

Company registration number 08132353 (England and Wales)

RIBBON ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

RIBBON ACADEMY TRUST

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RIBBON ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

L Hall, Chair (resigned 21 July 2022)
S Hardy
C Raby
J Weightman
S Ball
P Garrod, Chair (appointed 21 September 2022 and resigned 28 June 2023)
E Chandler (appointed 28 June 2023)

Trustees

P W Garrod (Chair from 21 September 2022 to 28 June 2023, Vice Chair from 28 June 2023)
M Morton
V A Raby (Resigned 18 October 2022)
I Stephenson (Chair between 21 July 2022 to 20 September 2022, Chair of Business Committee)
A Sheridan (Head Teacher (accounting officer))
K M McAvoy (Resigned 21 July 2023)
J Murray (Resigned 8 March 2023)
J A Griffiths
K L Smoughton (Resigned 21 July 2023)
E M Chandler (Vice Chair from 21 September 2022 to 28 June 2023, Chair from 28 June 2023)
D Richardson (Appointed 4 September 2023)
K Harris (Appointed 18 April 2023 and resigned 21 July 2023)
S G Ball (Appointed 21 September 2022)
H Williams
K L Maddison (Appointed 4 September 2023)
L Walton (Appointed 23 November 2022 and resigned 20 September 2023)

Senior management team

- Head Teacher	A Sheridan
- Assistant head (resigned 31 December 2021)	L Walton
- Assistant Head (appointed 1 January 2022)	K Harris
- Assistant Head	J Lowes
- Deputy head	S Houghton
- Assistant head	A Thorne
- Assistant head (appointed 1 September 2022)	D Richardson

Company secretary

Prima Secretary Limited

Company registration number

08132353 (England and Wales)

Principal and registered office

(The Ribbon)
Barnes Road
Murton
Seaham
Co Durham
SR7 9QR

RIBBON ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

Azets Audit Services
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Bankers

Lloyds Bank plc
54 Fawcett Street
Sunderland
Tyne & Wear
SR1 1SF
United Kingdom

Solicitors

Womble Bond Dickinson
St Anns Wharf
112 Quayside
Newcastle Upon Tyne
Tyne And Wear
NE1 3DX
United Kingdom

RIBBON ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

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

The principal activities of the Ribbon Academy Trust are the provision of education for children aged from 3 – 11 years old.

Structure, governance and management

Constitution

Ribbon Academy Trust is a company limited by guarantee, (company number 08132353) and an exempt charity. The company was incorporated on 5th July 2012 and commenced trading as an Academy on 1st September 2012. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust

The trustees of Ribbon Academy Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

Each Trustee of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by him/her in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which he/she is acquitted or in connection with any application in which relief is granted by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy Trust.

Method of recruitment and appointment or election of trustees

The Members may agree unanimously in writing to appoint such additional Members as they think fit and may unanimously (save that the agreement of the Member(s) to be removed shall not be required) in writing agree to remove any such additional Members.

Every person nominated to be a Member of the Academy Trust shall either sign a written consent to become a Member or sign the register of Members on becoming a Member.

Staff Trustees are appointed through such process as Members may determine, provided that the total number of Trustees (including the Head Teacher) who are employees of the Academy Trust does not exceed one third of the total number of Trustees. In Ribbon Academy a ballot of the staff takes place after interested staff put their names forward.

Parent Trustees are elected by parents of registered pupils at the Academy. A Parent Trustee must be a parent of a pupil at the Academy at the time when he/she is elected. The Board of Trustees makes all necessary arrangements for elections of Parent Trustees, including ensuring that every person who is known to be a parent of a registered pupil at the Academy Trust is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

A Co-opted Trustee is a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. Trustees may not co-opt an employee of the Academy Trust as a Co-opted Trustee if the number of Trustee who are employees of the Academy Trust would exceed one third of the total number of Trustee (including the Head Teacher).

RIBBON ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Policies and procedures adopted for the induction and training of trustees

Policies and procedures continue to be developed to provide a comprehensive training package for Trustees, including a Service Level Agreement with Durham County Council for Trustee training packages and membership to the National Governors Association.

Organisational structure

During the period the Academy Trust continued to operate a unified management structure. The structure consisted of three levels: the Trustees, the senior management team and middle leaders' team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trustees are responsible for setting general policies, adopting an annual development plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and permanent staff appointments.

The Head Teacher, as Accounting Officer, is responsible and accountable for ensuring that the Academy Trust delivers good value in the use of public resources and maximises the educational and wider social outcomes achieved in return for the taxpayer resources received.

The Business Committee are responsible for ensuring compliance with the overall financial plan for the Academy Trust. In addition they are responsible for monitoring and reviewing systems and procedures for ensuring the effective implementation and operation of financial procedures as well as receiving auditor's reports and recommending actions to the Board of Trustees.

Arrangements for setting pay and remuneration of key management personnel

Ribbon Academy Trust recognises and follows the National Pay structures for both teaching and support staff. The Pay Review Committee meets annually and the Head Teacher has her performance management and pay review conducted by an external education specialist.

Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	-
Total pay bill	-
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

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

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Related parties and other connected charities and organisations

Ribbon Academy Trust has links with a private day care facility which operates on site.

Ribbon Daycare is a private day care facility and run independently from the Academy. It is operated as a company limited by guarantee.

Objectives and activities

Objects and aims

The Academy Trust's principal activities are defined as "the Object" in the agreed Memorandum and Articles of Association and are specifically restricted to the following:

- to advance, for the public benefit, education in the United Kingdom. In particular, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum ("the Academy"); and

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

Objectives, strategies and activities

Ribbon Academy Trust aims to provide creative and inspirational learning experiences which encourage young people to achieve their full potential and to become intelligent, responsible, productive and caring adults who are well prepared for the challenges of a world full of opportunities.

