of schools is a high priority.

The Kings Wolverhampton, was initially expected to join the Trust in April 2021. However, due to land and buildings issues outside of the Trust's control the school finally joined the Trust in April 2023. The school has now been re-named as St Regis CofE academy. After successful negotiations by the Trust with a number of stakeholders the academy will be undergoing significant and urgent building rectification works totalling £3.5m throughout 2023-24.

St Giles & St George's Church of England Academy Trust, a multi academy trust in Newcastle Under Lyme with one primary school, has been working closely with the Trust and became an associate member in 2022. Following this a successful application was made to the DFE to join the Trust in 2023. Subsequently, very pleasingly they joined the Trust on 1<sup>st</sup> November 2023. STGG is expected to be an influential and integral part of the Three Spires Northern Primary Hub development over the next few years.

Hanley St Luke's became our first associate member of the Trust in September 2021, taking advantage of the Government's "Try Before You Buy" Scheme. The partnership flourished over this time and following approval from the advisory board in June 2023 we look forward to them joining the Trust as full members on the 1<sup>st</sup> January 2024.

### **Growth**

In December 2021 the Trust had its first ESFA Financial Management and Governance Review. The successful completion of this review led to the Trust being given the green light for more schools to join the Trust. There have been tentative expressions of interest from schools to explore joining Three Spires and we are actively

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Plans for future periods (continued)**

discussing future partnerships with a number of schools, the Diocese and the Department for Education.

The Trust is working alongside the DFE and has developed important strategic and working relationships. We are keen to work with the DFE in the spirit of partnership to ensure the best possible outcomes for young people across the Diocese of Lichfield. The Trust is receptive to engaging in school improvement projects with schools and academies outside of the Trust and regards this outreach work as instrumental in impacting positively on educational standards.

The Trust has devised a growth strategy that will enable the Trust to grow in a considered and sustainable manner. The Trustees are supportive of the notion that growth needs to be careful and considered; the capacity of the central team will need to be kept under review in order to ensure that a high quality service is maintained. Schools will not solely join the Trust on a first come, first served basis but rather because vision and values are aligned and as 'the fit' feels right in order that the lived experience offered within in each academy will be enriched. The due diligence process will continue to be comprehensive and will enable both the Trust and the incoming academy to feel fully confident ahead of conversion.

St Mary's in Tunstall is currently an OFSTED 'outstanding' empty MAT established in 2017. The academy are working closely in partnership with Three Spires; the academy are currently associate members of the Trust and are actively considering becoming full members. The CEO and other Trust leaders have nurtured positive relationships with academy staff and trustees.

In Wolverhampton, St Matthias is developing increasingly close links with Three Spires and has agreed to sign an associate membership agreement in the not-too-distant future. St Matthias is an excellent community based secondary school with considerable school improvement capacity. The Principal of St Matthias is the Trust's part time Director of Education for Wolverhampton who is leading on the TST vision for education in Wolverhampton. Should St Matthias join the trust this will enable the trust to achieve one of it's aims of becoming a cross phase, mixed mode multi academy trust.

**School Improvement Offer**

The 'core' school improvement offer brochure for 2023-24 has been published and is open to Trust members. Rather than delivering generic, Trust wide CPD that will often, only satisfy the minority, the ambition for Three Spires, is to deliver training/ support which is widespread and pertinent to group needs.

Similarly, the 'additional' school improvement offer brochure has also been published for 2023-24. This additional offer enables members, associates, and other stakeholders the opportunity to draw upon the professional knowledge and expertise of the central team - this is inclusive of reviews, audits, training opportunities and collaboration network meetings.

**Institute of Education**

To support future ambitions to establish a 'teaching school' within the Trust, the Trust is currently nurturing several partnerships with external agencies, including:

- Delivering the Early Career Framework for Best Practice,
- The newly reformed SCITT 'Power up your Postcode' for Teach First,
- The suite of NPQs for the Church of England.

Marketing will be key to the success of this initiative; developing a discrete website which will advertise and market the work completed at the Institute of Education. Three Spires is keen to stay at the forefront of educational research and practice in order to ensure that that academies are served well and that we respond to issues that could impact adversely on the sector.



**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Plans for future periods (continued)**

**Church of England**

The Trust continues to work closely with the national Church of England team to develop the NPQ offer to schools and Trusts across the country. The Director of School Improvement is currently completing consultancy work on behalf of CEFEL to support with this venture. This will continue in to 2023 – 24.

Engagement with the NPQLBC so far at The King's, Kidsgrove and St Peters, Wolverhampton is excellent and supporting leads to develop and cultivate a strategic approach towards behaviour and culture in each academy. Following the success of this course, all three secondary academies will be launching the Teaching and Learning NPQ next year.

On behalf of The Church of England, the Trust continue to deliver the suite of NPQ Standard including the Headship award which will be made available to aspirant heads across the West Midlands. The success from the first cohort demonstrates we are a Delivery Partner of choice.

**The Big Questions in Classrooms – CEFEL**

After a successful bid to the Church of England, Three Spires are one of eight Trusts in the country to take part in a development project initiative with The Templeton World Charity Foundation, focusing on The Big Questions in Classrooms. The Big Questions in Classrooms (BQiC) initiative seeks to help students understand and gain insight about "how knowledge works," particularly in the domains of science education and religious education (RE) in England.

**Network Meetings and school to school support**

Feedback and attendance to network meetings this year have been incredibly positive. Leads have enjoyed the opportunity to network with peers both within and across their phases. With capacity in the Trust growing, we have been able to draw on expertise in individual academies to extend the offer so that in 2023-24 the package will also include:

- EYFS
- Assessment
- Christian Distinctiveness
- Transition
- Y6 moderation

Additionally in 2023-24, sessions in Teaching & Learning and reading will include opportunities for colleagues to engage with and apply evidence informed practice to address whole Trust priorities. Articles regarding practice shared at network meetings this year are currently pending publication with Sec Ed.

Termly 'principal steering groups' for both primary and secondary leads have been well attended encouraging purposeful discussions regarding collaborative approaches to assessment, trust wide celebration and transition days.

