

Registration number: 07431423

THE GOSFORTH FEDERATED ACADEMIES LIMITED

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022



The Gosforth Federated Academies Limited

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The Gosforth Federated Academies Limited

Reference and administrative details

Members	Mr Christopher Bell, (Chair) Mrs Judy Storey Mrs Kathryn Thomas (resigned 21 March 2022) Mr Geoff Norris (appointed 1 September 2021) Mr John Hall (appointed 13 October 2021) Mrs Jackie Slesenger Greene (appointed 1 September 2022)
Trustees (Directors)	Mr George Snaith, (Chair) Mr Roger Edwardson Mrs Jackie Slesenger Greene (resigned 31 August 2022) Mr Christopher Nicholson Mr Jeffrey Lough Mrs Sophie Ashcroft Mrs Lesley Bowes Mrs Lesley Malthouse Dr Raghdah Zahran (appointed 19 October 2021 and resigned 9 December 2021) Dr Julie Crumbley Mr John Hall (resigned 13 September 2021)
Chief Executive Officer	Mr Hugh Robinson
Company Secretary	Mrs Chrisitne Edwardson (resigned 31 August 2021) Mr John Braithwaite (appointed 1 September 2021)
Academy Trust Senior Management Executive Team	Mr Hugh Robinson, Chief Executive Officer and Accounting Officer Mr David Sheppard, Chief Operating Officer and Chief Finance Officer Mrs Corinne Raybould, Chief Projects Officer Mrs Joanne Lowther, Executive Director of Performance Mr Chris Duckett, Executive Director of Teaching and Learning and Communications
Principals	Mr Preit Chahal, Gosforth Academy Mr Steve Campbell, Jesmond Park Academy Mrs Denise Waugh, Gosforth Junior High Academy and Great Park Academy Mrs Katie Innes, Callerton Academy Mr Pete Fox, North Gosforth Academy
Principal and Registered Office	Gosforth Academy Knightsbridge Great North Road Gosforth Newcastle Upon Tyne NE3 2JH

The Gosforth Federated Academies Limited

Reference and administrative details (continued)

Company Name The Gosforth Federated Academies Limited

**Company
Registration Number** 07431423

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

Internal Auditors JTG Internal Audit
6 Mill Bank
Fulwell
Sunderland

Bankers HSBC Bank plc
Central Square South
Orchard Street
Newcastle upon Tyne
NE1 3AZ

Nationwide Building Society
PO Box 3
5-11 St Georges Street
Douglas
Isle of Man
IM99 1AS

Solicitors Weightmans
1 St James' Gate
Newcastle Upon Tyne
NE99 1YQ

The Gosforth Federated Academies Limited

Trustees Report for the Year Ended 31 August 2022

The Trustees present their annual report together with the financial statements and auditor's report of the Charitable Company for the period 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' Report, and a Directors' report under company law.

The Trust currently operates in the Gosforth, Heaton and Grainger Town areas of Newcastle upon Tyne and in the Seaton Burn area of North Tyneside. Great Park Academy and Callerton Academy opened in September 2021 and are currently in temporary accommodation within Newcastle upon Tyne. It is expected that Callerton Academy (currently located in the Grainger Town area of Newcastle) will relocate permanently to the Kingston Park South/Westerhope area of Newcastle in the autumn term of 2024 and Great Park Academy (currently located on the Gosforth Academy site, Gosforth) to the Newcastle Great Park area of Newcastle, also in the autumn term of 2024. The combined pupil numbers total within the Trust is 5,440 as at the school census date of May 2022. Pupils are aged between 9 and 19 years.

Structure, Governance and Management

Constitution

The Gosforth Federated Academies Limited is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Academy Trust was incorporated on 5 November 2010 and commenced operating on 1 December 2010. The Articles of Association require the Members of the Charitable Company to appoint at least three Governors to be responsible for the statutory and constitutional affairs of the Charitable Company and the management of the Academy Trust. The Academy Trust has entered into a funding agreement with the Department for Education which provides the framework within which the Academy Trust must operate.

The Trustees act as directors for the Charitable Company for the purposes of company law and form the Governing Body.

The Charitable Company is known as Gosforth Federated Academies Limited.

The Charitable Company incorporates Gosforth Academy, Gosforth Junior High Academy, North Gosforth Academy, Jesmond Park Academy, Great Park Academy and Callerton Academy.

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative.

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

Every Trustee of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any appointment in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy Trust.

The Gosforth Federated Academies Limited

Trustees Report for the Year Ended 31 August 2022 (continued)

Method of Recruitment and Appointment or Election of Trustees (Directors) and Academy Advisors

In line with Academy Trust expansion, the Trustees agreed a new governance structure which was approved by the Department for Education. As a result of this change, from February 2020 there can be five Members. Members can appoint a maximum of 11 Trustees. Trustees can subsequently set up and appoint to an Academy Advisory Group as required.

The Academy Advisory Groups for Gosforth Academy, Gosforth Junior High Academy, Jesmond Park Academy and North Gosforth Academy currently have provision for five community representatives, two parent representatives and two staff representatives.

Parent representatives are elected by the parent body and staff representatives are elected by the staff group. A parent representative must be a parent of a pupil at one of the academies on election. The Trustees have delegated certain powers to the Academy Advisory Groups under a scheme of delegation which is reviewed annually.

All Academy Advisors have a term of office of four years. Policies and procedures are adopted for the induction and training of Trustees (Directors) and Academy Advisors. On appointment, Trustees and Academy Advisors will meet with the Chair who will provide an induction and they will be given an Induction Booklet

The Members are responsible for the appointment of all Trustees and will use a variety of methods to recruit to vacancies as they arise. The Members may hold some vacancies to ensure they can recruit Trustees with specific skills at a time which is most beneficial to the organisation.

The Academy Trust has a contract with Newcastle City Council Governor Services which provides an Academy Advisory Group clerking service and support and training for Trustees and Academy Advisors. Trustees and Academy Advisors receive a booklet detailing the Governor Training Programme together with a termly copy of the Newcastle City Council's "Governews" which highlights current changes in legislation together with CPD opportunities. There is a programme of training available which includes induction for new Governors/Trustees, Headteacher/Principal performance and reviewer training, safer recruitment and the role of Governors/Trustees in monitoring the outcomes of pupils with special educational needs and disabilities, and many more opportunities. The service also provides bespoke training and Trustees/Academy Advisors have participated in a training session for managing pupil discipline committee meetings, exclusion and independent review training.

The Trustees and each Academy Advisory Group has a designated member responsible for safeguarding and for staff appointments and at least one panel member will have successfully completed the Safer Recruitment training provided by an HR Lead Specialist from Newcastle City Council. Trustees and Academy Advisors have also undertaken safeguarding training. Trustees and Academy Advisors can also request any additional training at need.

Annual Skills Audits are carried out as recommended by the Competency Framework for Governance. The audits are used to assess the breadth of skills and knowledge of Trustees and Academy Advisors and enable any gaps in knowledge, experience, skills and behaviours to be identified. The annual audit is also used to identify training needs and recruitment requirements, as well as for succession planning and for assigning committee members.

Organisational Structure

The Governing Body Handbook sets out the delegated responsibilities and terms of reference for the Full Governing Body and all committees. The Trust Scheme of Delegation and Decision Planner is reviewed and approved annually.

The Gosforth Federated Academies Limited

Trustees Report for the Year Ended 31 August 2022 (continued)

At school level a flat structure with distributed leadership is in operation. By using Associate Leaders in training posts, the capacity of the organisation is increased at appropriate times. The current Academy Trust Senior Leadership Team (the Executive Team) consists of the following posts:

Chief Executive Officer and Accounting Officer

Chief Operating Officer and Chief Finance Officer

Executive Director of Teaching & Learning and Communications

Chief Projects Officer

Executive Director of Performance

Arrangements for setting pay and remuneration of Key Management Personnel

The Trustees delegate significant authority or responsibility for the day to day running of the Academy Trust to the Academy Trust Senior Leadership Team (as described in Organisational Structure). Their pay and remuneration is the responsibility of the Trustees' Salaries & Performance Committee.

Although an Academy, the Salaries & Performance Committee has continued to follow the system of an agreed pay range for Senior Leaders within a band on the Leadership Spine. Senior Leaders will only be recommended for progression with their agreed pay range on successful completion of performance criteria as agreed by the CEO. The CEO has an agreed set of performance criteria and his performance is ratified by the Trustees before any progression will be recommended.

The majority of Senior Leaders have for a number of years been at the top of their pay range, however they are still subject to meeting their performance criteria annually although no pay progression may be available at this time.

The Salaries & Performance Committee can recommend a change in the pay range. However, when this has been considered in the past they have taken legal advice and sought benchmarking data to support any such change.

Trade Union Facility Time

Schools within the Trust are covered by Local Authority de-delegation arrangements for Trade Union Facility time. These arrangements are reviewed annually.

Engagement with employees (including disabled persons)

Each week, the Principal at each school provides an update to all staff via Teams/email/physical briefing which, amongst other things, provides updates on any matters of concern that have been raised by staff and what is being done/has been done to address these. It also provides useful information of which staff need to be made aware. Notes from these meetings are then circulated to all staff.