We promote a fully inclusive learning community in which all ages meet to share and develop their talents and to promote mutual respect for all people, whatever their age, gender, ability, background or beliefs.

The Academy Trust's Improvement Plan is reviewed annually. The main objectives of the Academy Trust for the academic year 2023/24 are:

- 1: The wider curriculum is fully embedded and taught effectively and consistently across school.
- 2: Refine and embed core teaching and learning strategies, to ensure effectiveness and consistency of high-quality teaching and learning for all children.
- 3: Fluency in Maths - Refine and embed core teaching and learning strategies, to ensure effectiveness and consistency of high-quality teaching and learning for all children.
- 4: Evaluate and develop staff understanding and behaviour practices to maximise outcomes for all children.

Public benefit

The Trustees have given due consideration to the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the academy and in planning future activities. In particular, the trustees consider the provision of education to provide public benefit to the community in which it operates.

RIBBON ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and performance

Ofsted

The Academy Trust received a graded inspected under Section 5 of the OIF in January 2023. School was judged to be 'Good' with 'Outstanding' features.

Current Ofsted Evaluation of Overall Effectiveness (Last Ofsted inspection – January 2023)			
The Quality of Education	G	Leadership and Management	G
Behaviour and Attitudes	G	Early Years	O
Personal Development	O	Overall Effectiveness	G

Current School Evaluation of Overall Effectiveness – Spring 2023			
The Quality of Education	G	Leadership and Management	G
Behaviour and Attitudes	O	Early Years	O
Personal Development	O	Overall Effectiveness	G

Actions from the Previous Inspection in January 2023	
Areas to Address	
Teachers do not identify gaps in pupils' knowledge well enough in some subjects. This sometimes limits how well pupils can build on what they already know and remember. Leaders must ensure that purposeful assessment is used to identify gaps in pupils' learning equally well in all subjects.	
Actions	
<ul style="list-style-type: none"> • Sharing of feedback with staff team reflecting on good practice in place across the Academy, reflecting on the contributing factors when choosing a strategy. • Review of the marking and feedback policy, to maximise the feedback cycle within classrooms. • Continuation of the Teaching Toolkit CPD focusing on Assessment for Learning strategies. • Model lessons to be provided and analysed as a team to showcase good models. • Learning Enquiries to focus on the identification of gaps, specific to each subject. • Curriculum reviews to be completed to further identify and build upon any evident gaps in learning. 	

RIBBON ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Key performance indicators



Overview of Outcomes

2023

Early Years Foundation Stage

		School	National	Diff
GLD	2022	65%	64%	+1%
	2023	69%	67%	+2%

Year One

		School	National	Diff
Phonics	2022	72%	76%	-4%
	2023	74%	79%	-5%

Year Two

		School	National	Diff
Phonics (re-sit)	2022	68%		
	2023	40%		

Key Stage One

		Expected standard +			Greater Depth		
		School	National	Diff	School	National	Diff
Reading	2022	67%	67%	0%	7%	18%	-11%
	2023	65%	68%	-3%	17%	19%	-2%
Writing	2022	58%	58%	0%	1%	8%	-7%
	2023	63%	60%	+3%	9%	8%	+1%
Maths	2022	67%	68%	-1%	11%	15%	-4%
	2023	67%	70%	-3%	13%	16%	-3%
Combined	2022	51%			0%	6%	-6%
	2023	61%			7%		

RIBBON ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Year Four

		Scores	School	National	Diff
Multiplication Check	2022	25	15%	27%	-12%
		24+	26%		
		23+	37%		
		22+	44%		
		21+	48%		
		20+	53%		
	2023	25	38%	27%	+11%
		24+	41%		
		23+	60%		
		22+	65%		
		21+	71%		

Key Stage Two

		Expected standard +			Greater Depth			Average Score		Scaled Score	Prog Score
		School	National	Diff	School	National	Diff	School	National		
Reading	2022	74%	74%	0%	12%	28%	-16%				
	2023	81%	73%	+8%	17%						
Writing	2022	70%	69%	+1%	9%	13%	-4%				
	2023	81%	71%	+10%	22%						
Maths	2022	71%	71%	0%	14%	22%	-8%				
	2023	86%	73%	+13%	27%						
EGPS	2022	73%	72%	+1%	14%	28%	-14%				
	2023	83%	72%	+11%	32%						
Combined	2022	52%	59%	-7%	3%	7%	-4%				
	2023	65%	59%	+6%	8%						

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, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Protecting the success of the academy trust

Trustees are aware that under section 172(1)(a) to (f) of the Companies Act 2006, directors of a company must act in a way most likely to promote the success of the company, and in doing so must have regard to:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the company

RIBBON ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Financial review

As shown in the Statement of Financial Activities, income for the period ended 31 August 2023 totalled £3,138,376 and expenditure totalled £3,308,761 leaving a deficit of £170,385 before actuarial gains on defined benefit pension schemes.

The actuarial gain on defined benefit pension schemes amounted to £583,000 for the period, leaving an overall surplus of £412,615 for the period ended 31 August 2023 (2022: £1,832,360 surplus).

The deficit for the period comprises a deficit on unrestricted funds of £95,014, a surplus of £516,000 on restricted general funds, and a deficit of £8,371 on the restricted fixed assets fund.

The actuarial gain in the year on the inherited LGPS liability has resulted in a reduction in the restricted general fund deficit carried forward from £866,000 to £350,000. The Academy Trust's cash resources and budget for 2023/24 indicate that the Trustees expect the day-to-day activities of the Academy Trust to be adequately funded by income from all sources. The Academy Trust is making additional contributions to the LGPS in order to reduce the deficit position.