**Trust to Trust support**

Partnership with various established providers is continuing to strengthen the Trust's reputation as capacity givers in the West Midlands. We have been commissioned to provide 10 days of support for a second school this year; deployments have generated overwhelmingly positive feedback so far. As part of a pilot group for the DfE, both the Director of School Improvement and CEO are working towards completing their System Leadership and NLE qualifications respectively.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Trustees' Report (continued)**  
**For the Year Ended 31 August 2023**

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**Plans for future periods (continued)**

**DfE bid**

A successful bid proposal to the DfE has meant that from November 2023, Three Spires will be the lead and key Delivery Partner of the 'Stoke-on-Trent Priority Area: raising attainment in English across KS3 and KS4'. The project aims to support teachers to successfully embed 'formative and summative assessment strategies' into their teaching practice to measure progress more accurately and effectively. It will focus on a variety of elements that will be of interest to schools, including:

- using key skills and knowledge to underpin planning
- explicit teaching with a focus on pedagogical practice and instructional strategies
- interleaving
- oracy

This project and the associated funding will open many opportunities for the Trust, taking us one step closer to our ambition of developing a teaching school in the future. Working in synergy, Three Spires has brokered a successful partnership with the following:

- Chapter Education
- Ormiston Horizon Academy
- Research Schools Network
- National Youth Theatre
- High profile English practitioners including Stuart Pryke and Jennifer Webb

A successful delivery of this project will place Three Spires in an incredibly strong position, demonstrating to the wider educational community that we have the skills, knowledge, and capacity to facilitate robust school improvement across the West Midlands.

**Research School Kite Mark**

The Trust are currently working towards an exclusive kitemark which will recognise and celebrate schools and trusts who are working towards or who already have embedded engagement with research and evidence across their setting or settings.

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

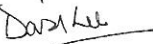
No funds are held as Custodian Trustee on behalf of others.

**Disclosure of information to auditors**

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 11 December 2023 and signed on its behalf by:

DocuSigned by:  
  
EBC2004ED90A40C  
**Dr D Lee**  
Chair of Trustees

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Governance Statement**

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**Scope of responsibility**

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

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

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

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the period. The Trustees believe that this is more than adequate to provide the required level of scrutiny and oversight.

This is particularly the case as the Trust board has put in place 3 subcommittees to ensure increased targeting of oversight and scrutiny for Finance, Audit & Risk and Quality of Learning and Pay & Remuneration.

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

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
The Venerable Dr D Lee, Chair of Trustees	5	5
Mr B Halstead	3	5
Mr J Lawson	3	5
Mrs J Pilmore	5	5
Mr S Farar	4	5
Mrs K Covey	5	5
Revd R Farnworth	4	5
Mrs H Robertson	5	5
Ms T Tennyson	2	5

**Finance, Audit & Risk Committee ("FAR")**

**Objective**

The Finance, Audit and Risk Committee (FAR) brings together representatives from each of the Academies within the Trust and Trustees of the Board. The purpose is to provide a holistic Trust-wide review of the financial activities of the Trust and ensure that the risk register is monitored appropriately.

**Context**

The work of the FAR committee falls under the remit of the Academy Trust Handbook, government guidance on risk (the Orange Book) and the trust's own policies, procedures and reporting protocols.

The Board must not add to these terms of reference responsibilities that require the Audit Committee to adopt an executive role. Members of the Audit Committee must not offer professional advice to the Board. The Audit Committee should seek formal professional opinions from the internal audit service, financial statements auditor or other professional advisers to the Board. Advice should only be given in Committee members' capacity as Trustees and only within their terms of reference.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Governance Statement (continued)**

**Governance (continued)**

The FAR committee met 3 times during the period and attendance was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr B Halstead	2	3
Mr J Lawson, Chair of FAR committee	3	3
Ms T Tennyson	2	3
Rev Roger Farnworth	2	3

**Quality of Learning Committee ("QOL")**

The Quality of Learning Committee brings together Trustees of the Board. The purpose is to provide a holistic Trust-wide review of the Quality of Education provided by the Trust and to identify and implement appropriate policies and procedures to safeguard the welfare of all relevant students, staff, volunteers, and other service users coming into contact with the Three Spires Trust.

Three Spires Trust is committed to providing education of the very highest standards to all pupils within a Christian context. This can only happen if the safety and well-being of every pupil is a foremost priority. Every academy needs to ensure that training is regular and comprehensive, staff are vigilant, systems are coherent and understood, responses are timely, communication is smooth, record keeping is meticulous and every member of staff understands that no concern is too small to pass on. Safeguarding is a corporate, shared responsibility amongst everyone involved in the life of the Trust. The management of safeguarding on a day to day basis is the responsibility of the Trust's employees. The Trust QOL committee is a strategic partner in delivering these responsibilities.

The QoL committee met 3 times during the period and attendance was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
The Venerable Dr D Lee, Chair of Trustees	3	3
Mrs J Pilmore	3	3
Mr S Farar, Chair of QOL committee	3	3
Mrs H Robertson	2	3

**Pay & Remuneration Committee**

The Pay and Remuneration committee brings together Trustees of the board. The committee will have due regard to the requirements set out in the Academy Trust Handbook in relation to the setting of executive pay, off payroll working and the publication of higher paid staff salaries.

Attendance during the year at meetings was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
The Venerable Dr D Lee, Chair of Trustees	1	1
Mr B Halstead	0	1
Mrs H Robinson	1	1

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Governance Statement (continued)**

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**Governance (continued)**

**Governance Reviews**

The Trust has recently successfully completed an internal audit of Corporate Governance and this will shortly be followed by an audit of Information Governance. A review of Governance by the National Governance Association (NGA) was commissioned and has take place. The Trust Board is proactive and reflective and looks to appraise the skills of its trustees and governors regularly to ensure competence in line with the competency framework.

The Trustees are encouraged by the quality of the information they are receiving and are confident that this has enabled them to be effective.

**Review of value for money**

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

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

- Recruiting experts from the academic sector to provide in house knowledge and expertise.
- Sharing of best practice across the Trust as an alternative to buying in external experts.
- Developing the Executive Leadership Group (ELG) to enable Principals to share knowledge and experience.
- Creating a Business Manager forum to discuss financial issues and share best practice.
- Utilising three Trust sub committees to focus in on the key data:
  - Finance, Risk and Audit
  - Quality of Learning
  - Pay & Remuneration Committee

Ensuring effective tendering for, and management and leadership off, centrally managed services and contracts:

- Payroll
- Employee Assistance Program
- Legal Services
- Internal Audit
- External Audit
- Financial Management System
- Trust wide MIS system (Arbor)
- Single Central Register
- Cyber Security
- Health & Safety
- Compliance Management
- GDPR & Data Protection

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Governance Statement (continued)**

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**Review of value for money (continued)**

Careful and diligent financial management to ensure funds are available to:

- Maintain a prudent contingency level
- Invest in capital projects
- Cope with the lagged funding model and the operational issues it creates in a growing school
- Service all financial management conditions placed upon the Trust by the ESFA upon inception.
- Ensure the trusts estate is safe, well-maintained and complies with regulations.

Negotiate effectively with authorities regarding the licenced deficit inherited by the Trust upon academisation of The King's Church of England Academy, Kidsgrove.

Negotiate effectively with authorities regarding the financial position inherited by the Trust relating to the Kings, Wolverhampton, in particular to source both non-recoverable and recoverable funding agreements.

