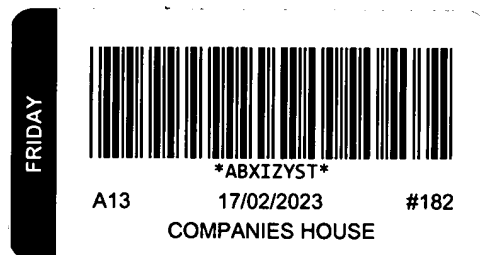


**PRIESTLANDS SCHOOL**

**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2022**



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**PRIESTLANDSCHOOL**  
**(A Company Limited by Guarantee)**

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**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Members**

Mr Kevin Harriman  
Mrs Claire Renshaw  
Mr Mark Dichlian

**Trustees**

Mrs Beth Bray	Community Governor
Miss Anna Clarke	Staff Governor – elected November 2022
Mr Paul Cox	Community Governor
Mr Mark Dichlian	Community Governor
Mrs Claire Elford	Parent Governor
Miss Sally Feltham	Staff Governor
Mrs Dee Gittins	Parent Governor
Mr Kevin Harriman	Parent Governor – Chair of Governors
Mrs Jo Hillier	Community Governor
Mrs Becky Hollowbread	Staff Governor – resigned October 2022
Mr Peter Main	Headteacher and Accounting Officer
Mrs Claire Renshaw	Community Governor
Mrs Polly Thornton	Community Governor
Mr Ben Williams	Community Governor

**Company Secretary [if applicable]**

Mrs Caroline Clitherow

**Senior Management Team**

Mr Peter Main	Headteacher
Mr Tom Ritchie	Deputy Headteacher
Mr Rob Kelly	Deputy Headteacher
Ms Kerrie McAdam	Assistant Headteacher
Mrs Hayley Yates	Assistant Headteacher
Mrs Amy Russell	Assistant Headteacher
Mrs Samantha Fuell	Business & Finance Manager

**Company Name**

Priestlands School

**Principal and Registered Office**

North Street, Pennington, Lymington, Hampshire SO41 8FZ

**Company Registered Number**

07695684 (England & Wales)

**Independent Auditor**

MHA MacIntyre Hudson, Building 4, Foundation Park, Roxborough Way, Maidenhead SL6 3UD

**Bankers**

Lloyds TSB, Lymington (308063) Branch, PO Box 1000, BX1 1LT

**Solicitors**

Browne Jacobson Solicitors LLP, Mowbray House, Castle Meadow Road, Nottingham NG2 1BJ

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**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year / period 1<sup>st</sup> 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 Academy Trust operates an academy for pupils aged 11 to 16 serving a catchment area in Lymington, Pennington and the surrounding New Forest area. It has a pupil capacity of 1260 and had a roll of 1245 in the school census in January 2022.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

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

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

### **Members' Liability**

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

### **Trustees' Indemnities**

Trustees benefit from indemnity insurance to the value of £5,000,000 to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust.

### **Method of Recruitment and Appointment or Election of Trustees**

In December 2014 the Board of Governors reconstituted and the Articles of Association were amended. There are 13 governors comprising three parent governors, seven community governors, two staff governors and the headteacher. In addition, the members may appoint up to one governor as long as no more than one third of the total number of individuals appointed as governors are employees of the Academy Trust

Parent governors are elected by parents of the Academy Trust and must be a parent of a student at the academy at the time when they are elected. The election of parent governors is arranged by the Board of Governors and the Governance Professional and every parent/guardian who is entitled to vote is invited to take part in an online ballot. Staff governors are elected by staff at the school via an online ballot and the Board of Governors and Governance Professional are responsible for organising an election if required.

The Headteacher is an ex officio governor.

The method of appointing community governors was agreed in April 2019, reviewed and agreed in May 2020 and revisited and agree again in May 2022 as follows: *A community governor must be a person who lives or works in the community and through advertising on the school website, communications with parents or via the local press, the Board has or will create a pool of interested candidates who are asked to complete an application form and attend a board meeting to give a short presentation.*

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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When a vacancy arises, or in an application is received:

- A particular skill set, if required, will be agreed at a Full Board of Governors meeting and communicated clearly to candidates beforehand;
- All completed 'reasons for applying' sections from the application form will be shared with governors in advance;
- Governors have an opportunity to comment on the content;
- Candidates will be invited to visit and tour the school individually with the Headteacher and Chair of Governors/Vice-Chair of Governors.
- It will be agreed at the next Full Board of Governors meeting which candidates will be invited for selection;
- The Full Board will then select candidates via a secret ballot.

In addition, the Board of Governors has agreed to adopt a policy of limiting community governors' term of office to no more than three four year terms, i.e. 12 years in total. All re-appointments are subject to a vote by secret ballot and terms of office for all parent, community and staff governors is four years.