Reserves policy

The Trustees recognise the need to retain a reasonable level of reserves for the Academy Trust. Trustees have recently reviewed the reserves policy and are happy to continue to aim to hold one months' salaries plus £100k in free reserves. This would equate to £300,000. Free reserves are those reserves which are not invested in fixed assets, tied up in the pension reserve, or otherwise subject to restriction. At the year end, free reserves equal £338,855, and the Academy Trust is working hard towards maintaining the level of reserves required. The Trustees are satisfied that reserves are at a satisfactory level as they consider that the Academy is able to manage its cash flow needs from future funding sources, whilst having the freedom to invest a small amount in meeting the future needs of the academy.

There are three separate funds held by the Academy; unrestricted, restricted general and restricted fixed asset funds.

At the period ended 31 August 2023, the balance of unrestricted funds was £338,855. Unrestricted funds contain resources that can be spent on any purpose at the discretion of the Trustees, within the objects of the Academy as set out in its governing documents. Unrestricted funds are generated from activities for generating funds including income from school meals, hire of facilities, school uniform sales, income received for staff seconded to other organisations such as Ofsted and Ribbon Daycare Limited.

At the period ended 31 August 2023 the balance of restricted general funds was (£350,000) which comprises the Local Government Pension Scheme liability. Restricted general funds contain resources which must be spent on particular purposes. Income includes Education Funding Agency (ESFA) grants such as GAG, pupil premium and SEN grants as well as any donations received which have restrictions attached. The majority of the Academy's running costs are included in the restricted general funds.

The costs and income associated with the defined benefit pension scheme have been recorded in the restricted general fund. Staff costs including pension contributions are paid from this fund, and therefore the pension liability has been aligned with this fund.

At the period ended 31st August 2023, the balance of restricted fixed asset funds was £4,029,265. Restricted fixed asset funds contain resources to be spent on capital purposes. Income includes ESFA capital grants and donated fixed assets such as the land and buildings transferred from the local authority. Expenditure relates to the annual depreciation charge made to the Statement of Financial Activities to reflect the use of fixed assets. The fund can represent unexpended grants received for capital purposes and the carrying value of funded fixed assets.

Investment policy

During the period ended 31st August 2023, the Trustees have held small cash balances in instant access current accounts. The remaining cash has been invested in secure, higher interest accounts.

RIBBON ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Principal risks and uncertainties

The Head Teacher considers the main risks and uncertainties continue to be around changes in the level of funding from the ESFA, levels of inflation, uncertainty over pay awards and the current national economic climate in general. Government policy (in education) is stagnant with a General Election due in 2024.

In addition, the Academy Trust is a member of the Local Government Pension Scheme (LGPS) which results in the recognition of a significant deficit on the Academy Trust Balance Sheet. The future movement of the liability cannot be reliably predicted, however the Trustees rely on the schemes actuary for information and advice. The Academy Trust is making additional contributions to the LGPS in order to reduce the deficit position.

In terms of liquidity risk, the funding needs of the Academy Trust are reviewed in detail on a continuous basis as part of internal planning and forecasting processes to ensure that the Academy Trust does not go overdrawn on its bank account.

Trustees regularly review and consider whole-trust risks to ensure the trust runs as efficiently and effectively as possible. This includes ensuring the trust's estate is safe, well maintained and complies with relevant regulations.

Fundraising

Fundraising practices and procedures are well established at Ribbon Academy Trust. Whilst the Academy Trust raises money with the help of the parents/carers and the local community, this tends to be for national fundraising events such as Children in Need and Comic/Sport relief as well as small projects and one off resources such as theatre groups. The Academy Trust ensures all donations are made on a purely voluntary basis and avoid putting families under undue pressure.

The Academy Trust does not use professional fundraisers, but staff look for appropriate sources of funding, then write and submit bids in conjunction with other teams within Academy Trust (eg finance). This is done as needs arise

Plans for future periods

Almost four years since the start of the pandemic, we are still seeing the impact in key year groups (particularly those where the children should have been in the Early Years of school). Resilience (for children and their families) has diminished and this is an area of intense focus in school.

High levels of inflation and difficult to predict increases in the cost of energy, food and staffing have made forward planning very difficult. However, regular monitoring, prudence in all areas of the budget and flexibility over forward plans (where possible) are expected to lessen the impact.


Auditor

In so far as the trustees are aware:

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

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 14 December 2023 and signed on its behalf by:



Ashleigh Sheridan 12 Dec 2023 15:57:04 GMT (UTC +0)

A Sheridan

Head Teacher (accounting officer)



Elaine Chandler 13 Dec 2023 07:38:38 GMT (UTC +0)

E M Chandler

Vice Chair from 21 September 2022 to 28 June 2023, Chair from 28 June 2023

RIBBON ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Ribbon Academy 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.

The board of trustees has delegated the day-to-day responsibility to the principal, 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 Ribbon Academy Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 15 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
P W Garrod (Chair from 21 September 2022 to 28 June 2023, Vice Chair from 28 June 2023)	11	15
M Morton	8	11
V A Raby (Resigned 18 October 2022)	0	1
I Stephenson (Chair between 21 July 2022 to 20 September 2022, Chair of Business Committee)	11	12
A Sheridan (Head Teacher (accounting officer))	15	15
K M McAvoy (Resigned 21 July 2023)	9	9
J Murray (Resigned 8 March 2023)	6	6
J A Griffiths	5	11
K L Smoughton (Resigned 21 July 2023)	5	7
E M Chandler (Vice Chair from 21 September 2022 to 28 June 2023, Chair from 28 June 2023)	7	8
D Richardson (Appointed 4 September 2023)	0	0
K Harris (Appointed 18 April 2023 and resigned 21 July 2023)	1	1
S G Ball (Appointed 21 September 2022)	11	11
H Williams	7	8
K L Maddison (Appointed 4 September 2023)	0	0
L Walton (Appointed 23 November 2022 and resigned 20 September 2023)	7	8

Board of Trustees

During this period of the Academy Trust, the full board of Trustees met as noted above. Most meetings are face to face on site, but some trustees are now able to remote into the meeting if it is not possible for them to attend in person. Ribbon Academy continue to procure the services of Durham County Council, School and Governors Support Service (DCC SGSS). This service level agreement is working well and is reviewed on an annual basis.