The Trust has set up a Joint Negotiating Committee (JNC) and signed a Trade Union Recognition Agreement (TURA) to enable the Trust and its academies to work together in partnership for the benefit of all.

The Trust has launched an Academy Portal that provides access for academy staff to all Trust resources, policies and procedures. The Trst procures goods and services via DfE framework agreements to ensure 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 ongoing 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 Three Spires Trust for the period 01 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 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 Finance, Audit and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Governance Statement (continued)**

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**The risk and control framework (continued)**

The Board of Trustees has decided to employ Validera (formerly Haines Watts) as internal auditor.

The Trustees chose this option as they are of the view that these third party checks, coupled with our own internal policies and procedures, are essential to provide a quality, balanced, effective internal scrutiny programme throughout the Trust. The Trust Board agrees the Internal Audit Strategy (IAS) with the internal auditors on an annual basis.

The reviewer's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's systems. During 2022-23 the following internal audits were completed:

- Performance Management
- Safeguarding
- Human Resources
- Estate Services & Development
- Information Governance
- 2022-23 Follow up audit

These audits are in addition to the following audits completed since the inception of the Trust:

- Payroll & Expenses
- Cyber Security
- Key Financial Controls
- Risk Management
- Corporate Governance
- 2021-22 Follow up audit

On a termly basis, the reviewer reports to the Board of Trustees through the finance, audit and risk committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. In particular Trustees review the Audit Recommendations Tracker on a termly basis to quality assure that recommendations are being actioned in a timely and effective manner.

At the date of writing this report, in the opinion of Validera, the controls upon which the organisation relies to manage risks material to the achievement of its objectives are suitably designed and applied. No material control issues have been reported.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Governance Statement (continued)**

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance, audit 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 11 December 2023 and signed on their behalf by:

DocuSigned by:  
  
E8C2004ED90A40C  
**Dr D Lee**  
Chair of Trustees

DocuSigned by:  
  
DCE3A9DB64044CD..  
**Mrs E Verow**  
Accounting Officer



**Three Spires Trust**  
**(A Company Limited by Guarantee)**

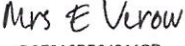
**Statement on Regularity, Propriety and Compliance**

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

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

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

DocuSigned by:  
  
DCE3A9DB64044CD...

**Mrs E Verow**  
Accounting Officer  
Date: 11 December 2023

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Statement of Trustees' responsibilities**  
**For the Year Ended 31 August 2023**

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

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

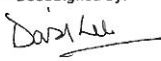
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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

DocuSigned by:  
  
E8C2004ED90A40C

**Dr D Lee**  
Chair of Trustees  
Date: 11 December 2023

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Independent Auditors' Report on the financial statements to the Members of Three Spires Trust**

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**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Independent Auditors' Report on the financial statements to the Members of Three Spires Trust**  
**(continued)**

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**Other information**

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

We have nothing to report in this regard.

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

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

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

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

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

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

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

**Responsibilities of trustees**

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

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

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Independent Auditors' Report on the financial statements to the Members of Three Spires Trust**  
**(continued)**

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

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the academy trust through discussions with directors and other management, and from our commercial knowledge and experience of the academy sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy trust, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Independent Auditors' Report on the financial statements to the Members of Three Spires Trust**  
**(continued)**

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In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the academy trust's legal advisors.

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

**Use of our report**

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



**Simon Hawkins (Senior Statutory Auditor)**  
for and on behalf of  
**Dains Audit Limited**

Statutory Auditor  
Chartered Accountants

Suite 2, Albion House  
2 Etruria Office Village  
Forge Lane  
Stoke on Trent  
ST1 5RQ

11 December 2023

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to Three Spires Trust and the Education & Skills Funding Agency**

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In accordance with the terms of our engagement letter dated 22 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 Three Spires Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Three Spires Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Three Spires Trust's funding agreement with the Secretary of State for Education dated 26 March 2021 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to Three Spires Trust and the Education & Skills Funding Agency (continued)**

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**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.



**Dains Audit Limited**

Suite 2, Albion House  
2 Etruria Office Village  
Forge Lane  
Stoke on Trent  
ST1 5RQ

Date: 11 December 2023



**Three Spires Trust**  
(A Company Limited by Guarantee)

**Statement of financial activities (incorporating income and expenditure account)**  
**For the Year Ended 31 August 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>						
Donations and capital grants	3	19,408	-	2,740,445	2,759,853	24,664
Other trading activities	5	483,337	-	-	483,337	315,234
Charitable activities	4	800,000	17,238,554	-	18,038,554	13,701,182
<b>Total income</b>		<b>1,302,745</b>	<b>17,238,554</b>	<b>2,740,445</b>	<b>21,281,744</b>	<b>14,041,080</b>
<b>Expenditure on:</b>						
Raising funds	6	482,628	-	-	482,628	279,792
Charitable activities	7	-	17,191,086	245,369	17,436,455	14,445,430
Other expenditure		-	718,000	-	718,000	107,985
<b>Total expenditure</b>		<b>482,628</b>	<b>17,909,086</b>	<b>245,369</b>	<b>18,637,083</b>	<b>14,833,207</b>
<b>Net income/ (expenditure)</b>		<b>820,117</b>	<b>(670,532)</b>	<b>2,495,076</b>	<b>2,644,661</b>	<b>(792,127)</b>
Transfers between funds	18	(5,299)	(257,826)	263,125	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>814,818</b>	<b>(928,358)</b>	<b>2,758,201</b>	<b>2,644,661</b>	<b>(792,127)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains on defined benefit pension schemes	26	-	1,458,000	-	1,458,000	5,746,000
Pension surplus not recognised	26	-	(207,000)	-	(207,000)	(144,000)
<b>Net movement in funds</b>		<b>814,818</b>	<b>322,642</b>	<b>2,758,201</b>	<b>3,895,661</b>	<b>4,809,873</b>

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Statement of financial activities (incorporating income and expenditure account) (continued)**  
**For the Year Ended 31 August 2023**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Reconciliation of funds:</b>					
Total funds brought forward	352,373	(1,194,970)	4,977,145	4,134,548	(675,325)
Net movement in funds	814,818	322,642	2,758,201	3,895,661	4,809,873
<b>Total funds carried forward</b>	<b>1,167,191</b>	<b>(872,328)</b>	<b>7,735,346</b>	<b>8,030,209</b>	<b>4,134,548</b>

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

The notes on pages 44 to 74 form part of these financial statements.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**  
**Registered number: 13153266**