**Policies and Procedures Adopted for the Induction and Training of Trustees**

The Board of Governors has an approved Induction & Mentoring policy and an approved policy for Training (and Training Skills Audit). The HR portfolio governor conducts a skills audit with all governors annually which is summarised and shared and actioned with governors. Governors are members of the National College which has an extensive library of online training courses for governors and they are also members of The Key for School Governors which also has an extensive selection of courses and advice. In addition, all governors undertake annual safeguarding, Prevent training within KCSiE guidelines and GDPR training and exclusion training if required. There is a commitment to ensure that all new governors are assigned a mentor (who is an experienced member of the Board of Governors) during their first year in office and this enables them to be given all the necessary information and support they require to fulfil their role with confidence.

**Organisational Structure**

Before conversion to academy status on 1 August 2011 Priestlands School was a local authority maintained school, as defined in the School Standards and Framework Act 1998. The relative autonomy of a maintained school meant that the former Board of Governors was structured to undertake similar roles to those required of the governors of an academy. Consequently, whilst the extra responsibilities of the Board of Governors of the Academy Trust have been recognised, its structure still reflects its very successful predecessor.

Until January 2015, the majority of the roles and responsibilities of the Board of Governors had been delegated to a small number of committees, as defined in the terms of reference. The Board of Governors retained responsibility for certain aspects, again as defined in the terms of reference.

From January 2015, the Board of Governors reconstituted and reduced its membership to thirteen including the Headteacher. The new structure has removed the need for committees, except Premises, Health & Safety and Audit & Risk, and the key areas are managed by portfolios. The Board of Governors meets up to 10 times per year with portfolio holders reporting to the Board on their areas of responsibility (this is done on a meeting rota system). Members of the Senior Leadership Team (SLT), in addition to the Headteacher, attend Board of Governor meetings. The Headteacher is also the Accounting Officer. The Governors are responsible for the strategic management of the school; deciding and setting key aspects of the school, including strategic direction, annual budgets, senior staff appointments, policy changes etc. Operational management is the responsibility of the Headteacher and staff. The latter is carried out on a number of levels, i.e. by the Senior Leadership Team, Heads of Department and Heads of Year.

In addition to statutory school policies, there is an extensive list of non-statutory policies which have been developed by the SLT to reflect both the strategic direction agreed by the Board of Governors and also statutory requirements. These policies are considered and commented on by governors, before being ratified and adopted by the Board of Governors, and implemented as procedures and systems by the SLT and other designated members of staff.

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**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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During the period 1 September 2021-31 August 2022, the Board of Governors met (either remotely, due to Covid, or face-to-face) 10 times. The Audit & Risk committee met three times as did the Premises, Health & Safety Forum.

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

The school considers its key management personnel to be members of the Senior Leadership Team and Trustees. The pay and performance targets for the Senior Leadership Team are subject to scrutiny by members of the Pay Committee who make the decision on the outcome of remuneration following review of performance.

**Arrangements for setting pay and remuneration of key management personnel (continued)**

They also agree the leadership range for the Leadership Team following the pay scales adopted by Hampshire County Council. With the exception of the Headteacher trustees are not remunerated for their time but have agreed an Expenses Policy to enable them to claim out of pocket expenses in order to fulfil their duties. The school has a published pay policy which is consulted on with unions and decisions made by the pay committee and ratified by the Board of Governors are in line with the content of this policy.

**Trade union facility time**

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

**Percentage of time spent on facility time**

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

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

Provide the total cost of facility time	£291.20
Provide the total pay bill	£6,132,311
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.00047%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:	63 hours – 0%
--	---------------

(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100

**Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
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**PRIESTLANDS SCHOOL**  
(A Company Limited by Guarantee)

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Related Parties and other Connected Charities and Organisations**

<b>Related Parties Questionnaire – September 2021-August 2022</b>		
<b>Director/Governor/Key Management</b>	<b>Entities controlled/influenced</b>	<b>Transactions</b>
Mrs Beth Bray (Community Governor)	None	None
Mr Paul Cox (Community Governor)	None	None
Mr Mark Dichlian (Community Governor)	None	None
Mrs Julia Emmel (Deputy Headteacher – retired August 2022)	None	None
Mrs Claire Elford (Parent Governor)	None	None
Miss Sally Feltham (Staff Governor)	None	None
Mrs Samantha Fuell (Business Manager)	None	None
Mr Richard Glenney (Deputy Headteacher – retired August 2022)	None	None
Mrs Dee Gittins (Parent Governor)	None	None
Mr Kevin Harriman (Parent Governor, Chair of Governors)	Plumbing business	None
Mrs Jo Hillier (Community Governor)	None	None
Mrs Becky Hollowbread (Staff Governor)	None	None
Mr Peter Main (Headteacher)	None	None
*Ms Kerrie McAdam (Assistant Headteacher)	None	None
Mrs Claire Renshaw (Vice-Chair of Governors)	None	None
*Mr Tom Ritchie (Assistant Headteacher)	None	None
Mrs Polly Thornton (Community Governor)		
Mr Ben Williams (Community Governor)	None	None
Mrs Hayley Yates (Assistant Headteacher)	None	None
<b>Close family of Director/Trustee/KM</b>	<b>Entities controlled/influenced</b>	<b>Transactions</b>
(note relationship with Director/Trustee/KM)	N/A	
<b>Household of Director/Trustee/KM (if not included above)</b>	<b>Entities controlled/influenced</b>	<b>Transactions</b>
(note relationship with Trustee)		
Mrs Cara Ritchie (Head of Year 8/PE teacher) – wife of Tom Ritchie (Assistant Headteacher)	None	None
Ms Leyla Bilsborough (Head of Inclusion) – wife of Kerrie McAdam (Assistant Headteacher)	None	None