Where individual matters of concern are raised via informal discussions or through formal processes, these matters are dealt with on an individual basis. During lockdown any such communication was done via Teams/email.

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Trustees Report for the Year Ended 31 August 2022 (continued)

Where any changes are to be made that are likely to affect the interests of individuals, both Unions and individuals are fully consulted. Principals have an open door policy and actively encourage feedback from staff and Unions, either face to face or via email, which is then fed to the Executive Team if appropriate.

As the Academy Trust grows, plans for the future include formalising these mechanisms via a JNCC with the Unions, staff forum and suggestions and ideas scheme.

At the beginning of the academic year, staff are briefed in relation to the academic performance of their school and informed of targets for the coming academic year. Any additional updates are provided within the weekly briefing or on FROG (the Academy Trust virtual teaching, learning and information storage environment). Updates are provided by the Principals and/or Executive Team as and when appropriate.

The Recruitment and Selection Code of Practice details how the Academy Trust ensures an inclusive and fair recruitment process from advertising to appointment. Where a candidate has indicated that he/she wishes for adjustments to be made for him/her to the recruitment process, reasonable adjustments are made.

There is an Equality and Diversity Policy applicable to each school within the Academy Trust, which documents the Trust's commitment to fair treatment and equal opportunities for all including those with disabilities throughout the employment lifecycle. This includes employees who become disabled whilst working for the Trust. Where necessary, reasonable adjustments will be made, including adjustments to the workplace, policies and procedures and purchasing any additional equipment necessary to support colleagues at work.

Public Benefit

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

A successful Academy, working in harmony with its community, is part of our strategic planning.

Objectives, Strategies and Key Performance Indicators

The Academy Trust expects the highest standards from all of its students and staff. Such high standards will only be achieved, and maintained, if we all accept the challenge to strive to excel in all we do.

A key component is curriculum development linked to continued professional development, used to ensure that our objectives and aims are achieved.

The Trustees' commitment to provide an outstanding service to the families it serves was clearly demonstrated by their decision to bid for funding to open new schools on the Newcastle Great Park (Great Park Academy) and in the west of the city (Callerton Academy). As a multi-million pound injection into our three tier system must be managed with care and sensitivity, we have a member of the Executive Team dedicated to working as Chief Projects Officer on the new schools projects at Great Park and Callerton.

The PRAISE Code underpins all issues regarding student behaviour and effort. The code has proven to be both effective and popular. It is managed by the leaders of each school.

In all of our schools the PRAISE code encourages students to –

The Gosforth Federated Academies Limited

Trustees Report for the Year Ended 31 August 2022 (continued)

Perform

Reward

Achieve

Inspire

Succeed

Excel

All students must carry with them their school planner at all times. Students are rewarded by staff with PRAISE stamps for good work and effort along with comments for misbehaviour. Stamps and comments are counted on a weekly basis by tutors. The students receive rewards during the year based on the number of stamps they have accumulated. Likewise the number of comments may result in sanctions in accordance with the PRAISE Code guidelines.

Staff CPD is linked so that it will support curriculum development further enabling all students to succeed.

Strategic Report: Achievement and Performance

KS2 2021 Gosforth Junior High Academy

Best ever percentages at Key Headlines figures at KS2.

Expected Standard 2022	Gosforth Junior High
Reading	87%
Writing	91%
Maths	84%

Percentage of students *beyond* expected standard

- Reading – 48%
- Writing – 39%
- Maths – 40%

KS4 2022: Gosforth Academy (GA), Jesmond Park Academy (JPA) and North Gosforth Academy (NGA)

A very pleasing set of external examination grades were awarded at KS4 across the Gosforth Group of schools in 2022.

ATTAINMENT KS4		2017	2018	2019	2020	2021	2022
Attainment 8	GA	52.2	55.4	53.0	57.0	56.7	58.1

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Trustees Report for the Year Ended 31 August 2022 (continued)

Attainment 8	JPA	43.78	47.66	47.50	51.04	50.4	50.9
Attainment 8	NGA		41.4	42.4	48.1	49.7	46.9
% Grade 4+ EM	GA	71%	79%	71%	83%	84%	80%
% Grade 4+ EM	JPA	62.6%	67.8%	64.9%	71.6%	68%	73%
% Grade 4+ EM	NGA		58.7%	57.9%	68.1%	62%	75%
% Grade 5+ EM	GA	56%	59%	57%	67%	67%	66%
% Grade 5+ EM	JPA	41.2%	48.8%	50.2%	51.9%	49%	52%
% Grade 5+ EM	NGA		28.6%	27.4%	40.4%	44%	52%
% Students attaining Ebacc at Grade 4+	GA	52%	55%	52%	59%	63%	58%
% Students attaining Ebacc at Grade 4+	JPA	21.5%	24.7%	29.0%	40.4%	32%	39%
% Students attaining Ebacc at Grade 4+	NGA		15%	21.1%	29.8%	30%	32%
%Grade 4+ in 2 Sciences	GA	70%	82%	77%	82%	85%	81%
%Grade 4+ in 2 Sciences	JPA	56%	65%	62.9%	67.0%	68%	65%
%Grade 4+ in 2 Sciences	NGA		57.4%	57.4%	71.3%	76.4%	74%
%Grade 5+ in 2 Sciences	GA	70%	66%	64%	66%	72%	67%
%Grade 5+ in 2 Sciences	JPA	56%	43.3%	48.4%	51.6%	53%	50%
%Grade 5+ in 2 Sciences	NGA		29.5%	37.2%	43.6%	56.2%	48%

KS5 2022: Gosforth Academy and Jesmond Park Academy

Many improvements in percentage grade attainment when comparing to previous exam years cohort. A very pleasing set of results all round.

Gosforth Academy: A level

GA	Entries	A*	A*-A %	A*-B %	A*-C %	A*-D %	A*-E %
2022	875	14.6	34.1	59.9	84.6	95.0	99.1

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Trustees Report for the Year Ended 31 August 2022 (continued)

2021	791	16.7	39.6	65.9	85.0	96.6	99.5
2020	799	15.0	36.9	62.2	85.4	96.5	99.9
2019	719	15.4	33.9	59.2	84.0	96.5	99.9
2018	641	6.4	24.0	48.8	78.9	94.7	98.4

Other info

- ☐ A level points per entry = 38.8
- ☐ A level Average Grade = B
- ☐ Applied General Average grade = Merit+
- ☐ % students achieving AAB in at least 2 facilitating subjects =18% (48 students)
- ☐ 18 students had every grade at A* and therefore an APS per entry of 60
- ☐ 35 students had an average grade per entry of A* (APS≥55 per entry)
- ☐ 73 students had an average grade of an A or above (APS≥50 per entry)
- ☐ A level points per entry = 35.0
- ☐ A level Average Grade = B-
- ☐ Applied General Average grade = Merit+
- ☐ % students achieving AAB in at least 2 facilitating subjects =17.3% (19 students)
- ☐ 2 students had every grade at A* and therefore an APS per entry of 60
- ☐ 4 students had a average grade per entry of A* (APS≥55 per entry)
- ☐ 19 students had an average grade of an A or above (APS≥50 per entry)

Jesmond Park Academy: A level

A level

JPA	Entries	A*	A*-A %	A*-B %	A*-C %	A*-D %	A*-E %
2022	379	5.4	27.2	51.4	74.7	91.6	99.2
2021	402	10.2	31.8	57.5	79.1	89.3	96.8
2020	369	12.7	33.1	58.0	84.0	95.4	100
2019	336	7.1	25.6	52.4	78.0	90.8	97.6
2018	383	7.6	19.8	44.6	72.1	92.6	96.1

Other info

Great Park Academy and Callerton Academy

Please note as new schools opening in Sept 21, there is no external examination data yet available for Great Park Academy or Callerton Academy.

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Trustees Report for the Year Ended 31 August 2022 (continued)

Financial

Income & Expenditure

KPI	2021/22	2020/21	2019/20
Total GAG Funding	£30,589,816	£26,781,052	£24,983,478
Students per October Census	5,525	5,146	4,947
GAG Income per Student	£5,536	£5,204	£5,050
Total Expenditure per Student	£6,495	£6,246	£6,039

Staffing

KPI	2021/22	2020/21	2019/20
Total Revenue Income	£35,122,000	£31,481,000	£28,875,000
GAG Income	£30,590,000	£26,781,000	£24,983,000
Total Staff Costs	£26,463,000	£24,679,000	£22,660,499
Salary Costs as % of Total Income	75%	78%	78%
Salary costs as % GAG Income	87%	92%	91%

The Trust continue to follow national guidance on Pay and Conditions for all staff.

Last year saw the introduction of the Resources Group to review all staffing requests, ensuring a consistent approach to recruitment within the Trust. Recommendations from this group are provided to the Executive Team for consideration as part of their decision making process in regards to staff recruitment and retention. This process continues to be embedded throughout the Trust.