**Balance Sheet**  
**As at 31 August 2023**

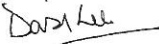
	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	5,561,095	4,977,146
		<u>5,561,095</u>	<u>4,977,146</u>
<b>Current assets</b>			
Stocks	14	8,204	-
Debtors	15	3,274,919	261,116
Cash at bank and in hand		2,923,338	1,893,436
		<u>6,206,461</u>	<u>2,154,552</u>
Creditors: amounts falling due within one year	16	(2,332,288)	(1,024,142)
<b>Net current assets</b>		<u>3,874,173</u>	<u>1,130,410</u>
<b>Total assets less current liabilities</b>		<u>9,435,268</u>	<u>6,107,556</u>
Creditors: amounts falling due after more than one year	17	(326,059)	(407,008)
<b>Net assets excluding pension liability</b>		<u>9,109,209</u>	<u>5,700,548</u>
Defined benefit pension scheme liability	26	(1,079,000)	(1,566,000)
<b>Total net assets</b>		<u><u>8,030,209</u></u>	<u><u>4,134,548</u></u>
<b>Funds of the academy trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	7,735,346	4,977,145
Restricted income funds	18	206,672	371,030
		<u>7,942,018</u>	<u>5,348,175</u>
Restricted funds excluding pension asset	18	7,942,018	5,348,175
Pension reserve	18	(1,079,000)	(1,566,000)
		<u>6,863,018</u>	<u>3,782,175</u>
<b>Total restricted funds</b>	18	<u>6,863,018</u>	<u>3,782,175</u>
<b>Unrestricted income funds</b>	18	<u>1,167,191</u>	<u>352,373</u>
<b>Total funds</b>		<u><u>8,030,209</u></u>	<u><u>4,134,548</u></u>

**Three Spires Trust**  
**(A Company Limited by Guarantee)**  
**Registered number: 13153266**

**Balance Sheet (continued)**  
**As at 31 August 2023**

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The financial statements on pages 39 to 74 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

DocuSigned by:  
  
E8C2004ED90A40C...

**Dr D Lee**  
Chair of Trustees  
Date: 11 December 2023

The notes on pages 44 to 74 form part of these financial statements.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Statement of Cash Flows**  
**For the Year Ended 31 August 2023**

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	1,651,023	751,008
<b>Cash flows from investing activities</b>			
	22	(609,834)	(159,515)
<b>Cash flows from financing activities</b>			
	21	(11,287)	(32,157)
<b>Change in cash and cash equivalents in the year</b>		<b>1,029,902</b>	<b>559,336</b>
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year		1,893,436	1,334,100
<b>Cash and cash equivalents at the end of the year</b>	23, 24	<b>2,923,338</b>	<b>1,893,436</b>
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 44 to 74 form part of these financial statements

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

Three Spires Trust meets the definition of a public benefit entity under FRS 102.

**1.2 Going concern**

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

**1.3 Income**

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

• **Grants**

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

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

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

• **Donations**

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

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**1. Accounting policies (continued)**

**1.3 Income (continued)**

• **Other income**

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

• **Transfer on conversion**

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

**1.4 Expenditure**

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

• **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.

All resources expended are inclusive of irrecoverable VAT.

**1.5 Taxation**

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

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

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**1. Accounting policies (continued)**

**1.6 Tangible fixed assets**

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

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

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

Depreciation is provided on the following bases:

Leasehold land	- 0.8% straight line
Leasehold property	- 2-10% straight line
Furniture and equipment	- 10% straight line
Computer equipment	- 33% straight line
Property improvements	- 0.8-10% straight line

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

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

**1.7 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.8 Debtors**

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

**1.9 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.



**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**1. Accounting policies (continued)**

**1.10 Liabilities**

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

**1.11 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.12 Operating leases**

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

**1.13 Pensions**

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

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

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

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**1. Accounting policies (continued)**

**1.13 Pensions (continued)**

discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

**1.14 Fund accounting**

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

Critical areas of judgment:

**Leasehold land and buildings:**

Under 125 year lease:

The long term leasehold land and buildings within the accounts relates to the academy premises which were transferred to the academy on transfer from an existing academy trust on a 125 year lease from Wolverhampton City Council. The leasehold land and buildings were valued using ESFA valuation. These

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**2. Critical accounting estimates and areas of judgment (continued)**

are being depreciated in accordance with the depreciation policies set out in note 1. No annual charge is made for the use of the land and buildings under the terms of the lease, based on management not being able to reliably measure the open market rate.

**2 year licence:**

The academy trust company occupies:

- (a) land provided to it by the Local Authority under a 125-year lease (as detailed above);
- (b) land provided to it by site trustees under a mere licence (also referred to as a Church Supplemental Agreement) which contains a two year notice period.

In respect of;

- (a) a figure is entered that reflects advice taken on the value of the lease;
- (b) Having considered the fact that the academy trust company occupies the land and such buildings as may be or may come to be erected on it by a mere licence that transfers to the academy no rights or control over the site save that of occupying it at the will of the site trustees under the terms of the relevant site trust, the directors have concluded that the value of the land and buildings occupied by the academy trust company will not be recognised on the balance sheet of the company.

**3. Income from donations and capital grants**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	2022 £
<b>Donations</b>					
Transfer of a converted academy into the Trust	-	(718,000)	-	(718,000)	-
Donations	19,408	718,000	100	737,508	4,333
Capital Grants	-	-	2,740,345	2,740,345	20,331
	<u>19,408</u>	<u>-</u>	<u>2,740,445</u>	<u>2,759,853</u>	<u>24,664</u>
<b>Total 2022</b>	<u>4,333</u>	<u>-</u>	<u>20,331</u>	<u>24,664</u>	

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**4. Funding for Academy's educational operations**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	2022 £
<b>DfE/ESFA grants</b>				
General Annual Grant	-	14,667,776	<b>14,667,776</b>	11,883,628
Other DfE/ESFA grants				
Start up Grants	-	93,600	<b>93,600</b>	115,000
Teachers Pay Grant	-	-	-	58,148
Teachers Pension Grant	-	-	-	20,587
Supplementary Grants	-	508,539	<b>508,539</b>	-
Pupil Premium	-	819,507	<b>819,507</b>	554,981
Other DfE Group Grants	-	441,008	<b>441,008</b>	434,747
	-	16,530,430	<b>16,530,430</b>	13,067,091
<b>Other Government grants</b>				
SEN funding	-	303,366	<b>303,366</b>	256,530
Other Government Grants	-	148,379	<b>148,379</b>	124,660
Settlement on Conversion	800,000	-	<b>800,000</b>	-
	800,000	451,745	<b>1,251,745</b>	381,190
<b>Other income from the academy trust's educational operations</b>	-	256,379	<b>256,379</b>	191,792
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up Premium	-	-	-	25,702
<b>COVID-19 additional funding (non- DfE/ESFA)</b>				
Mass testing income	-	-	-	35,407
	800,000	17,238,554	<b>18,038,554</b>	13,701,182
<b>Total 2022</b>	-	13,701,182	<b>13,701,182</b>	

**Three Spires Trust**  
(A Company Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**5. Income from other trading activities**