- The business committee continues to cover finance, audit, staffing, legal, GDPR, premises and health and safety functions.
- The curriculum and standards committee continues to oversee anything concerning pupils. It looks at safeguarding, curriculum, data and academic performance as well as recovery/pupil premium and sports premium effectiveness.

RIBBON ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Conflicts of interest

The Academy maintain an up-to-date and complete register of interests and have declarations of interest as a standing agenda item on all agendas. Account is taken of this information on a day to day basis when any decisions are made, but especially regarding staffing, recruitment and financial.

Governance reviews

The decision to continue to buy into a service level agreement with Durham County Council has proved invaluable. The structure of meetings has improved with up to date documentation being circulated in plenty of time for Trustees to take the information on board before meetings. As at the end of August 2023, the Academy Board had 3 vacancies but 2 were filled very quickly at the start of the new term.

Quality of Data

The quality of the data produced and presented for the boards use is of a high standard as evidenced in the Standards, Progress & Attainment report within the School Evaluation & School Improvement Plan. The information is presented in a concise format which is easy for the board to interpret and therefore use in their decision making. Any updates are received in a timely fashion by means of the HT termly report. The use of an independent proven assessment profile gives assurance to the board that the information is factual and acceptable for their needs.

The business committee is a sub-committee of the main board of trustees.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
P W Garrod (Chair from 21 September 2022 to 28 June 2023, Vice Chair from 28 June 2023)	2	6
M Morton	5	6
I Stephenson (Chair between 21 July 2022 to 20 September 2022, Chair of Business Committee)	5	6
A Sheridan (Head Teacher (accounting officer))	6	6
J A Griffiths	1	5
S G Ball (Appointed 21 September 2022)	6	6

RIBBON ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Review of value for money

As accounting officer, the principal 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, as well as estates safety and management, achieved in return for the taxpayer resources received, but also in the area of estates safety and management and all other areas of the Academy.

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

- Making comparisons with other/similar academies using data provided by the LA and the Government, for example benchmarking tools, the DfE efficiency metric and the quality of teaching & learning and levels of expenditure;
- Challenging proposals, examining them for effectiveness, efficiency, and cost;
- Requiring suppliers to compete on grounds of cost and the quality/suitability of services, products and backup;
- Consulting individuals and organisations on the quality/suitability of service we provide to parents and pupils, and services we receive from providers;
- Deploying staff to provide best value in terms of quality of teaching, quality of learning, adult-pupil ratio, and curriculum management in order to maximise and accelerate the progress made by pupils;
- Considering the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching and learning, for support services, and for communal access to central resources;
- Utilising staff skills and experience rather than buy in services, particularly regarding repairs, maintenance and development of the premises and grounds.
- Deploying equipment, materials and services to provide pupils and staff with resources which support quality of teaching and quality of learning;
- Reviewing the quality of curriculum provision and quality of teaching;
- Reviewing the quality of children's learning by cohort, class and group, to provide teaching which enables children to achieve at least nationally expected progress and around at least one third to achieve more than expected progress from their individual starting points;
- Developing procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time, and cost;
- Review the quality of the academy environment and the academy ethos; and
- Reviewing the quality of the academy environment and equipment, carrying out risk assessments where appropriate, in order to provide a safe working environment for pupils, staff and visitors.

The Academy is monitored for best value by:

- In-house monitoring by the Head Teacher, finance staff, curriculum managers and budget holders;
- Termly target setting meetings between the Head Teacher and curriculum managers;
- Staff Appraisal;
- Annual budget planning and monthly budget monitoring;
- Head Teacher's and Trustees' regular finance review;
- Comparison exercises such as benchmarking and efficiency metric;
- Termly internal assurance visits, year end external audit plus internal Business Committee checks;
- Analysis of academy pupil performance data against similar LA academies (where possible) and analysis of financial data against benchmark data for similar academies where available;
- Analysis of pupil performance data;
- OFSTED Inspection reports;
- Trustees' committee meetings;
- Trustees' full meetings;

Trustees, the Head Teacher and academy managers do not waste time and resources:

- On investigating minor areas where few improvements can be achieved;
- To make very minor savings in costs or;
- By seeking tenders for minor supplies and services. The pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs.

Time wasted on minor improvements or savings can also distract management from more important or valuable areas.

RIBBON ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The purpose of the system of internal control

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

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts. 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 and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The Board of Trustees considered the need for a specific internal audit function and appointed JGT auditors to provide a programme of supplementary procedures.

The programme was in place with an agreed and regularly reviewed work plan being used to report back to the Audit Committee on a termly basis.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- Testing of ESFA, DfE and Local Authority income;
- Testing of purchasing and payments systems;
- Testing of bank, petty cash, and debit card use;
- Testing of payroll systems and procedures; and
- Testing of policies which are in place at the Academy.

On a termly basis, the auditor reports to the board of trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees.

The schedule of work was undertaken for the period and any control issues arising as a result of this review were included in the reports. There were no significant issues.

RIBBON ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Review of effectiveness

As accounting officer, the principal 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 external auditor; and
- The work of the audit committee and the managers within Ribbon Academy Trust who have responsibility for the maintenance of the internal control framework.