Capital

KPI	2021/22	2020/21	2019/20
Capital Grant funding received	£777,287	£1,804,680	£1,195,908
Donated Classrooms/ICT Equipment	£nil	£276,000	£nil
Capital Expenditure in year	£824,264	£1,444,857	£715,047
Capital Expenditure per Student	£149	£280	£145

From 2021/22 the Trust are in receipt of Devolved Formula Capital (DFC) and Schools Conditional Allocation (SCA)

North Gosforth Academy were successful in obtaining CIF and Salix Funding for 2019/20 and 2020/21. The Trust are no longer eligible to apply for CIF Funding from 2021/22.

The Trust were allocated ICT Capital Funding in 2020/21 from the ESFA for Callerton and Great Park Academies, which opened in September 2021 in temporary accommodation. Some of that Capital Allocation is deferred and will be released when the schools move in to their permanent accommodation.

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Trustees Report for the Year Ended 31 August 2022 (continued)

Investment

In accordance with the Investments Policy the Academy Trust holds cash funds in a deposit account. Cash balances continue to be monitored and investments reviewed.

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Promoting the success of the company

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

The Trustees believe they have acted to best promote the success and sustainability of the Trust for the benefit of all its stakeholders.

As a result of delivering outstanding education provision, there continues to be a high demand for school places and a subsequent growth in pupil numbers in all the Trusts schools.

The Trust recognises that the employees are key to its success and are committed to investing in their development and supporting advancement opportunities within the Trust.

Financial Review

Income

The Trusts main source of income continues to be from the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of General Annual Grant (GAG) and other recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year to 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust also received grants for fixed assets from the DfE/ESFA. In accordance with the Charities SORP such grants are shown under the Statement of Financial Activities as restricted income in the fixed asset fund.

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Trustees Report for the Year Ended 31 August 2022 (continued)

Other income received during the year included Local Authority grants, private sector grants, interest from investments, catering income, uniform sales and lettings.

The total income received, less any transfers on conversion, for the year was £35,899,000

Expenditure

The total expenditure on staffing is £26,463,000. The adjustment of LGPS operating costs totalling £1,840,000 (£1,700,000 in 2021) in accordance with FRS102 is included in the staffing costs.

Expenditure includes depreciation charged on fixed assets and amortisation of intangible assets which totals £680,000 (£528,000 in 2021)

Finance costs relating to the LGPS pension scheme FRS102 adjustment total £240,000 (£230,000 in 2021).

The total costs for the year total £35,883,000 (£32,143,000 in 2021) which results in an overall surplus for the year of £16,000 (£1,418,000 in 2021), excluding the fixed assets and pension deficit transfers.

Pension Scheme

The actuarial gain on the LGPS pension scheme was £14,990,000 (£450,000 in 2021) and the defined benefit pension scheme liability of £1,760,000 (£14,670,000 in 2021) is consistent with the current financial climate and is an industry wide issue. The actuarial valuation is expected to continue to fluctuate in forthcoming years until the economy stabilises.

Fund Balances

The Academy held Fund Balances at 31 August 2022 of £51,383,000 (£36,377,000 in 2021).

Restricted Fixed Asset Funds £47,342,000 (£47,245,000 in 2021)

Restricted Pension Funds Deficit £1,760,000 (£14,670,000 in 2021)

Restricted Revenue Funds £2,288,000 (£1,176,000 in 2021)

Unrestricted Funds £3,513,000 (£2,626,000 in 2021)

Future considerations

The growth in student numbers continues within the Trust and whilst Trustees view this positively, lagged funding remains a concern.

Careful management of the budget will continue to be a priority in order to achieve budget surpluses and maintain reserves whilst supporting Improvement, Investment and Growth Plans.

As the Trust continues to grow, uncertainty and fluctuations relating to the actuarial valuation of the LGPS pension scheme and the impact it will have on the Trusts financial results will increase.

We will review expenditure for value for money and take advantage of the growing MAT to obtain economies of scale for all the schools within our Trust.

The Gosforth Federated Academies Limited

Trustees Report for the Year Ended 31 August 2022 (continued)

Financial Management Policies

Trustees continue to review and adopt appropriate policies in order to support good financial management and practice within the Trust.

Reserves Policy

The Academy held Reserves of £51,383,000 at 31 August 2021 (£36,377,000 in 2021) as detailed in the Fund Balances note.

The restricted pension fund deficit balance is £1,760,000 (£14,670,000 in 2021) following the actuarial valuation of the Local Government Pension Scheme and incorporates the in year gain of £12,910,000 (£450,000 gain in 2021). The disclosure of the pension fund deficit does not mean that an immediate liability for this amount crystallises, that an equivalent amount is committed and unavailable to spend on the Trusts objectives.

The Trustees intend to build up a prudent level of reserves in accordance with the Investment and Reserves Policy which is reviewed annually in order to support Improvement and Growth within the Trust alongside unexpected costs due to outside influences such as Covid.

The target level of reserves is considered as part of the review of the Investment and Reserves Policy and current target is set at £2,256,000.

The Trust have set a surplus budget for 2022/23 , which will increase the level of reserves and provide assurances to support future uncertainties surrounding income and expenditure, cash flow and investment requirements of a growing Trust.

Investment Policy

The Trustees have approved an Investment and Reserves Policy in relation to the investment of surplus funds and this is reviewed on an annual basis.

The aim of this policy is to ensure that funds, which the Trust does not immediately need to cover anticipated expenditure are invested in such a way as to maximise income but without risk.

Our aim is to spend the public monies with which we are entrusted for the direct education benefit of students as soon as is prudent. The Trust does not consider the investment of surplus funds as a primary activity, rather it is the result of good practice as and when circumstances allow.

Principal Risks and Uncertainties

Fundraising

The Trust and its Academies ensure fundraising conforms to standards set out by the Charity Commission and there have been no complaints received this year in respect of any fundraising activity or how the proceeds of such are used.

The Trust and its Academies do not employ or use any third party, private or professional fundraising companies to raise funds, and do not place undue pressure to donate on individuals or groups.

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Trustees Report for the Year Ended 31 August 2022 (continued)

Risk Management

The Trustees considers risk and continues to work alongside the Management Team in creating a robust system to minimise the Trusts exposure to risk identified. The Trustees continue to assess the major risks in order to be satisfied that systems are in place to mitigate exposure and are adequate for a growing Trust.

A Risk Management Policy have been approved by the Trustees and will be reviewed on an annual basis.

Principal Risks

The risks to which the Academy Trust is exposed are recorded on the Risk Register. The key risk identified on the Risk Register at 31 August 2022 are as follows:

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Trustees Report for the Year Ended 31 August 2022 (continued)

Category	Sub category	Specific	Likelihood of occurring (5=high,1=low)	Impact if occurs (5=high,1=low)	Risk Score	Response (transfer, tolerate, treat, or terminate)	Control procedures	Person(s) responsible for action	Date of next review
Operational Risk	Technology risk	Contact with NOC for IT Managed Services due to end August 2023. Risk that new contract not in place on time and intelligence lost	2	5	10	Treat	New Procurement Manager in place to assist with process, routes to market, onboarding and timeline.	Deputy Director of Operations	31 December 2022
Operational Risk	Technology risk	Risk the new contract does not meet Trust needs	2	5	10	Treat	Specialist IT Consultant engaged to ensure new contract meets Trust needs	Deputy Director of Operations	31 December 2022
Strategic & Reputational Risk	Technology risk	Risk of Information Technology including security, virus, corruption of data not protected or secured	3	3	9	Treat	Contract - ICT Managed Service / Internal monitoring	Chief Operating Officer	Ongoing
Strategic & Reputational Risk	Expansion Risk	Risk that the MAT expands quickly without the correct infrastructure or finances in place	3	3	9	Treat	Growth Strategy including staffing, processes, procedures, infrastructure and due diligence to support growth plans.	Trustees / Chief Executive Officer	31 December 2022
Strategic & Reputational Risk	Charitable objects risk	Charity receives unfavourable Ofsted report at Gosforth Junior High Academy	2	4	8	Treat	Regular Internal Monitoring and Evaluation. Support from Executive Team and other Principals.	Chief Executive Officer / Principal	Ongoing
Strategic & Reputational Risk	Expansion Risk	Risk that the correct Due Diligence is not undertaken before new schools join the MAT, leading to operational issues, financial concerns and ethos or cultural misalignment	2	4	8	Treat	MAT Support Team in place to lead on Due Diligence	Trustees / Chief Executive Officer	31 December 2022

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Trustees Report for the Year Ended 31 August 2022 (continued)

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2021 to 31 August 2022	Current reporting year 2021/22	Comparison reporting year 2020/21
<i>Energy consumption used to calculate emissions (kWh)</i>		
Callerton Academy	196,970	0 (new in 2021)
Gosforth Academy/Great Park Academy	2,469,088	2,737,830
Gosforth Junior High Academy	724,945	780,422
Jesmond Park Academy	1,884,673	2,065,692
North Gosforth Academy	1,318,491	1,345,895
Total	6,594,167	6,929,839
<i>Energy consumption break down (kWh)</i>		
Gas	4,212,645	4,996,628
Electricity	2,381,522	1,933,211
Transport fuel	9,110	0
<i>Scope 1 emissions in metric tonnes CO2e</i>		
Gas consumption	758.27 tCO2e	915.18 tCO2e
Owed transport - minibuses	1.57 tCO2e	0
<i>Scope 2 emissions in metric tonnes CO2e</i>		
Purchased electricity	460.53 tCO2e	410.47 tCO2e
<i>Scope 3 emissions in metric tonnes CO2e</i>		
Business travel in employee owned vehicles	0.38 tCO2e	0
Total gross emissions in metric tonnes CO2e	1220.98 tCO2e	1,1325.65 tCO2e
<i>Intensity ratio</i>		
Tonnes CO2e per pupil	5665 on roll 0.215 tCO2e	5200 on roll 0.254 tCO2e

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines, incorporating the Streamlined Energy and Carbon Reporting (SECR) for Academy Trusts dated 28 September 2022. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting. Conversion factors used are:

Gas – kWh (Gross CV)/Total kg CO2e per unit (0.18).