	Unrestricted funds 2023 £	Total funds 2023 £	2022 £
School clubs income	33,414	33,414	19,613
Hire of facilities	100,402	100,402	60,361
Other income	349,521	349,521	235,260
	<u>483,337</u>	<u>483,337</u>	<u>315,234</u>

**6. Expenditure**

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	2022 £
Expenditure on fundraising and trading activities:					
Direct costs	104,260	-	58,067	162,327	98,662
Support costs	170,213	11,600	138,488	320,301	181,130
Academy's educational operations:					
Direct costs	11,334,520	-	1,511,572	12,846,092	10,735,634
Allocated support costs	2,399,955	317,912	1,872,496	4,590,363	3,709,796
Transfer from local authority on conversion	-	-	718,000	718,000	107,985
	<u>14,008,948</u>	<u>329,512</u>	<u>4,298,623</u>	<u>18,637,083</u>	<u>14,833,207</u>
<b>Total 2022</b>	<u>11,846,739</u>	<u>294,446</u>	<u>2,692,022</u>	<u>14,833,207</u>	

Included within expenditure, transfer from local authority on conversion in 2022 is £107,985 which relates to The King's Church of England Academy that converted into the Trust in 2021 and relates to a pre-conversion loan balance with The Lichfield Diocesan Board of Education.

Included within expenditure, transfer from local authority on conversion in 2023 is £718,000 which relates to The King's CE School, Wolverhampton LGPS pension deficit transferred on conversion into the Trust on 1 April 2023.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**7. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Educational operations	12,846,092	4,590,363	<b>17,436,455</b>	14,445,430
<b>Total 2022</b>	<b>10,735,634</b>	<b>3,709,796</b>	<b>14,445,430</b>	

**Analysis of direct costs**

	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Staff costs	11,334,520	9,727,898
Depreciation	245,369	232,568
Educational supplies	582,690	346,423
Examination fees	314,695	181,336
Staff development and other staff costs	48,368	36,384
Consultancy	148,491	130,787
Travel, subsistence and expenses	109,003	47,467
Recruitment and other staff expenses	43,524	20,247
Maintenance of premises and special facilities	19,432	12,524
	<b>12,846,092</b>	<b>10,735,634</b>

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**7. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Pension finance costs	73,000	111,000
Staff costs	2,399,955	1,998,751
Catering	295,022	231,946
Staff support costs	2,254	-
Technology costs	369,771	240,806
Other costs	229,288	247,991
Maintenance of premises and special facilities	178,583	177,298
Cleaning and caretaking	28,765	23,994
Operating lease rentals	87,385	66,170
Rates	53,420	81,702
Security	3,040	3,818
Energy	488,673	243,606
Legal and professional	210,425	158,951
Transport	31,453	27,516
Other premises costs	139,329	96,247
	<b>4,590,363</b>	<b>3,709,796</b>

**8. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2023 £</b>	<b>2022 £</b>
Operating lease rentals	65,594	49,436
Depreciation of tangible fixed assets	245,369	232,568
Fees paid to auditors for:		
- audit	18,200	13,900
- other services	4,800	5,630

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**9. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	10,236,399	8,379,522
Social security costs	1,056,686	835,150
Pension costs	2,307,087	2,444,508
	<u>13,600,172</u>	<u>11,659,180</u>
Agency staff costs	372,772	162,247
Apprenticeship levy	36,004	25,312
	<u>14,008,948</u>	<u>11,846,739</u>
	2023 £	2022 £
Severance payments	-	20,028
	<u>-</u>	<u>20,028</u>

**b. Severance payments**

The academy trust paid Nil severance payments in the year (2022 - 1), disclosed in the following bands:

	2023	2022
£0 - £25,000	-	1
	<u>-</u>	<u>1</u>

**c. Special staff severance payments**

Included in severance payments is a special severance payment totalling £Nil (2022 : £11,346).



**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**9. Staff (continued)**

**d. Staff numbers**

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

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
Teachers	162	138
Administration and support	183	132
Management	9	9
	<u>354</u>	<u>279</u>

**e. Higher paid staff**

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

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	5	4
In the band £70,001 - £80,000	4	4
In the band £80,001 - £90,000	-	3
In the band £90,001 - £100,000	2	-
In the band £110,001 - £120,000	-	1
In the band £120,000 - £130,000	1	-
	<u>1</u>	<u>-</u>

**f. 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 £924,242 (2022 - £710,980).

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**10. Central services**

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

- Executive leadership support
- External educational support
- Payroll
- Financial services and support
- Audit
- Human Resources
- Governance support
- Legal services
- Estates and Health & Safety support
- Employee wellbeing
- Professional subscriptions
- Grant opportunities

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

The trust charges for these services based on 4% of Age Weighted Pupil Unit (AWPU)

The actual amounts charged during the year were as follows:

	2023 £	2022 £
St Peter's Collegiate Academy	255,888	249,156
The King's Church of England Academy	136,200	120,681
St Thomas' CE Primary Academy	25,608	25,858
St Regis CE Academy	53,593	-
<b>Total</b>	<b>471,289</b>	<b>395,695</b>

**11. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, expenses totalling £980 were reimbursed or paid directly to 1 Trustee (2022 - £1,446 to 1 trustee). The nature of the expenses paid was the reimbursement of travel expenses.

**12. Trustees' and Officers' insurance**

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

**Three Spires Trust**  
(A Company Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**13. Tangible fixed assets**

	Long-term leasehold property £	Assets under construc- tion £	Furniture and equipment £	Computer equipment £	Property improve- ments £	Total £
<b>Cost or valuation</b>						
At 1 September 2022	4,566,018	3,858	113,177	60,807	538,806	5,282,666
Additions	-	322,296	107,424	145,041	254,557	829,318
At 31 August 2023	<u>4,566,018</u>	<u>326,154</u>	<u>220,601</u>	<u>205,848</u>	<u>793,363</u>	<u>6,111,984</u>
<b>Depreciation</b>						
At 1 September 2022	259,845	-	18,651	15,280	11,744	305,520
Charge for the year	191,101	-	19,319	10,206	24,743	245,369
At 31 August 2023	<u>450,946</u>	<u>-</u>	<u>37,970</u>	<u>25,486</u>	<u>36,487</u>	<u>550,889</u>
<b>Net book value</b>						
At 31 August 2023	<u>4,115,072</u>	<u>326,154</u>	<u>182,631</u>	<u>180,362</u>	<u>756,876</u>	<u>5,561,095</u>
At 31 August 2022	<u>4,306,173</u>	<u>3,858</u>	<u>94,526</u>	<u>45,527</u>	<u>527,062</u>	<u>4,977,146</u>

**14. Stocks**

	2023 £	2022 £
Finished goods and goods for resale	<u>8,204</u>	<u>-</u>

**Three Spires Trust**  
(A Company Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**15. Debtors**

	2023 £	2022 £
<b>Due within one year</b>		
Trade debtors	21,011	11,667
Other debtors	79,267	1,455
Prepayments and accrued income	3,174,641	247,994
	<u>3,274,919</u>	<u>261,116</u>

**16. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Other loans	83,706	14,044
Trade creditors	261,731	58,088
Other taxation and social security	293,885	208,094
Other creditors	320,421	219,834
Accruals and deferred income	1,372,545	524,082
	<u>2,332,288</u>	<u>1,024,142</u>

Other loans includes a loan balance transferred on conversion from the local authority in relation to The King's Church of England Academy, Kidsgrove. This loan is subject to an interest charge of 0.5% above BOE base rate.