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

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

Approved by order of the board of trustees on 14 December 2023 and signed on its behalf by:



Ashleigh Sheridan 12 Dec 2023 15:57:04 GMT (UTC +0)

A Sheridan
Head Teacher (accounting officer)



Elaine Chandler 13 Dec 2023 07:38:38 GMT (UTC +0)

E M Chandler
Vice Chair from 21 September 2022 to 28 June 2023, Chair
from 28 June 2023

RIBBON ACADEMY TRUST

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

As accounting officer of Ribbon Academy 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 in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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



Ashleigh Sheridan 12 Dec 2023 15:57:04 GMT (UTC +0)

A Sheridan
Accounting Officer

14 December 2023

RIBBON ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees (who are also the directors of Ribbon Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:


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

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


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

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

Approved by order of the members of the board of trustees on 14 December 2023 and signed on its behalf by:


Ashleigh Sheridan 12 Dec 2023 15:57:04 GMT (UTC +0)

A Sheridan
Head Teacher (accounting officer)


Elaine Chandler 13 Dec 2023 07:38:38 GMT (UTC +0)

E M Chandler
Vice Chair from 21 September 2022 to 28 June 2023, Chair from 28 June 2023

RIBBON ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIBBON ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the accounts of Ribbon 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 notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

RIBBON ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIBBON ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the accounts

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

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:

- enquiries of management about any actual or potential litigation and claims;
- enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- challenging assumptions and judgements made by management in their significant accounting estimates;
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- reading correspondence with regulators including the OFSTED; and
- reviewing minutes of those charged with governance;
- reviewing internal assurance reports; and
- reviewing financial statement disclosures and testing support documentation.

RIBBON ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIBBON ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

We identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive); and compliance with the Charities Act 2011 and UK Companies Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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

Use of our report

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

Azets Audit Services

Brian Laidlaw 14 Dec 2023 13:39:24 GMT (UTC +0)

**Brian Laidlaw BA CA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services**

14 December 2023
.....

**Chartered Accountants
Statutory Auditor**

Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

RIBBON ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RIBBON ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 30 June 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 Ribbon Academy Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Ribbon Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Ribbon Academy 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 Ribbon Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Ribbon Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Ribbon Academy Trust's funding agreement with the Secretary of State for Education dated 1 July 2012 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

RIBBON ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

The work undertaken to draw to our conclusion includes:

- Review of Governing body and committee minutes;
- Review of available internal assurance reports;
- Completion of self assessment questionnaire by the Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Governors and Accounting Officer setting out responsibilities;
- Obtained a formal letter of representation detailing the responsibilities of governors;
- Review of payroll, purchases and expense claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review of cash payments for unusual transactions;
- Review of credit card transactions;
- Review of register of interests;
- Review of related party transactions;
- Review of borrowing arrangements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review of gifts and hospitality on a sample basis to ensure in line with policy; and
- Consideration of governance issues.

Conclusion

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

Azets Audit Services

Brian Laidlaw 14 Dec 2023 13:39:24 GMT (UTC +0)

Reporting Accountant

Azets Audit Services
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Dated: 14 December 2023

RIBBON ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2023 £	Total 2022 £
Income and endowments from:						
Donations and capital grants	3	44,847	-	30,230	75,077	84,323
Charitable activities:						
- Funding for educational operations	4	-	2,927,075	-	2,927,075	2,796,366
Other trading activities	5	136,224	-	-	136,224	120,314
Investments	6	-	-	-	-	133
Total		<u>181,071</u>	<u>2,927,075</u>	<u>30,230</u>	<u>3,138,376</u>	<u>3,001,136</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	200,527	3,034,477	73,757	3,308,761	3,309,776
Total	7	<u>200,527</u>	<u>3,034,477</u>	<u>73,757</u>	<u>3,308,761</u>	<u>3,309,776</u>
Net expenditure		(19,456)	(107,402)	(43,527)	(170,385)	(308,640)
Transfers between funds	16	(75,558)	40,402	35,156	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	18	-	583,000	-	583,000	2,141,000
Net movement in funds		(95,014)	516,000	(8,371)	412,615	1,832,360
Reconciliation of funds						
Total funds brought forward		433,869	(866,000)	4,037,636	3,605,505	1,773,145
Total funds carried forward		<u>338,855</u>	<u>(350,000)</u>	<u>4,029,265</u>	<u>4,018,120</u>	<u>3,605,505</u>

RIBBON ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted	Restricted funds:		Total
		funds	General	Fixed asset	2022
		£	£	£	£
Income and endowments from:					
Donations and capital grants	3	74,399	-	9,924	84,323
Charitable activities:					
- Funding for educational operations	4	-	2,796,366	-	2,796,366
Other trading activities	5	120,089	225	-	120,314
Investments	6	133	-	-	133
Total		<u>194,621</u>	<u>2,796,591</u>	<u>9,924</u>	<u>3,001,136</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	78,791	3,164,591	66,394	3,309,776
Total	7	<u>78,791</u>	<u>3,164,591</u>	<u>66,394</u>	<u>3,309,776</u>
Net income/(expenditure)		115,830	(368,000)	(56,470)	(308,640)
Transfers between funds	16	(129,000)	89,000	40,000	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	18	-	2,141,000	-	2,141,000
Net movement in funds		(13,170)	1,862,000	(16,470)	1,832,360
Reconciliation of funds					
Total funds brought forward		447,039	(2,728,000)	4,054,106	1,773,145
Total funds carried forward		<u>433,869</u>	<u>(866,000)</u>	<u>4,037,636</u>	<u>3,605,505</u>

RIBBON ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	12		4,029,265		4,037,636
Current assets					
Debtors	13	104,211		151,246	
Cash at bank and in hand		490,657		525,794	
			594,868		677,040
Current liabilities					
Creditors: amounts falling due within one year	14	(256,013)		(243,171)	
Net current assets			338,855		433,869
Net assets excluding pension liability			4,368,120		4,471,505
Defined benefit pension scheme liability	18		(350,000)		(866,000)
Total net assets			4,018,120		3,605,505
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			4,029,265		4,037,636
- Pension reserve			(350,000)		(866,000)
Total restricted funds			3,679,265		3,171,636
Unrestricted income funds	16		338,855		433,869
Total funds			4,018,120		3,605,505