Electricity – kWh/Total kg CO2e per unit (0.19338).

The Gosforth Federated Academies Limited

Trustees Report for the Year Ended 31 August 2022 (continued)

Minibus – kWh (net CV) per unit - van class III/miles (1.64) then Diesel (average fuel blend) kWh (gross CV) (0.24)

Business use car - kWh (net CV) per unit – car upper medium/miles (1.02008) then Diesel (average fuel blend) kWh (gross CV) (0.24)

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

Analysis of energy consumption, optimising heating and lighting controls and increased maintenance and repair to heating systems at all academies.

Both Gosforth and North Gosforth Academy have benefitted from replacement lighting and conversion to LED in some communal parts on a phased conversion programme. Gosforth Junior High Academy is had PV roof panels installed in the 21/22 year.

Auditor

Insofar 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.

Reappointment of auditor

Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following their acquisition of the trade of Tait Walker LLP, trading as MHA Tait Walker, on 1 May 2022.

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 and authorised for issue by order of the members of the Governing Body on 19 December 2022 and signed on its behalf by:


George Snaith 20 Dec 2022 10:08:55 GMT (UTC +0)

Mr George Snaith
Trustee

The Gosforth Federated Academies Limited

Governance statement

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Gosforth Federated Academies Ltd 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 Trustees have delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Gosforth Federated Academies Ltd and the Secretary of State for Education.

Attendance at Meetings

AGM	Mtgs attended	Out of a possible
C Bell (M)	1	1
J Hall (T until 13/09/21 then appointment as a Member as of 13/10/21)	1	1
G Norris (M)	1	1
J Storey (M)	1	1
K Thomas (M resigned as of 21/03/22)	1	1

GA Advisory Group	Mtgs attended	Out of a possible
N Athiraman (GA AG)	0	4
A Bonello (GA AG)	3	4
M Harrison (GA AG)	4	4
N King (GA AP appointed as of 15/10/21)	2	4
C Nicholson (T and GA AG)	3	4
R Ramsay (GA AG)	3	4
I Syed (GA AG)	4	4
G Vickers (GA AG)	4	4
R Zahran (appointed to GA AG on 15/10/21 and appointed as Trustee on 19/10/21 - resigned from both positions as of 09/12/21)	1	1

GJHA/GPA Advisory Group	Mtgs attended	Out of a possible
N Baker (GJHA/GPA AG appointed as of 01/12/21)	3	2
S Blakey (GJHA/GPA AG)	3	4

The Gosforth Federated Academies Limited

Governance statement (continued)

B Bonello (GJHA/GPA AG)	4	4
L Bowes (T and GJHA/GPA AG)	4	4
J Clarke (GJHA/GPA AG resigned as of 25/01/22)	1	2
E Dawson (GJHA/GPA AG appointed as of 01/12/21)	2	2
N Deol (GJHA/GPA AG appointed as of 01/12/21)	2	2
S MacDaid (GJHA/GPA AG appointed as of 10/02/22)	2	2
M Mason-Bowers (GJHA/GPA AG resigned as of 08/06/22)	2	3
D McCordall (GJHA/GPA AG)	4	4
G Milne (GJHA/GPA AG)	3	4
E O'Mahony (GJHA/GPA AG)		
K Pringle (GJHA/GPA AG)	2	4
L Readman (GJHA/GPA AG appointed as of 01/12/21)	2	2
M Richardson (GJHA/GPA AG resigned as of 30/06/22)	4	4
Z Shaw (GJHA/GPA AG)	4	4
J Slesenger (T & GJHA AG resigned from both positions as of 31/08/22 then appointment as a Member as of 01/09/22)	4	4
A Steer (GJHA/GPA AG)	2	4
D Vero (GJHA/GPA AG)	-	-

JPA Advisory Group	Mtgs attended	Out of a possible
S Ashcroft (T & JPA AG)	3	4
C Brown (JPA AG) resigned as of 20/09/21	0	0
S Bryson (JPA AG)	3	4
R Edwardson (T & JPA AG)	3	4
S Gillis (JPA AG)	2	4
H Hooker (JPA AG appointed as of 22/11/21)	2	2
C Houghton (JPA AG appointed as of 15/10/21)	3	3

The Gosforth Federated Academies Limited

Governance statement (continued)

M Lawler (JPA AG appointed as of 15/10/21)	3	3
D Neil (JPA AG)	3	4
J Routledge (JPA AG resigned as of 18/07/2022)	3	4
G Snaith (T & NGA/CA AG)	1	0

Members	Mtgs attended	Out of a possible
C Bell (M)	6	6
J Hall (T until 13/09/21 then appointment as a Member as of 13/10/21)	6	6
G Norris (M)	5	6
G Snaith (T & NGA/CA AG)	6	6
J Storey (M)	4	6
K Thomas (M resigned as of 21/03/22)	3	4

NGA/CA Advisory Group	Mtgs attended	Out of a possible
Y Aziz (NGA/CA AG appointed as of 01/11/21 - tenure terminated as of 17/05/22)	0	4
M Baxter (NGA/CA AG)	2	4
C Blissett (NGA/CA AG)	3	4
D Bowes (NGA/CA AG)	4	4
J Crumbley (T and NGA/CA AG)	3	4
J Doble (NGA/CA AG)	3	4
C Edwardson (NGA/CA AG appointed as of 01/09/21)	4	4
A Foster (NGA AG)	3	4
S Jones (NGA/CA AG appointed as of 11/10/21)	3	3
J Marshall (NGA/CA AG appointed as of 01/11/21)	1	3
S Pike (NGA AG)	3	4
G Snaith (T & NGA/CA AG)	1	4
S Spence (NGA/CA AG appointed as of 15/10/21)	1	3
A Steinmetz (NGA/CA AG appointed as of 15/10/21)	2	3

The Gosforth Federated Academies Limited

Governance statement (continued)

T Widdowson (NGA/CA AG appointed as of 01/11/21)	2	3
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Trustees	Mtgs attended	Out of a possible
S Ashcroft (T & JPA AG)	5	7
L Bowes (T and GJHA/GPA AG)	5	7
J Crumbley (T and NGA/CA AG)	5	7
R Edwardson (T & JPA AG)	5	7
J Lough (T)	7	7
L Malthouse (T resigned from GA AG as of 31/08/21)	5	7
C Nicholson (T and GA AG)	7	7
J Slesenger (T & GJHA AG resigned from both positions as of 31/08/22 then appointment as a Member as of 01/09/22)	7	7
G Snaith (T & NGA/CA AG)	7	7
R Zahran (appointed to GA AG on 15/10/21 and appointed as Trustee on 19/10/21 - resigned from both positions as of 09/12/21)	1	1

Trustees Finance & Audit	Mtgs attended	Out of a possible
L Bowes (T and GJHA/GPA AG)	4	6
R Edwardson (T & JPA AG)	4	6
J Lough (T)	6	6
C Nicholson (T and GA AG)	6	6
G Snaith (T & NGA/CA AG)	6	6
L Bowes (T and GJHA/GPA AG)	4	6

Staffing, Salaries & Performance	Mtgs attended	Out of a possible
S Ashcroft (T & JPA AG)	1	2
R Edwardson (T & JPA AG)	2	2
J Lough (T)	2	2

Key:-

(M) – Member; (T) - Trustee ; (GA AG) - Gosforth Academy Advisory Group; (GJHA/GPA AG) - Gosforth Junior High Academy/Great Park Academy Advisory Group; (JPA AG) - Jesmond Park Advisory Group; (NGA/CA AG) - North Gosforth Academy/Callerton Academy Advisory Group

The Gosforth Federated Academies Limited

Governance statement (continued)

Conflicts of interest

The Trust manage conflicts of interest by

- maintaining an up-to-date and complete register of interests
- reminding key personnel of their responsibility to inform the Trust of any changes
- sharing the up to date register with relevant personnel eg governance and procurement
- publishing the up to date register on the website

Review of Value for Money

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

The Accounting Officer considers how the Academy Trust use of its resources has provided good value for money during each academic year, and reports to the Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Expenditure continues to be monitored and reviewed to ensure best value, identify savings and achieve economies of scale for all six schools within the Trust
- Ensuring additional funding received in relation to Covid is appropriately allocated and spent
- Budget holders are held accountable for spend which is reviewed regularly by management.
- Use of tools and models to develop timetables and curriculum led budgeting
- Recruitment processes established in 2020 is now embedded throughout the Trust
- Recruitment of a Procurement Manager to help with future delivery of improvements

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. For the year ended 31 August 2022 and up to the date of the approval of the annual report and financial statements, the Trust engaged the services of an Independent Internal Audit Firm to undertake this work and provide assurances to Trustees.