Other loans also includes a loan from The Lichfield Diocesan Board of Education, in relation to The King's Church of England Academy, Kidsgrove. This loan commenced prior to the conversion of the school to academy trust status and is repayable over 40 instalments by October 2030. Interest is charged quarterly at the VDR on the amount of the loan then outstanding.

	2023 £	2022 £
Deferred income at 1 September 2022	139,751	59,319
Resources deferred during the year	275,853	98,944
Amounts released from previous periods	(57,894)	(18,512)
	<u>357,710</u>	<u>139,751</u>

Included in deferred income are grants and other income received in advance of entitlement for the future academic period.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**17. Creditors: Amounts falling due after more than one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other loans	<b>326,059</b>	407,008

Other loans include the deficit balance transferred on conversion from the local authority in relation to The King's Church of England Academy, Kidsgrove. The loan is repayable over 36 instalments, with repayments commencing in January 2024 and the final payment being made in December 2026. No interest is charged on this balance.

Other loans also includes a loan from The Lichfield Diocesan Board of Education, in relation to The King's Church of England Academy, Kidsgrove. This loan commenced prior to the conversion of the school to academy trust status and is repayable over 40 instalments by October 2030. Interest is charged quarterly at the VDR on the amount of the loan then outstanding.

**Three Spires Trust**  
(A Company Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**18. Statement of funds**

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
St Regis Urgent Rectification Works	-	-	-	800,000	-	800,000
<b>General funds</b>						
General Funds	352,373	1,302,745	(482,628)	(805,299)	-	367,191
<b>Total Unrestricted funds</b>	<b>352,373</b>	<b>1,302,745</b>	<b>(482,628)</b>	<b>(5,299)</b>	<b>-</b>	<b>1,167,191</b>
<b>Restricted general funds</b>						
General Annual Grant	261,376	14,667,776	(14,473,744)	(257,826)	-	197,582
Supplementary Grants	-	508,539	(508,539)	-	-	-
Pupil Premium	-	819,507	(819,507)	-	-	-
Pre-opening grant	109,654	93,600	(194,164)	-	-	9,090
Other DfE Group grants	-	441,008	(441,008)	-	-	-
SEN Funding	-	303,366	(303,366)	-	-	-
Other Government Grants	-	148,379	(148,379)	-	-	-
Other income	-	256,379	(256,379)	-	-	-
Pension reserve	(1,566,000)	-	(764,000)	-	1,251,000	(1,079,000)
	<b>(1,194,970)</b>	<b>17,238,554</b>	<b>(17,909,086)</b>	<b>(257,826)</b>	<b>1,251,000</b>	<b>(872,328)</b>

**Three Spires Trust**  
(A Company Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**18. Statement of funds (continued)**

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
<b>Restricted fixed asset funds</b>						
Transfer On Conversion	115,391	-	(930)	-	-	114,461
Transfer from Existing Academy Trust	4,383,330	-	(194,935)	-	-	4,188,395
DfE Group Capital Grants	36,714	2,740,445	(14,707)	-	-	2,762,452
LA Capital Grants	225,814	-	(1,821)	-	-	223,993
Capital Expenditure from unrestricted	215,896	-	(19,338)	5,299	-	201,857
Capital expenditure from restricted	-	-	(13,638)	257,826	-	244,188
	<u>4,977,145</u>	<u>2,740,445</u>	<u>(245,369)</u>	<u>263,125</u>	<u>-</u>	<u>7,735,346</u>
<b>Total Restricted funds</b>	<u>3,782,175</u>	<u>19,978,999</u>	<u>(18,154,455)</u>	<u>5,299</u>	<u>1,251,000</u>	<u>6,863,018</u>
<b>Total funds</b>	<u><u>4,134,548</u></u>	<u><u>21,281,744</u></u>	<u><u>(18,637,083)</u></u>	<u><u>-</u></u>	<u><u>1,251,000</u></u>	<u><u>8,030,209</u></u>

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

**Unrestricted General Funds**

This fund represents those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

**Unrestricted Designated Funds**

This fund has been designated towards the urgent rectification works project at St Regis. This project involves a combination of funding streams from a number of associated parties to complete rectification works inherited by the Trust when St Regis (formerly the Kings, Wolverhampton) joined the Trust in April 2023.

**Restricted General Funds**

This fund represents grants received for the academy trust's operational activities and development.

**Three Spires Trust**  
(A Company Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**18. Statement of funds (continued)**

**Pension reserve**

This fund represents the academy trust's share of the pension liability arising on the LGPS pension fund.

**Restricted Fixed Asset Fund**

This fund relates to grant funding received by the ESFA to carry out works of a capital nature and also the donation of leasehold land, buildings and playing fields from the local authority on a 125 year lease and a small amount of capital expenditure from GAG and other sources of income.

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

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>						
General Funds	483,158	319,567	(279,792)	(170,560)	-	352,373
<b>Restricted general funds</b>						
General Annual Grant	258,695	11,883,628	(11,880,947)	-	-	261,376
Teachers Pay Grant	-	20,587	(20,587)	-	-	-
Teachers Pension Grant	-	58,148	(58,148)	-	-	-
Pupil Premium	-	554,981	(554,981)	-	-	-
Pre-opening grant	-	115,000	(5,346)	-	-	109,654
Other DfE Group grants	-	434,747	(434,747)	-	-	-
SEN Funding	-	256,530	(256,530)	-	-	-
Other Government Grants	-	124,660	(124,660)	-	-	-
Covid Catch-up Premium/Recovery Premium	-	25,702	(25,702)	-	-	-
Covid Mass Testing Income	-	35,407	(35,407)	-	-	-
Other income	-	191,792	(191,792)	-	-	-