The accounts on pages 23 to 45 were approved by the trustees and authorised for issue on 14 December 2023 and are signed on their behalf by:



Ashleigh Sheridan 12 Dec 2023 15:57:04 GMT (UTC +0)

A Sheridan

Head Teacher (accounting officer)



Elaine Chandler 13 Dec 2023 07:38:38 GMT (UTC +0)

E M Chandler

Vice Chair from 21 September 2022 to 28 June 2023, Chair from 28 June 2023

Company registration number 08132353 (England and Wales)

RIBBON ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Net cash provided by operating activities	19		19		24,997
Cash flows from investing activities					
Dividends, interest and rents from investments		-		133	
Capital grants from DfE Group		30,230		9,924	
Purchase of tangible fixed assets		(65,386)		(50,436)	
Net cash used in investing activities			(35,156)		(40,379)
Net decrease in cash and cash equivalents in the reporting period			(35,137)		(15,382)
Cash and cash equivalents at beginning of the year			525,794		541,176
Cash and cash equivalents at end of the year			490,657		525,794

RIBBON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their 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.

These accounts are prepared in sterling which is the functional currency of the entity.

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

RIBBON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

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

RIBBON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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

Leasehold land and buildings	125 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	4 years straight line

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.

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10 Pensions benefits

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

RIBBON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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

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

1.11 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

RIBBON ACADEMY TRUST

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

2 Critical accounting estimates and areas of judgement

(Continued)

Critical areas of judgement

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Assessing indicator of impairment.

In assessing whether there have been any indicators of impairment of assets the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairment identified during the current financial year.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	30,230	30,230	9,924
Other donations	44,847	-	44,847	74,399
	<u>44,847</u>	<u>30,230</u>	<u>75,077</u>	<u>84,323</u>

RIBBON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
DfE/ESFA grants				
General annual grant (GAG)	-	2,117,742	2,117,742	2,079,811
Other DfE/ESFA grants:				
- UIFSM	-	52,206	52,206	56,043
- Pupil premium	-	246,786	246,786	227,773
- Others	-	156,628	156,628	82,980
	-	2,573,362	2,573,362	2,446,607
Other government grants				
Local authority grants	-	322,334	322,334	275,252
Special educational projects	-	7,164	7,164	55,788
	-	329,498	329,498	331,040
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	24,215	24,215	16,530
Other incoming resources	-	-	-	2,189
Total funding	-	2,927,075	2,927,075	2,796,366

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Hire of facilities	57,311	-	57,311	56,331
Catering income	42,166	-	42,166	50,311
Other income	36,747	-	36,747	13,672
	136,224	-	136,224	120,314

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	-	-	-	133

RIBBON ACADEMY TRUST

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

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2023 £	Total 2022 £
Academy's educational operations					
- Direct costs	1,742,249	-	188,846	1,931,095	2,261,781
- Allocated support costs	831,301	238,113	308,252	1,377,666	1,047,995
	<u>2,573,550</u>	<u>238,113</u>	<u>497,098</u>	<u>3,308,761</u>	<u>3,309,776</u>

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	20,413	14,000
Depreciation of tangible fixed assets	73,757	66,394
Fees payable to auditor for:		
- Audit	9,750	8,000
- Other services	1,750	3,000
Net interest on defined benefit pension liability	33,000	45,000
	<u>138,670</u>	<u>136,694</u>

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Direct costs				
Educational operations	131,013	1,800,082	1,931,095	2,261,781
Support costs				
Educational operations	69,514	1,308,152	1,377,666	1,047,995
	<u>200,527</u>	<u>3,108,234</u>	<u>3,308,761</u>	<u>3,309,776</u>

Analysis of support costs

	2023 £	2022 £
Support staff costs	900,815	680,571
Depreciation	73,757	66,394
Technology costs	66,002	11,900
Premises costs	164,356	150,058
Legal costs	14,091	48,277
Other support costs	149,378	79,365
Governance costs	9,267	11,430
	<u>1,377,666</u>	<u>1,047,995</u>

RIBBON ACADEMY TRUST

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

9 Staff

Staff costs

Staff costs during the year were:

	2023	2022
	£	£
Wages and salaries	1,934,344	1,786,682
Social security costs	171,122	171,744
Pension costs	446,798	628,280
	<u>2,552,264</u>	<u>2,586,706</u>
Staff costs - employees	2,552,264	2,586,706
Agency staff costs	21,286	1,940
	<u>2,573,550</u>	<u>2,588,646</u>
Staff development and other staff costs	104,558	15,823
	<u>2,678,108</u>	<u>2,604,469</u>
Total staff expenditure	<u><u>2,678,108</u></u>	<u><u>2,604,469</u></u>

Staff numbers

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

	2023	2022
	Number	Number
Teachers	19	19
Administration and support	55	68
Management	6	6
	<u>80</u>	<u>93</u>
	<u><u>80</u></u>	<u><u>93</u></u>

Higher paid staff

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

	2023	2022
	Number	Number
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	<u>2</u>	<u>1</u>
	<u><u>2</u></u>	<u><u>1</u></u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £450,696 (2022: £452,816).

RIBBON ACADEMY TRUST

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

10 Trustees' remuneration and expenses

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

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

A Sheridan (Head Teacher):

Remuneration: £80,000 - £85,000 (2022: £75,000 - £80,000)

Employer's pension contributions: £10,000 - £15,000 (2022: £15,000 - £20,000)

J Murray (Teacher) (Trustee until 08/03/2023):

Remuneration: £20,000 - £25,000 (2022: £25,000 - £30,000)

Employer's pension contributions: £0- £5,000 (2022: £5,000 - £10,000)

K Smoughton (Teacher):

Remuneration: £20,000 - £25,000 (2022: £15,000 - £20,000)

Employer's pension contributions: £0- £5,000 (2022: £0 - £5,000)

K Harris (Teacher) (Trustee from 17/04/2023 until 21/07/2023):

Remuneration: £45,000 - £50,000 (2022: n/a)

Employer's pension contributions: £5,000- £10,000 (2022: n/a)

During the year, travel and subsistence payments totalling £184 (2022: £nil were reimbursed or paid directly to 2 trustees (2022: n/a).