The Trustees have reviewed the need for an internal audit function and appointed an independent internal audit firm JGT Internal Audit to perform an internal assurance programme for the year ended 31 August 2022.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the Trusts financial systems. In particular, the checks carried out in the year included testing of

- Governance arrangements

The Gosforth Federated Academies Limited

Governance statement (continued)

- Financial Planning and Controls
- Budgetary Planning and Controls
- Income Controls and Transactions
- Expenditure Controls and Transaction

On an annual basis, the auditor reports to the Board of Trustees, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered their schedule of work as planned. No material control issues were found as a result of this work.

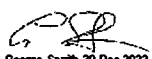
Review of Effectiveness

As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question, the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

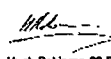
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance & Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved and authorised for issue by order of the members of the Governing Body on 19 December 2022 and signed on its behalf by:



George Snaith 20 Dec 2022 10:06:55 GMT (UTC +0) ...

Mr George Snaith
Trustee



Hugh Robinson 20 Dec 2022 11:43:46 GMT (UTC +0) .

Mr Hugh Robinson
Chief Executive Officer

The Gosforth Federated Academies Limited

Statement of regularity, propriety and compliance

As Accounting Officer of The Gosforth Federated Academies Limited I have considered my responsibility to notify the academy trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

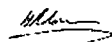
I confirm that I and the academy trust Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2021.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Governing Body and the ESFA. If any instances are identified after the date of this statement, these will be notified to the Governing Body and ESFA

- **Financial issues**

During the period, the Trust entered a contract with a related party to provide a Mental Health & Wellbeing project. As the contracting party is a related entity, the Trust is required to notify DfE via the related party portal in advance of the transaction in accordance with the Academy Trust Handbook 5.41 and as the Trust contribution to the project is in excess of £2,500 the Trust is required to obtain an at cost agreement from the related party in accordance with 5.49.

The Trust did not notify the DfE of the transaction in advance of this occurring and to obtain a statement of assurance from the related party.



Hugh Robinson 20 Dec 2022 11:43:46 GMT (UTC +0)

Mr Hugh Robinson
Accounting officer

19 December 2022

The Gosforth Federated Academies Limited

Statement of Trustees' Responsibilities

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

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

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

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

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

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

Approved and authorised for issue by order of the members of the Board on 19 December 2022 and signed on its behalf by:



George Snaith 20 Dec 2022 10:08:55 GMT (UTC +0)

Mr George Snaith
Trustee

The Gosforth Federated Academies Limited

Independent Auditor's Report on the Financial Statements to the Members of The Gosforth Federated Academies Limited

Opinion

We have audited the financial statements of The Gosforth Federated Academies Limited (the 'Academy') for the year ended 31 August 2022, which comprise the Statement of Financial Activities for the (including Income and Expenditure Account), Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 2021 to 2022.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 (covers the Reference and administrative details, the Trustees Report and the Governance statement)

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

The Gosforth Federated Academies Limited

Independent Auditor's Report on the Financial Statements to the Members of The Gosforth Federated Academies Limited (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 25], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Gosforth Federated Academies Limited

Independent Auditor's Report on the Financial Statements to the Members of The Gosforth Federated Academies Limited (continued)

Auditor's responsibilities for the audit of the financial statements

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

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 and those charged with governance around 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;
- reviewing minutes of those charged with governance;
- reviewing internal assurance reports; and
- reviewing financial statement disclosures and testing to support documentation.

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The Gosforth Federated Academies Limited

Independent Auditor's Report on the Financial Statements to the Members of The Gosforth Federated Academies Limited (continued)

Use of our report

This report is made solely to the Academy's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's trustees 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 Academy and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Brian Laidlaw 20 Dec 2022 16:19:51 GMT (UTC +0)

Brian Laidlaw BA CA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Statutory Auditor
Chartered Accountants
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 20 December 2022

Azets Audit Services is a trading name of Azets Audit Services Limited

The Gosforth Federated Academies Limited

Independent Reporting Accountant's Assurance Report on Regularity to The Gosforth Federated Academies Limited and the Education and Skills Funding Agency

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 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Gosforth Federated Academies Limited during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 29 November 2010 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of board 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;

The Gosforth Federated Academies Limited

Independent Reporting Accountant's Assurance Report on Regularity to The Gosforth Federated Academies Limited and the Education and Skills Funding Agency (continued)

- Evaluation of internal control procedures and reporting lines;
- Review of cash payments for unusual transactions;
- Review of purchasing 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.

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

Conclusion

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

- During the period, the Trust entered a contract with a related party to provide a Mental Health & Wellbeing project. As the contracting party is a related entity, the Trust is required to notify DfE via the related party portal in advance of the transaction in accordance with the Academy Trust Handbook 5.41 and as the Trust contribution to the project is in excess of £2,500 the Trust is required to obtain an at cost agreement from the related party in accordance with 5.49.

The Trust did not notify the DfE of the transaction in advance of this occurring and to obtain a statement of assurance from the related party.

Azets Audit Services

Brian Laidlaw 20 Dec 2022 16:19:51 GMT (UTC +0)

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

Date: 20 December 2022

Azets Audit Services is a trading name of Azets Audit Services Limited

The Gosforth Federated Academies Limited

Statement of Financial Activities for the Year Ended 31 August 2022 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2022 £ 000
Income and endowments from:					
Donations and capital grants	3	1	-	777	778
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	4	-	34,234	-	34,234
Other trading activities	5	885	1	-	886
Investments	6	1	-	-	1
Total		887	34,235	777	35,899
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	8	-	35,203	680	35,883
Total		-	35,203	680	35,883
Net income/(expenditure)		887	(968)	97	16
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	31	-	14,990	-	14,990
Net movement in funds		887	14,022	97	15,006
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021		2,626	(13,494)	47,245	36,377
Total funds carried forward at 31 August 2022		3,513	528	47,342	51,383

The Gosforth Federated Academies Limited

Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2021 £ 000
Income and endowments from:					
Donations and capital grants	3	1	-	2,080	2,081
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	4	-	31,024	-	31,024
Other trading activities	5	414	41	-	455
Investments	6	1	-	-	1
Total		416	31,065	2,080	33,561
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	8	-	31,615	528	32,143
Net income/(expenditure)		416	(550)	1,552	1,418
Transfers between funds		-	(196)	196	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	31	-	450	-	450
Net movement in funds/(deficit)		416	(296)	1,748	1,868
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		2,210	(13,198)	45,497	34,509
Total funds/(deficit) carried forward at 31 August 2021		2,626	(13,494)	47,245	36,377

The Gosforth Federated Academies Limited

(Registration number: 07431423)

Balance Sheet

	Note	2022 £ 000	2021 £ 000
Fixed assets			
Intangible assets	13	12	16
Tangible assets	14	45,766	45,618
		<u>45,778</u>	<u>45,634</u>
Current assets			
Stocks	16	25	47
Debtors	17	3,030	3,287
Cash at bank and in hand		7,420	5,122
		<u>10,475</u>	<u>8,456</u>
Creditors: Amounts falling due within one year	18	(3,087)	(3,007)
Net current assets		<u>7,388</u>	<u>5,449</u>
Total assets less current liabilities		53,166	51,083
Creditors: Amounts falling due after more than one year	19	(23)	(36)
Net assets excluding pension liability		53,143	51,047
Pension scheme liability	31	(1,760)	(14,670)
Net assets including pension liability		<u>51,383</u>	<u>36,377</u>
Funds of the Academy:			
Restricted funds			
Restricted income fund	20	2,288	1,176
Restricted fixed asset fund	20	47,342	47,245
Pension reserve	20	(1,760)	(14,670)
		<u>47,870</u>	<u>33,751</u>
Unrestricted funds			
Unrestricted income fund	20	3,513	2,626
Total funds		<u>51,383</u>	<u>36,377</u>

The financial statements on pages 32 to 65 were approved and authorised for issue by the trustees, on 19 December 2022 and signed on their behalf by:



George Snaith 20 Dec 2022 10:08:55 GMT (UTC +0)

Mr George Snaith
Trustee

The Gosforth Federated Academies Limited

Statement of Cash Flows

	Note	2022 £ 000	2021 £ 000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	24	2,354	1,352
Cash flows from investing activities	26	(46)	354
Cash flows from financing activities	25	<u>(10)</u>	<u>(6)</u>
Change in cash and cash equivalents in the year		2,298	1,700
Cash and cash equivalents at 1 September		<u>5,122</u>	<u>3,422</u>
Cash and cash equivalents at 31 August	27	<u><u>7,420</u></u>	<u><u>5,122</u></u>

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

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.

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP 2019 (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

Going concern

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

Income

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

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Sponsorship income

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

Donations

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

Other income

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

Investment income

Interest receivable is included within the statement of financial activities on a receivable basis.

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 financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and 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.

Expenditure

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

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.

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

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.