**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**18. Statement of funds (continued)**

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Pension reserve	(6,436,000)	-	(732,000)	-	5,602,000	(1,566,000)
	<u>(6,177,305)</u>	<u>13,701,182</u>	<u>(14,320,847)</u>	<u>-</u>	<u>5,602,000</u>	<u>(1,194,970)</u>
<b>Restricted fixed asset funds</b>						
Transfer On Conversion	116,322	-	(931)	-	-	115,391
Transfer from Existing Academy Trust	4,601,076	-	(217,746)	-	-	4,383,330
DfE Group Capital Grants	21,722	20,331	(5,339)	-	-	36,714
LA Capital Grants	227,635	-	(1,821)	-	-	225,814
Capital Expenditure from unrestricted	52,067	-	(6,731)	170,560	-	215,896
	<u>5,018,822</u>	<u>20,331</u>	<u>(232,568)</u>	<u>170,560</u>	<u>-</u>	<u>4,977,145</u>
<b>Total Restricted funds</b>	<u>(1,158,483)</u>	<u>13,721,513</u>	<u>(14,553,415)</u>	<u>170,560</u>	<u>5,602,000</u>	<u>3,782,175</u>
<b>Total funds</b>	<u><u>(675,325)</u></u>	<u><u>14,041,080</u></u>	<u><u>(14,833,207)</u></u>	<u><u>-</u></u>	<u><u>5,602,000</u></u>	<u><u>4,134,548</u></u>

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**18. Statement of funds (continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
St Thomas' CE Primary Academy	(3,518)	82,551
St Peter's Collegiate Academy	908,479	745,312
The King's Church of England Academy, Kidsgrove	(295,799)	(101,512)
St Regis CE Academy	289,861	-
Central Services	474,840	(2,948)
Total before fixed asset funds and pension reserve	<u>1,373,863</u>	723,403
Restricted fixed asset fund	7,735,346	4,977,145
Pension reserve	(1,079,000)	(1,566,000)
<b>Total</b>	<u><u>8,030,209</u></u>	<u><u>4,134,548</u></u>

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £
St Thomas' CE Primary Academy	(3,518)
The King's Church of England Academy, Kidsgrove	<u><u>(295,799)</u></u>

The academy trust is taking the following action to return the academies to surplus:

St Thomas' CE Primary Academy is carrying a net deficit of £3,518 on these funds. St Thomas is a single form entry primary academy that has had a falling pupil roll over recent years. This is primarily due to the population demographic in the locality resulting in less primary aged children within the catchment. There have also been some personnel changes at the academy. The Trust has utilised the experience and knowledge of the Principal of St Giles and St George's academy on an Executive Principal basis to help begin to redefine the schools offer and distinctiveness. A new Head of School and Deputy Head of school will join the academy under the leadership of the Executive Principal in January 2024. A key focus will be ensuring that the curriculum is fully fit for purpose and that children, parents, carers and staff are fully engaged with the academy. Marketing is expected to be a key focus to increase the pupil roll. It is expected that over time these actions will begin to return the academy to surplus.

The King's Church of England Academy, Kidsgrove is carrying a net deficit of £295,799 on these funds. The King's intends to grow its post-16 pupil roll significantly. The Trust has spent a significant amount of funds on building a Learning & Resource Centre (LRC) and investing in T-Level Engineering at the academy. These developments as well as an increase focus on marketing and awareness of the educational offer available, are expected to return the academy to surplus over time.

**Three Spires Trust**  
(A Company Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**18. Statement of funds (continued)**

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
St Thomas' CE Primary Academy	910,851	156,643	39,395	181,555	<b>1,288,444</b>	1,184,699
St Peter's Collegiate Academy	5,591,417	924,715	283,135	1,268,585	<b>8,067,852</b>	7,385,619
The King's Church of England Academy, Kidsgrove	3,344,126	875,335	196,438	863,530	<b>5,279,429</b>	4,670,328
St Regis CE Academy	1,245,457	249,524	56,885	439,810	<b>1,991,676</b>	-
Central Services	346,929	363,951	6,837	282,596	<b>1,000,313</b>	627,993
<b>Academy trust</b>	<b>11,438,780</b>	<b>2,570,168</b>	<b>582,690</b>	<b>3,036,076</b>	<b>17,627,714</b>	<b>13,868,639</b>

**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	2,856	-	5,558,239	<b>5,561,095</b>
Intangible fixed assets	(2,856)	-	2,856	-
Current assets	1,167,191	2,865,019	2,174,251	<b>6,206,461</b>
Creditors due within one year	-	(2,332,288)	-	<b>(2,332,288)</b>
Creditors due in more than one year	-	(326,059)	-	<b>(326,059)</b>
Provisions for liabilities and charges	-	(1,079,000)	-	<b>(1,079,000)</b>
<b>Total</b>	<b>1,167,191</b>	<b>(872,328)</b>	<b>7,735,346</b>	<b>8,030,209</b>

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**19. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	4,977,146	4,977,146
Current assets	352,373	1,802,180	(1)	2,154,552
Creditors due within one year	-	(1,024,142)	-	(1,024,142)
Creditors due in more than one year	-	(407,008)	-	(407,008)
Provisions for liabilities and charges	-	(1,566,000)	-	(1,566,000)
<b>Total</b>	<u>352,373</u>	<u>(1,194,970)</u>	<u>4,977,145</u>	<u>4,134,548</u>

**20. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<u>2,644,661</u>	<u>(792,127)</u>
<b>Adjustments for:</b>		
Depreciation	245,369	232,568
Capital grants from DfE and other capital income	(2,740,345)	(20,331)
Defined benefit pension scheme obligation inherited	718,000	-
Defined benefit pension scheme cost less contributions payable	(27,000)	621,000
Defined benefit pension scheme finance cost	73,000	111,000
(Increase)/decrease in stocks	(8,204)	-
(Increase)/decrease in debtors	(403,921)	154,321
Increase in creditors	1,149,463	336,592
Loans transferred on conversion	-	107,985
<b>Net cash provided by operating activities</b>	<u>1,651,023</u>	<u>751,008</u>

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**21. Cash flows from financing activities**

	2023 £	2022 £
Repayments of borrowing	(11,287)	(32,157)
<b>Net cash used in financing activities</b>	<b>(11,287)</b>	<b>(32,157)</b>

**22. Cash flows from investing activities**

	2023 £	2022 £
Purchase of tangible fixed assets	(737,889)	(190,892)
Proceeds from the sale of investments	-	11,046
Capital grants from DfE Group	128,055	20,331
<b>Net cash used in investing activities</b>	<b>(609,834)</b>	<b>(159,515)</b>

**23. Analysis of cash and cash equivalents**

	2023 £	2022 £
Cash in hand and at bank	2,923,338	1,893,436
<b>Total cash and cash equivalents</b>	<b>2,923,338</b>	<b>1,893,436</b>

**24. Analysis of changes in net debt**

	At 1 September 2022 £	Cash flows £	Other non- cash changes £	At 31 August 2023 £
Cash at bank and in hand	1,893,436	1,029,902	-	2,923,338
Debt due within 1 year	(14,044)	11,287	(80,949)	(83,706)
Debt due after 1 year	(407,008)	-	80,949	(326,059)
	<b>1,472,384</b>	<b>1,041,189</b>	<b>-</b>	<b>2,513,573</b>

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**25. Conversion to an academy trust**

On 01 April 2023 The King's CE School, Wolverhampton converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Three Spires Trust from City of Wolverhampton Council for £NIL consideration.