11 Trustees' and officers' insurance

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

RIBBON ACADEMY TRUST

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

12 Tangible fixed assets

	Leasehold land and buildings £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 September 2022	4,290,002	128,172	296,152	4,714,326
Additions	-	9,742	55,644	65,386
At 31 August 2023	4,290,002	137,914	351,796	4,779,712
Depreciation				
At 1 September 2022	318,492	121,180	237,018	676,690
Charge for the year	33,480	8,547	31,730	73,757
At 31 August 2023	351,972	129,727	268,748	750,447
Net book value				
At 31 August 2023	3,938,030	8,187	83,048	4,029,265
At 31 August 2022	3,971,510	6,992	59,134	4,037,636

13 Debtors

	2023 £	2022 £
Trade debtors	-	12,684
VAT recoverable	15,363	18,355
Prepayments and accrued income	88,848	120,207
	104,211	151,246

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	17,525	-
Other taxation and social security	48,256	36,627
Other creditors	50,469	57,170
Accruals and deferred income	139,763	149,374
	256,013	243,171

RIBBON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

15 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	93,204	117,347
Deferred income at 1 September 2022	117,347	82,664
Released from previous years	(117,347)	(82,664)
Resources deferred in the year	93,204	117,347
Deferred income at 31 August 2023	93,204	117,347

At the balance sheet date, the Trust was holding funds received in advance in respect of Universal Infant Free School Meals, Trip Income and SEN funding.

16 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	-	2,117,742	(2,158,144)	40,402	-
UIFSM	-	52,206	(52,206)	-	-
Pupil premium	-	246,786	(246,786)	-	-
Other DfE/ESFA COVID-19 funding	-	24,215	(24,215)	-	-
Other DfE/ESFA grants	-	156,628	(156,628)	-	-
Other government grants	-	329,498	(329,498)	-	-
Pension reserve	(866,000)	-	(67,000)	583,000	(350,000)
	(866,000)	2,927,075	(3,034,477)	623,402	(350,000)
Restricted fixed asset funds					
DfE group capital grants	4,037,636	30,230	(73,757)	35,156	4,029,265
Total restricted funds	3,171,636	2,957,305	(3,108,234)	658,558	3,679,265
Unrestricted funds					
General funds	433,869	181,071	(200,527)	(75,558)	338,855
Total funds	3,605,505	3,138,376	(3,308,761)	583,000	4,018,120

RIBBON ACADEMY TRUST

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

16 Funds

(Continued)

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

The General Annual Grant (GAG) must be used for the normal running costs of the Trust. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at the balance sheet date.

A start up grant was received from the ESFA as a result of the conversion to academy status. The full grant was allocated.

Other DfE/ESFA grants include teachers pay and pension grants, pupil premium, PE and sports grant and other DfE/ESFA grants.

Other government grants comprise funding received from the Local Authority.

The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to Local Government Pension Scheme ('LGPS') and the pension liability has therefore been aligned with these funds. The restricted funds are in deficit as a result of the deficit on the LGPS pension scheme alone.

The inherited fixed asset fund reflects the fixed assets acquired from the Local Authority on conversion to academy status. Depreciation on these assets is charged against this fund.

DfE/ESFA capital grants received in year consist of capital grants received in the year which have been received for expenditure on acquisition and maintenance of fixed assets.

The transfer from the Local Authority reflects the fixed assets, the pension deficit, the surplus GAG and any surplus school funds acquired on conversion.

Unrestricted funds can be used for any purpose at the discretion of the academy trust.

The transfer in the year reflects fixed assets and GAG spend funded via unrestricted funds.

RIBBON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

16 Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	-	2,079,811	(2,168,811)	89,000	-
UIFSM	-	56,043	(56,043)	-	-
Pupil premium	-	227,773	(227,773)	-	-
Other DfE/ESFA COVID-19 funding	-	16,530	(16,530)	-	-
Other DfE/ESFA grants	-	82,980	(82,980)	-	-
Other government grants	-	331,040	(331,040)	-	-
Other restricted funds	-	2,414	(2,414)	-	-
Pension reserve	(2,728,000)	-	(279,000)	2,141,000	(866,000)
	<u>(2,728,000)</u>	<u>2,796,591</u>	<u>(3,164,591)</u>	<u>2,230,000</u>	<u>(866,000)</u>
Restricted fixed asset funds					
DfE group capital grants	4,054,106	9,924	(66,394)	40,000	4,037,636
	<u>4,054,106</u>	<u>9,924</u>	<u>(66,394)</u>	<u>40,000</u>	<u>4,037,636</u>
Total restricted funds	<u>1,326,106</u>	<u>2,806,515</u>	<u>(3,230,985)</u>	<u>2,270,000</u>	<u>3,171,636</u>
Unrestricted funds					
General funds	447,039	194,621	(78,791)	(129,000)	433,869
	<u>447,039</u>	<u>194,621</u>	<u>(78,791)</u>	<u>(129,000)</u>	<u>433,869</u>
Total funds	<u>1,773,145</u>	<u>3,001,136</u>	<u>(3,309,776)</u>	<u>2,141,000</u>	<u>3,605,505</u>

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	4,029,265	4,029,265
Current assets	594,868	-	-	594,868
Current liabilities	(256,013)	-	-	(256,013)
Pension scheme liability	-	(350,000)	-	(350,000)
	<u>338,855</u>	<u>(350,000)</u>	<u>4,029,265</u>	<u>4,018,120</u>
Total net assets	<u>338,855</u>	<u>(350,000)</u>	<u>4,029,265</u>	<u>4,018,120</u>

RIBBON ACADEMY TRUST

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

17 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	4,037,636	4,037,636
Current assets	434,040	243,000	-	677,040
Current liabilities	(171)	(243,000)	-	(243,171)
Pension scheme liability	-	(866,000)	-	(866,000)
Total net assets	<u>433,869</u>	<u>(866,000)</u>	<u>4,037,636</u>	<u>3,605,505</u>

18 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020, and that of the LGPS related to the period ended 31 March 2022.