Intangible fixed assets

Intangible assets are stated in the balance sheet at cost less accumulated amortisation and impairment. Amortisation is provided at rates calculated to write off the cost of each asset over its expected useful life, per the table below

Asset class	Amortisation method and rate
Software	25% reducing balance

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Asset class	Depreciation method and rate
Land & buildings	up to 125 years straight line
Furniture & equipment	20% reducing balance
Motor vehicles	20% reducing balance
Computer equipment	25% reducing balance

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Liabilities

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

Provisions

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

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

Leased assets

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

Investments

The Academy Trust's shareholding in the wholly owned subsidiary, Sport @ Gosforth Ltd, is included in the balance sheet at share capital owned less any impairment. There is no readily available market value and the cost of the valuation exceeds the benefit derived. The investment is held in the balance sheet at £1.

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 as detailed in note 17. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Stock

Unsold uniforms are valued at the lower of cost or net realisable value.

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

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.

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

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

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

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 Education Skills and Funding Agency and the Department for Education Group.

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The academy trust 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.

Local Government Pension Scheme

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 31, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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.

Depreciation

The academy trust has made an estimate of the useful lives of the tangible fixed assets. The estimation requires the company to consider how long the asset is likely to be useful and charge the cost of the tangible fixed asset over its life to the Statement of Financial Activities. The charge for the current year was £676,000 (2021: £523,000).

Amortisation

The academy trust has made an estimate of the useful lives of the intangible fixed assets. The estimation requires the company to consider how long the asset is likely to be useful and charge the cost of the intangible fixed asset over its life to the Statement of Financial Activities. The charge for the current year was £4,000 (2021: £5,000).

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Agency accounting

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 33.

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State some academies within the academy trust were subject to limits at 31 August 2022 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

No academies within the trust exceeded the limits during the year ended 31 August 2022.

3 Donations and capital grants

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
Capital grants	-	-	777	777	1,804
Other donations	1	-	-	1	1
Donated fixed assets	-	-	-	-	276
	<u>1</u>	<u>-</u>	<u>777</u>	<u>778</u>	<u>2,081</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	
Total 2021	<u>1</u>	<u>-</u>	<u>2,080</u>	<u>2,081</u>	

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
DfE/ESFA revenue grants					
General Annual Grant GAG	-	30,590	-	30,590	26,781
Start Up Grants	-	323	-	323	275
Other ESFA Group grants	-	2,441	-	2,441	2,835
	-	33,354	-	33,354	29,891
Other government grants					
Local authority grants	-	673	-	673	733
	-	673	-	673	733
COVID-19 additional funding (DfE/ESFA)					
Catch-up Premium	-	-	-	-	250
Other DfE/ESFA COVID-19 funding	-	185	-	185	-
	-	185	-	185	250
COVID-19 additional funding (non-DfE/ESFA)					
Other Coronavirus funding	-	-	-	-	146
	-	-	-	-	146
Non-government grants and other income					
Other income from the academy trusts educational operations	-	22	-	22	4
Total grants	-	34,234	-	34,234	31,024

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

4 Funding for the Academy Trust's educational operations (continued)

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000
Total 2021	-	31,024	-	31,024

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

	2022 £ 000	2021 £ 000
Other DfE/ESFA Grants		
Rates reclaim	146	175
Pupil Premium and Service Premium	1,268	1,144
Sponsor Capacity Grant	349	-
PE and Sports Grant	36	20
Other	344	192
Teachers' Pay Grant	298	1,304
	<u>2,441</u>	<u>2,835</u>

5 Other trading activities

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
Hire of facilities	96	-	-	96	81
Catering income	440	-	-	440	122
Other sales	-	1	-	1	42
Trip income	73	-	-	73	(21)
Exams income	3	-	-	3	1
Uniform sales	273	-	-	273	230
	<u>885</u>	<u>1</u>	<u>-</u>	<u>886</u>	<u>455</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	
Total 2021	<u>414</u>	<u>41</u>	<u>-</u>	<u>455</u>	

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

6 Investment income

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
Short term deposits	1	-	-	1	1
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	
Total 2021	1	-	-	1	

7 Expenditure

	Staff costs £ 000	Premises £ 000	Non Pay Expenditure Other costs £ 000	2022/21 Total £ 000	2021/20 Total £ 000
Academy's educational operations					
Direct costs	18,380	-	1,534	19,914	18,585
Allocated support costs	8,083	2,721	5,165	15,969	13,558
	26,463	2,721	6,699	35,883	32,143
	Staff costs £ 000	Premises £ 000	Non Pay Expenditure Other costs £ 000	Total 2021 £ 000	
Total 2021	24,679	2,035	5,429	32,143	

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

7 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2022	2021
	£ 000	£ 000
Operating lease rentals	65	62
Depreciation	676	523
Amortisation of intangible fixed assets	4	5
Fees payable to auditor - audit	11	11
Fees payable to auditor - other audit services	2	2
	<u>2</u>	<u>2</u>

8 Charitable activities

	2022	2021
	£ 000	£ 000
Direct costs - educational operations	19,914	18,585
Support costs - educational operations	15,969	13,558
	<u>35,883</u>	<u>32,143</u>

	Educational operations	Total	Total
	£ 000	2022	2021
		£ 000	£ 000
Analysis of support costs			
Support staff costs	8,083	8,083	7,278
Depreciation	680	680	528
Premises costs	2,041	2,041	1,507
Legal costs	259	259	138
Other support costs	4,881	4,881	4,101
Governance costs	25	25	6
Total support costs	<u>15,969</u>	<u>15,969</u>	<u>13,558</u>

9 Staff

Staff costs

	2022	2021
	£ 000	£ 000
Staff costs during the year were:		
Wages and salaries	18,452	17,412
Social security costs	1,921	1,749
Operating costs of defined benefit pension schemes	5,730	5,171
	<u>26,103</u>	<u>24,332</u>
Supply staff costs	349	276
Staff restructuring costs	11	71
	<u>26,463</u>	<u>24,679</u>

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

9 Staff (continued)

	2022 £ 000	2021 £ 000
Staff restructuring costs comprise:		
Redundancy payments	<u>11</u>	<u>71</u>

Severance payments

The Academy trust paid 6 severance payments in the year disclosed in the following bands:

	2022/21 No.	2021/20 No.
0 - £25,000	<u>6</u>	<u>1</u>

Staff numbers

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

	2022 No.	2021 No.
Charitable Activities		
Teachers	320	306
Administration and support	435	373
Management	<u>10</u>	<u>9</u>
	<u>765</u>	<u>688</u>

Higher paid staff

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

	2022 No.	2021 No.
£60,001 - £70,000	11	11
£70,001 - £80,000	7	1
£80,001 - £90,000	3	6
£90,001 - £100,000	1	1
£100,001 - £110,000	1	1
£150,001 - £160,000	<u>1</u>	<u>1</u>

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

9 Staff (continued)

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and national insurance) received by key management personnel for their services to the academy trust was £1,147,117 (2021 - £989,570).

10 Central services

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

Actual costs incurred

	2022 £ 000	2021 £ 000
Gosforth Academy	533	561
Gosforth Junior High Academy	218	220
North Gosforth Academy	181	182
Jesmond Park Academy	643	663
Great Park Academy	20	270
Callerton Academy	42	-
	<u>1,637</u>	<u>1,896</u>

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

11 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from 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 role as trustees. The value of trustees' remuneration and other benefits was as follows:

Mr John Hall (Staff Trustee):

Remuneration: £Nil (2021 - £30,000 - £35,000)

Employer's pension contributions: £Nil (2021 - £5,000 - £10,000)

During the year ended 31 August 2022, travel and subsistence expenses totalling £Nil (2021 - £125) were reimbursed or paid directly to trustees (2021 - 1).

Other related party transactions involving the trustees are set out in note 32.

12 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2022 was £679 (2021 - £498).

The cost of this insurance is included in the total insurance cost.

13 Intangible fixed assets

	Software £ 000	Total £ 000
Cost		
At 1 September 2021	25	25
At 31 August 2022	25	25
Amortisation		
At 1 September 2021	9	9
Charge for the year	4	4
At 31 August 2022	13	13
Net book value		
At 31 August 2022	12	12
At 31 August 2021	16	16

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

14 Tangible fixed assets

	Freehold land and buildings £ 000	Leasehold land and buildings £ 000	Furniture and equipment £ 000	Motor vehicles £ 000	Computer equipment £ 000	Assets under construction £ 000	Total £ 000
Cost							
At 1 September 2021	7,871	39,509	343	56	1,745	754	50,278
Additions	193	188	42	-	401	-	824
Transfers	754	-	-	-	-	(754)	-
At 31 August 2022	<u>8,818</u>	<u>39,697</u>	<u>385</u>	<u>56</u>	<u>2,146</u>	<u>-</u>	<u>51,102</u>
Depreciation							
At 1 September 2021	213	3,249	218	42	938	-	4,660
Charge for the year	68	317	27	3	261	-	676
At 31 August 2022	<u>281</u>	<u>3,566</u>	<u>245</u>	<u>45</u>	<u>1,199</u>	<u>-</u>	<u>5,336</u>
Net book value							
At 31 August 2022	<u>8,537</u>	<u>36,131</u>	<u>140</u>	<u>11</u>	<u>947</u>	<u>-</u>	<u>45,766</u>
At 31 August 2021	<u>7,658</u>	<u>36,260</u>	<u>125</u>	<u>14</u>	<u>807</u>	<u>754</u>	<u>45,618</u>

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

14 Tangible fixed assets (continued)

The land and buildings occupied by the Academy Trust are leased from the Local Authority on a 125 year peppercorn lease, or occupied on a freehold basis. The Trustees are of the opinion that the risks and rewards associated have been substantially transferred to the Academy and as such the land and buildings have been capitalised, with a corresponding entry shown in the Statement of Financial Activities, as donated income. The valuation basis has been estimated by reference to the expected rebuild costs and reinstatement costs as surveyed for insurance purposes.