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

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

	<b>Restricted funds £</b>	<b>Total funds £</b>
<b>Non-current liabilities</b>		
LGPS pension (deficit)	(718,000)	<b>(718,000)</b>
<b>Net liabilities</b>	<u>(718,000)</u>	<u><b>(718,000)</b></u>

The LGPS pension deficit represents the deficit at 1 April 2023 in respect of employees of maintained school and have transferred to the multi academy trust. The basis for this valuation is detailed in note 1 and note 26.

A net settlement amount of £800,000 was received by the Trust post conversion as a settlement agreement relating to the conversion. This has been included in other government income in note 4.

**26. Pension commitments**

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

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

Contributions amounting to £305,164 were payable to the schemes at 31 August 2023 (2022 - £213,448) and are included within creditors.

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

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**26. Pension commitments (continued)**

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year amounted to £1,601,000 (2022 - £1,224,000).

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

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

**Three Spires Trust**  
(A Company Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**26. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £1,065,000 (2022 - £721,000), of which employer's contributions totalled £733,000 (2022 - £600,000) and employees' contributions totalled £332,000 (2022 - £121,000). The agreed contribution rates for future years are 27.2 per cent for employers and 5.5-12.5 per cent 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](https://www.gov.uk).

**Principal actuarial assumptions**

Staffordshire County Council

	<b>2023</b>	<b>2022</b>
	%	%
Rate of increase in salaries	3.45	3.45
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	2.95	3.05
Commutation of pensions to lump sums - pre April 2008	65	50
Commutation of pensions to lump sums - post April 2008	65	75

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

	<b>2023</b>	<b>2022</b>
	Years	Years
Retiring today		
Males	20.1	21.2
Females	23.9	23.8
Retiring in 20 years		
Males	21.8	22.2
Females	24.8	25.5



**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**26. Pension commitments (continued)**

West Midlands Pension Fund	2023	2022
	%	%
Rate of increase in salaries	4.00	4.05
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	3.00	3.05
Commutation of pensions to lump sums - pre April 2008	65	50
Commutation of pensions to lump sums - post April 2008	65	75

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

	2023	2022
	Years	Years
Retiring today		
Males	19.6	21.2
Females	23.5	23.6
Retiring in 20 years		
Males	20.6	22.9
Females	24.9	25.4

**Sensitivity analysis on obligation**

Staffordshire County Council	2023	2022
	£000	£000
Discount rate +0.1%	(72)	(71)
Discount rate -0.1%	72	71
Mortality assumption - 1 year increase	100	88
Mortality assumption - 1 year decrease	(100)	(88)
CPI rate +0.1%	67	62
CPI rate -0.1%	(67)	(62)
Salary rate +0.1%	7	10
Salary rate -0.1%	(7)	(10)

**Three Spires Trust**  
(A Company Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**26. Pension commitments (continued)**

West Midlands Pension Fund

	2023 £000	2022 £000
Discount rate +0.1%	(125)	(103)
Discount rate -0.1%	125	103
Mortality assumption - 1 year increase	246	211
Mortality assumption - 1 year decrease	(246)	(211)
CPI rate +0.1%	115	90
CPI rate -0.1%	(115)	(90)
Salary rate +0.1%	13	13
Salary rate -0.1%	(13)	(13)

**Share of scheme assets**

The academy trust's share of the assets in the scheme was:

	At 31 August 2023 £	At 31 August 2022 £
Equities	5,104,000	4,163,000
Corporate bonds	1,720,000	1,151,000
Property	583,000	506,000
Cash and other liquid assets	260,000	218,000
<b>Total market value of assets</b>	<b>7,667,000</b>	<b>6,038,000</b>

The actual return on scheme assets was £292,000 (2022 - £168,000).

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

	2023 £	2022 £
Current service cost	(706,000)	(1,221,000)
Interest income	292,000	97,000
Interest cost	(365,000)	(208,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(779,000)</b>	<b>(1,332,000)</b>

**Three Spires Trust**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**26. Pension commitments (continued)**

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

	2023 £	2022 £
<b>At 1 September</b>	<b>7,460,000</b>	12,005,000
Transferred in on existing academies joining the trust	1,817,000	-
Current service cost	706,000	1,221,000
Interest cost	365,000	208,000
Employee contributions	166,000	121,000
Actuarial gains	(1,757,000)	(6,007,000)
Losses on curtailments	(108,000)	(88,000)
	<u>8,649,000</u>	<u>7,460,000</u>
<b>At 31 August</b>	<b>8,649,000</b>	7,460,000

Changes in the fair value of the academy trust's share of scheme assets were as follows:

	2023 £	2022 £
<b>At 1 September</b>	<b>6,038,000</b>	5,569,000
Transferred in on existing academies joining the trust	1,099,000	-
Interest income	292,000	97,000
Actuarial losses	(299,000)	(261,000)
Employer contributions	733,000	600,000
Employee contributions	166,000	121,000
Benefits paid	(108,000)	(88,000)
	<u>7,921,000</u>	<u>6,038,000</u>
<b>At 31 August</b>	<b>7,921,000</b>	6,038,000

At 31 August 2023, the Local Government Pension Scheme (LGPS) managed by Staffordshire County Council had a pension asset of £351,000 (2022 - £144,000) which has not been recognised in the financial statements.

**Three Spires Trust**  
(A Company Limited by Guarantee)

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2023**

**27. Operating lease commitments**

At 31 August 2023 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	84,350	65,594
Later than 1 year and not later than 5 years	70,019	60,135
Later than 5 years	-	11,803
	<u>154,369</u>	<u>137,532</u>

**28. Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

**29. Related party transactions**

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

Lichfield Diocesan Board of Education is a member (represented by C Shaw) of Three Spires Trust: The Academy Trust purchased educational services from the Lichfield Diocesan Board of Education totalling £9,707 (2022 - £3,690) and made loan repayments totalling £8,274 (2022 - £11,289). Amounts outstanding at the year end were £82,727 (2022 - £91,001) relating to the loan balance. The Academy Trust made the purchase at arms' length in accordance with its financial regulations. The service was not competitively tendered due to the specialist nature of the service provided. In entering into the transaction the Academy Trust has complied with the requirements of the Academy Trust Handbook.

**30. Post balance sheet events**

St Giles' & St Georges Academy joined the Trust on 01 November 2023.

**31. Agency arrangements**

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting year ended 31 August 2023, the trust received £37,788 and disbursed £34,966 from the fund. An amount of £63,364 is included in other creditors relating to undistributed funds that is being carried forward for distribution in 2023/24.