Contributions amounting to £35,469 were payable to the schemes at 31 August 2023 (2022: £42,171) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

RIBBON ACADEMY TRUST

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

18 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to the TPS in the period amounted to £239,798 (2022: £231,013).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17.9% for employers and 5.5-12.5% for employees.

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

Total contributions made	2023	2022
	£	£
Employer's contributions	172,000	167,000
Employees' contributions	43,000	44,000
	<u> </u>	<u> </u>
Total contributions	215,000	211,000
	<u> </u>	<u> </u>

Principal actuarial assumptions	2023	2022
	%	%
Rate of increase in salaries	3.60	3.70
Rate of increase for pensions in payment/inflation	2.60	2.70
Discount rate for scheme liabilities	5.10	4.10
Inflation assumption (CPI)	2.60	2.70
	<u> </u>	<u> </u>

RIBBON ACADEMY TRUST

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

18 Pension and similar obligations

(Continued)

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	21.70	22.10
- Females	23.90	24.20
Retiring in 20 years		
- Males	22.90	23.20
- Females	25.0	25.70

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

	2023	2022
	£	£
Discount rate + 0.1%	3,436,000	3,738,000
Discount rate - 0.1%	3,573,000	3,922,000
Mortality assumption + 1 year	3,412,000	3,723,000
Mortality assumption - 1 year	3,594,000	3,937,000
CPI rate + 0.1%	3,570,000	3,914,000
CPI rate - 0.1%	3,440,000	3,746,000

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

	2023	2022
	Fair value	Fair value
	£	£
Equities	1,606,000	1,622,000
Corporate bonds	296,000	130,000
Government bonds	334,000	335,000
Property	236,000	249,000
Other assets	681,000	628,000
Total market value of assets	3,153,000	2,964,000

The actual return on scheme assets was £47,000 (2022: £(312,000)).

Amount recognised in the statement of financial activities

	2023	2022
	£	£
Current service cost	206,000	399,000
Past service cost	-	2,000
Interest income	(124,000)	(55,000)
Interest cost	157,000	100,000
Total operating charge	239,000	446,000

RIBBON ACADEMY TRUST

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

18 Pension and similar obligations		(Continued)	
Changes in the present value of defined benefit obligations		2023	
		£	
At 1 September 2022		3,830,000	
Current service cost		206,000	
Interest cost		157,000	
Employee contributions		43,000	
Actuarial gain		(660,000)	
Benefits paid		(73,000)	
		<hr/>	
At 31 August 2023		3,503,000	
		<hr/> <hr/>	
Changes in the fair value of the academy trust's share of scheme assets		2023	
		£	
At 1 September 2022		2,964,000	
Interest income		124,000	
Actuarial loss		(77,000)	
Employer contributions		172,000	
Employee contributions		43,000	
Benefits paid		(73,000)	
		<hr/>	
At 31 August 2023		3,153,000	
		<hr/> <hr/>	
19 Reconciliation of net expenditure to net cash flow from operating activities			
	Notes	2023	2022
		£	£
Net expenditure for the reporting period (as per the statement of financial activities)		(170,385)	(308,640)
Adjusted for:			
Capital grants from DfE and other capital income		(30,230)	(9,924)
Investment income receivable	6	-	(133)
Defined benefit pension costs less contributions payable	18	34,000	234,000
Defined benefit pension scheme finance cost	18	33,000	45,000
Depreciation of tangible fixed assets		73,757	66,394
Decrease in debtors		47,035	4,030
Increase/(decrease) in creditors		12,842	(5,730)
		<hr/>	<hr/>
Net cash provided by operating activities		19	24,997
		<hr/> <hr/>	<hr/> <hr/>

RIBBON ACADEMY TRUST

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

20 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	525,794	(35,137)	490,657

21 Long-term commitments

Operating leases

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

	2023 £	2022 £
Amounts due within one year	18,152	20,413
Amounts due in two and five years	28,354	45,161
	<u>46,506</u>	<u>65,574</u>

RIBBON ACADEMY TRUST

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

22 Related party transactions

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

J Betty

J Betty is an employee of the Trust and the sister in law of a trustee. J Betty is employed by the Trust as an administrator and is remunerated at an appropriate salary scale point for the responsibilities relating to this role.

In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook.

At the balance sheet date the amount due to J Betty was £nil (2022: £nil).

N Ball

N Ball is an employee of the Trust and the wife of a member. N Ball is employed by the Trust as an administrator and is remunerated at an appropriate salary scale point for the responsibilities relating to this role.

In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook.

At the balance sheet date the amount due to N Ball was £nil (2022: £nil).

Income related party transactions

During the year the Academy Trust made the following related party transactions:

Ribbon Daycare Ltd

Ribbon Daycare is a private day care facility and run independently from the Academy. It is operated as a company limited by guarantee. A Trustee for Ribbon Academy Trust is also a Director of Ribbon Daycare.

During the period, a total of £82,689 (2022: £54,813) was recharged to Ribbon Daycare in relation to staff, catering and cleaning costs. At 31 August 2023, £nil (2022: £12,684) was due to Ribbon Academy Trust.

23 Members' liability

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