The Trustees are satisfied that this basis most closely reflects an appropriate fair value for the asset.

On formation of the Academy Trust and conversion of Jesmond Park Academy, fixtures, fittings, and equipment were transferred from the predecessor school. The Trustees have been unable to obtain a valuation from the local authority in respect of these assets, however they believe any value placed on them would not be significant. The costs of obtaining a professional valuation would be prohibitive and any valuation would be subjective, therefore the Trustees have taken a view that the assets should not be included in these accounts.

15 Investments

The Academy Trust owns 100% of the ordinary shares of Sport@Gosforth Ltd, a company incorporated in England & Wales. Registration number 08014267. The registered office is Gosforth Academy, Knightsbridge, Great North Road, Gosforth, Tyne And Wear, NE3 2JH. The principal activity of the company is that of being dormant.

16 Stock

	2022 £ 000	2021 £ 000
Clothing	25	47

17 Debtors

	2022 £ 000	2021 £ 000
Trade debtors	140	106
VAT recoverable	518	444
Other debtors	18	27
Prepayments	308	415
Accrued grant and other income	2,046	2,295
	<u>3,030</u>	<u>3,287</u>

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

18 Creditors: amounts falling due within one year

	2022 £ 000	2021 £ 000
Trade creditors	769	1,280
Other taxation and social security	505	455
Loans	9	6
Other creditors	11	19
Accruals	584	417
Deferred income	746	396
Pension scheme creditor	463	434
	<u>3,087</u>	<u>3,007</u>
	2022 £ 000	2021 £ 000
Deferred income		
Deferred income at 1 September 2021	396	214
Resources deferred in the period	746	396
Amounts released from previous periods	<u>(396)</u>	<u>(214)</u>
Deferred income at 31 August 2022	<u>746</u>	<u>396</u>

Deferred income is in respect of grants received from the ESFA which cover the year to 31 March, funds received in advance for sports lettings booked and a number of school trips taking place in 2022/23 were income has been collected as part of payment plan from students. Therefore, the income has been proportioned appropriately and values relating after the balance sheet date have been deferred.

19 Creditors: amounts falling due after one year

	2022 £ 000	2021 £ 000
Other	<u>23</u>	<u>36</u>

Loans of £32,575 from Salix Finance Ltd which is provided on the following terms; Salix Energy Efficient loan (North Gosforth Academy) - 8 year interest free loan repayable through GAG in 6 monthly instalments.

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

20 Funds

	Balance at 1 September 2021 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2022 £ 000
Restricted general funds					
General Annual Grant (GAG)	954	30,590	(29,801)	-	1,743
Other DfE/ESFA grants (inc Pupil Premium)	-	2,441	(2,441)	-	-
ESFA Project Development Grant	181	-	-	-	181
Other government grants	-	673	(673)	-	-
Other income	-	23	(23)	-	-
Start up grants	38	323	-	-	361
Swires grant	3	-	-	-	3
COVID-19 income	-	185	(185)	-	-
	<u>1,176</u>	<u>34,235</u>	<u>(33,123)</u>	<u>-</u>	<u>2,288</u>
Restricted fixed asset funds					
Premises gifted by Local Authority	41,387	-	(7)	-	41,380
DfE/ESFA capital grants	4,066	717	(571)	-	4,212
Capital expenditure from GAG	1,787	-	(102)	-	1,685
Capital expenditure from revenue funding	5	-	-	-	5
Other capital grant	-	60	-	-	60
	<u>47,245</u>	<u>777</u>	<u>(680)</u>	<u>-</u>	<u>47,342</u>
Pension Reserve					
Pension reserve	<u>(14,670)</u>	<u>-</u>	<u>(2,080)</u>	<u>14,990</u>	<u>(1,760)</u>
Total restricted funds	33,751	35,012	(35,883)	14,990	47,870
Unrestricted funds					
Unrestricted funds	<u>2,626</u>	<u>887</u>	<u>-</u>	<u>-</u>	<u>3,513</u>
Total funds	<u>36,377</u>	<u>35,899</u>	<u>(35,883)</u>	<u>14,990</u>	<u>51,383</u>

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

20 Funds (continued)

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

	Balance at 1 September 2020 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2021 £ 000
Restricted general funds					
General Annual Grant (GAG)	-	26,781	(25,631)	(196)	954
Other DfE/ESFA grants (inc Pupil Premium)	-	2,835	(2,835)	-	-
ESFA Project Development Grant	181	-	-	-	181
Other government grants	-	733	(733)	-	-
Other income	-	45	(45)	-	-
Start up grants	38	275	(275)	-	38
Swires grant	3	-	-	-	3
COVID-19 income	-	396	(396)	-	-
	<u>222</u>	<u>31,065</u>	<u>(29,915)</u>	<u>(196)</u>	<u>1,176</u>
Restricted fixed asset funds					
Premises gifted by Local Authority	41,394	-	(7)	-	41,387
DfE/ESFA capital grants	2,150	2,080	(360)	196	4,066
Capital expenditure from GAG	1,889	-	(102)	-	1,787
Capital expenditure from revenue funding	5	-	-	-	5
Donated ICT equipment	59	-	(59)	-	-
	<u>45,497</u>	<u>2,080</u>	<u>(528)</u>	<u>196</u>	<u>47,245</u>
Pension Reserve					
Pension reserve	<u>(13,420)</u>	<u>-</u>	<u>(1,700)</u>	<u>450</u>	<u>(14,670)</u>
Total restricted funds	32,299	33,145	(32,143)	450	33,751
Unrestricted funds					
Unrestricted funds	<u>2,210</u>	<u>416</u>	<u>-</u>	<u>-</u>	<u>2,626</u>
Total funds	<u>34,509</u>	<u>33,561</u>	<u>(32,143)</u>	<u>450</u>	<u>36,377</u>

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.

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

20 Funds (continued)

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.

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £ 000	2021 £ 000
Gosforth Academy	290	123
Gosforth Junior High Academy	2,131	1,632
Great Park Academy	121	-
Jesmond Park Academy	3,473	2,075
North Gosforth Academy	(271)	(82)
Callerton Academy	(48)	-
Central services	105	54
Total before fixed assets and pension reserve	5,801	3,802
Fixed asset reserve	47,342	47,245
Pension reserve	(1,760)	(14,670)
Total	51,383	36,377

North Gosforth Academy is carrying a net deficit of £271,000 on these funds. Trustees are focused on delivering outstanding education provision and ensuring sustainability of the Trust for the benefit of all stakeholders. Trustees agreed to support North Gosforth Academy's school improvement and development plans, and in doing so understood the short-term impact of this decision on reserves. This support will continue into 2022/23.

Callerton Academy is carrying a net deficit of £48,000 on these funds. Trustees are focused on delivering outstanding education provision and ensuring sustainability of the Trust for the benefit of all stakeholders. Trustees agreed to support Callerton Academy's development plans, and in doing so understood the short-term impact of this decision on reserves. This support will continue into 2022/23.

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

20 Funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £ 000	Other support staff costs £ 000	Educational supplies £ 000	Other costs (excluding depreciation) £ 000	Total 2022 £ 000
Gosforth Academy	6,911	1,509	115	2,239	10,774
Gosforth Junior High Academy	2,286	460	83	954	3,783
Great Park Academy	102	172	35	113	422
Jesmond Park Academy	6,387	1,807	101	3,036	11,331
North Gosforth Academy	2,074	805	49	814	3,742
Callerton Academy	445	226	58	475	1,204
Central services	299	1,264	7	297	1,867
Academy Trust	<u>18,504</u>	<u>6,243</u>	<u>448</u>	<u>7,928</u>	<u>33,123</u>

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

	Teaching and educational support staff costs £ 000	Other support staff costs £ 000	Educational supplies £ 000	Other costs (excluding depreciation) £ 000	Total 2021 £ 000
Gosforth Academy	6,608	1,224	113	1,927	9,872
Gosforth Junior High Academy	2,268	465	57	868	3,658
Great Park Academy	-	13	4	70	87
Jesmond Park Academy	6,348	1,800	96	2,695	10,939
North Gosforth Academy	2,031	684	33	648	3,396
Central services	215	1,550	5	193	1,963
Academy Trust	<u>17,470</u>	<u>5,736</u>	<u>308</u>	<u>6,401</u>	<u>29,915</u>

Included within The Gosforth Federated Academies Limited central services balance is an amount due to Great Park Academy and Callerton Academy. This represents monies paid across by ESFA and costs incurred in the setup of a new academy. These balances will be transferred to the academies upon opening in September 2021.

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

21 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Intangible fixed assets	-	-	12	12
Tangible fixed assets	-	-	45,766	45,766
Current assets	3,513	5,366	1,596	10,475
Current liabilities	-	(3,078)	(9)	(3,087)
Creditors over 1 year	-	-	(23)	(23)
Pension scheme liability	-	(1,760)	-	(1,760)
Total net assets	3,513	528	47,342	51,383

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

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Intangible fixed assets	-	-	16	16
Tangible fixed assets	-	-	45,618	45,618
Current assets	2,626	4,178	1,652	8,456
Current liabilities	-	(3,002)	(5)	(3,007)
Creditors over 1 year	-	-	(36)	(36)
Pension scheme liability	-	(14,670)	-	(14,670)
Total net assets	2,626	(13,494)	47,245	36,377

22 Capital commitments

	2022 £ 000	2021 £ 000
Contracted for, but not provided in the financial statements	428	69

23 Long-term commitments, including operating leases

Operating leases

At 31 August 2022 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £ 000	2021 £ 000
Amounts due within one year	23	65
Amounts due between one and five years	10	33
	33	98

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

23 Long-term commitments, including operating leases (continued)

Other contractual commitments

At 31 August 2022 the total of the Academy trust's future minimum payments under other contractual commitments was:

	2022 £ 000	2021 £ 000
Amounts due within one year	1,423	1,423
Amounts due between one and five years	7,115	7,115
Amounts due after five years	4,269	5,692
	<u>12,807</u>	<u>14,230</u>

The Academy Trust occupies premises which are subject to a private finance initiative (PFI) contract. The Academy Trust is itself not party to this service concession contract, however the Academy Trust has entered into a supporting agreement to make contributions towards the costs. The commitment covers the same period as the PFI agreement of 12 years. The current year cost was £1,780,574 and it is expected that future annual commitments will be at a similar level.

24 Reconciliation of net income to net cash inflow/(outflow) from operating activities

		2022 £ 000	2021 £ 000
Net income		16	1,418
Amortisation	7	4	5
Depreciation	7	676	523
Capital grants from DfE and other capital income		(777)	(1,804)
Interest receivable	6	(1)	(1)
Defined benefit pension scheme cost less contributions payable	31	1,840	1,470
Defined benefit pension scheme finance cost	31	240	230
Decrease in stocks		22	35
Decrease/(increase) in debtors		257	(1,157)
Increase in creditors		77	633
Net cash provided by Operating Activities		<u>2,354</u>	<u>1,352</u>

25 Cash flows from financing activities

	2022 £ 000	2021 £ 000
Repayments of borrowing	<u>(10)</u>	<u>(6)</u>
Net cash used in financing activities	<u>(10)</u>	<u>(6)</u>

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

26 Cash flows from investing activities

	2022 £ 000	2021 £ 000
Dividends, interest and rents from investments	1	1
Purchase of intangible fixed assets	-	(6)
Purchase of tangible fixed assets	(824)	(1,445)
Capital grants from DfE/EFA	777	1,804
Net cash (used in)/provided by investing activities	(46)	354

27 Analysis of cash and cash equivalents

	2022 £ 000	2021 £ 000
Cash at bank and in hand	7,420	5,122
Total cash and cash equivalents	7,420	5,122

28 Analysis of changes in net debt

	At 1 September 2021 £000	Cash flows £000	Other non-cash changes £000	At 31 August 2022 £000
Cash	5,122	2,298	-	7,420
Loans falling due within one year	(6)	10	(13)	(9)
Loans falling due after more than one year	(36)	-	13	(23)
Total	5,080	2,308	-	7,388

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

29 Contingent liabilities

During the period of the funding agreement, in the event of the sale or disposal by other means of any asset for which a government capital grant was received, the Academy is required either to reinvest the proceeds or to repay to the Secretary of State for Children, Schools and Families the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the funding agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- a) the value at the time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the funding agreement.

The Academy has not made any such disposals in the current year.

30 Member liability

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

31 Pension and similar obligations

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

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

Contributions amounting to £463,462 (2021 - £433,983) were payable to the schemes at 31 August 2022 and are included within creditors.

Teachers' Pension Scheme

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

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

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

31 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £2,652,750 (2021: £2,505,072).

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

Tyne & Wear Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £1,110,000 (2021 - £1,050,000), of which employer's contributions totalled £830,000 (2021 - £780,000) and employees' contributions totalled £280,000 (2021 - £270,000). The agreed contribution rates for future years are 17.9 per cent for employers and 5.5 - 12.5 per cent for employees.

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

On 26 October 2018, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded the schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits, "GMP". The Government will need to consider this outcome in conjunction with the Government's recent consultation on GMP indexation in public sector schemes before concluding on any changes required to LGPS schemes.

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

31 Pension and similar obligations (continued)

Due to the current level of high inflation we have instructed the actuary to make an allowance in the Defined Benefit Obligation of the expected impact of CPI inflation on the pension increase order for April 2023. This is a change in accounting policy from previous years. It is expected that the April 2023 pension increase order will reflect CPI inflation therefore an allowance has been included in the results presented for CPI between September 2021 and the accounting date. This is recognised in other comprehensive income and reflects the market expectations at the accounting date.

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	4.20	4.10
Rate of increase for pensions in payment/inflation	2.70	2.60
Discount rate for scheme liabilities	4.10	1.70
Inflation assumptions (CPI)	<u>2.70</u>	<u>2.60</u>

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

	2022	2021
Retiring today		
Males retiring today	21.80	21.90
Females retiring today	25.00	25.10
Retiring in 20 years		
Males retiring in 20 years	23.50	23.60
Females retiring in 20 years	<u>26.70</u>	<u>26.90</u>

Sensitivity analysis

	At 31 August 2022	At 31 August 2021
	£000	£000
Discount rate +0.1%	20,740	32,770
Discount rate -0.1%	21,820	34,480
Mortality assumption – 1 year increase	20,670	32,370
Mortality assumption – 1 year decrease	21,870	34,890
CPI rate +0.1%	21,360	33,780
CPI rate -0.1%	<u>21,180</u>	<u>33,440</u>

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

	2022	2021
	£ 000	£ 000
Equities	10,490	10,520
Corporate bonds	3,630	3,810
Government bonds	310	400
Property	2,170	1,520
Cash and other liquid assets	350	760
Other	1,700	1,930
Multi Asset Credit	<u>860</u>	<u>-</u>
Total market value of assets	<u>19,510</u>	<u>18,940</u>

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

31 Pension and similar obligations (continued)

The actual return on scheme assets was (£270,000) (2021 - £2,880,000).

Amounts recognised in the statement of financial activities

	2022	2021
	£ 000	£ 000
Current service cost	2,670	2,250
Interest income	(330)	(260)
Interest cost	240	490
Total amount recognised in the SOFA	<u>2,580</u>	<u>2,480</u>

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

	2022	2021
	£ 000	£ 000
At start of period	33,610	28,480
Current service cost	2,670	2,250
Interest cost	570	490
Employee contributions	280	270
Actuarial (gain)/loss	(15,590)	2,170
Benefits paid	<u>(270)</u>	<u>(50)</u>
At 31 August	<u>21,270</u>	<u>33,610</u>

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

	2022	2021
	£ 000	£ 000
At start of period	18,940	15,060
Interest income	330	260
Actuarial gain/(loss)	(600)	2,620
Employer contributions	830	780
Employee contributions	280	270
Benefits paid	<u>(270)</u>	<u>(50)</u>
At 31 August	<u>19,510</u>	<u>18,940</u>

32 Related party transactions

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

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

32 Related party transactions (continued)

Expenditure related party transactions

During the year the academy trust made the following related party transactions:

Mr J Braithwaite

Mr J Braithwaite is an employee of the Trust and the Civil Partner of the Director of Communications in the Senior Management Team . Mr J Braithwaite is employed by the trust as a Deputy COO 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 2021.

At the balance sheet date the amount due to Mr J Braithwaite was £Nil (2021 - £Nil).

Mr S Sheppard

Mr S Sheppard was an employee of the Trust during the year and the son the COO. Mr S Sheppard was employed by the trust as a temporary employee and was 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 2021.

At the balance sheet date the amount due to Mr S Sheppard was £Nil (2021 - £Nil).

Mrs SM Robinson-Jordan

Mrs SM Robinson-Jordan is an employee of the Trust and the daughter the CEO. Mrs SM Robinson-Jordan is employed by the trust as an teacher 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 2021.

At the balance sheet date the amount due to Mrs SM Robinson-Jordan was £Nil (2021 - £Nil).

Streetwise Young People Project

L Bowes is a common trustee.

During the year the Trust obtained services totaling £10,000 (2021 - £Nil).

In entering into the transaction the academy trust has failed to comply with the requirements of the Academy Trust Handbook 2021.

The Trust has failed to obtained from Streetwise Young People Project a statement of assurance confirming the element above £2,500 has been provided 'at no more than cost.'

At the balance sheet date the amount due to Streetwise Young People Project was £Nil (2021 - £Nil).

The Gosforth Federated Academies Limited

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

33 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the academy trust received £139,202 and disbursed £68,097 from the fund. An amount of £71,105 is included in other creditors relating to undistributed funds that is repayable to ESFA.