**OBJECTIVES AND ACTIVITIES**

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum; and to promote for the benefit of individuals living in Lymington and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

**Objects and Aims**

The School's published vision statement is:

"Our vision is to offer an education of high quality which ensures our young people become creative, enthusiastic, hard-working learners who control their own success and contribute positively to the communities in which they live."

Our motto is: "Learn more... Do more... Be more..."

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Objects and Aims (continued)**

The School's agreed aims are:

- to be a leading comprehensive school, serving our whole community, without selection;
- to provide equality of opportunity, offering a first class curriculum to all students and academic success for all;
- to provide a challenging curriculum, which provides opportunities for all students to achieve their potential, and which eradicates under-achievement;
- to develop attitudes and skills that will enhance our students' ability to work independently, in order to encourage self-discipline, self-confidence and a sense of responsibility;
- to develop our students spiritually, morally, socially and culturally, treating them as individuals in a climate of mutual respect, so that they may enter adult life equipped to make a full contribution as responsible citizens and family members; and
- through a partnership between students and parents, governors and staff, continuously to improve the quality of all we do

**Objectives, Strategies and Activities**

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

**Public Benefit**

The planned activities for the coming year include:

**Quality of Education**

*Strategic Aim: To ensure every student successfully experiences a broad and balanced curriculum and achieves outcomes better than students of a similar ability nationally.*

1. Embedding the use of WalkThrus to deliver high quality teaching in all lessons.
2. Refining the strategy for school led tutoring and intervention to maximise catch up impact.
3. Developing and implementing strategies to raise the attainment of underperforming groups.
4. Reviewing the curriculum strategy to ensure curriculum pathways meet the emerging needs of all learners.
5. To refine the school literacy strategy to ensure all students have the skills to access the full curriculum.

**Behaviour and Attitudes**

*Strategic Aim: To have high expectations of all students regardless of background and establish a consistent application of positive reinforcement.*

1. To develop our 3Rs (Ready, Respectful, Responsible) to become the golden thread running through all elements of school experience.
2. To bring attendance back to pre-covid levels with specific focus on Pupil Premium students and Persistent Absence.
3. To refine and simplify standards and behaviour routines.



**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Public Benefit (continued)**

**Personal Development**

*Strategic Aim: To establish and implement a character development programme that gives students the personal skills and characteristics to successfully meet the challenges of school and prepare for life beyond Priestlands.*

1. To establish leadership and character programmes through the house system.
2. To further raise the profile and awareness relating to vulnerable groups.
3. To promote Priestlands values and equality throughout the curriculum.
4. To further raise the score against the Gatsby benchmarks for the careers programme.

**Leadership and Management**

*Strategic Aim: To maintain an environment that enables all staff to successfully perform at a high level with professional development giving an appropriate balance of support and challenge.*

1. To enhance the wellbeing support for all staff.
2. To review the staff development programme to offer professional development opportunities at all career stages.
3. To further develop learning opportunities across subjects and phases.

**Business Development**

*Strategic Aim: To ensure the school remains a strong long term going concern.*

1. To prepare and deliver a balanced budget.
2. To explore and evaluate all viable possibilities for forming or joining a MAT.
3. To develop IT infrastructure to fully meet statutory and operational needs.
4. To deliver a capital spending programme for site enhancement.

**STRATEGIC REPORT**

**Achievements and Performance**

Priestlands is a school and it therefore has the aspirations and objectives which you might expect to see in any such institution.

The school has high academic achievement and excellent progress and targets related to this are important objectives every year. 2022 saw pupils back to sitting exams in a traditional format with excellent outcomes. We are proud of all of our students and staff. Nevertheless, Governors and staff will continue to be vigorous in ensuring that any shortfall in performance in any section of the school is addressed and remedied in a timely manner. Beyond academic performance the school saw 97% of the Year 11 cohort successfully transition into further education or employment; a figure that exceeds local and national benchmarks.

The school successfully returned to a full programme of curricular and extra-curricular activities post covid providing the broad experience desired for all students with highlights in the Arts and sport. This was despite managing unprecedented staff absence due to covid protocols being followed as outlined by government guidance. No school days were lost despite significant challenges to the timetable with senior staff deployed on a daily basis to cover multiple lessons. Further a very successful week long summer school was delivered at the beginning of the holiday boosting literacy and numeracy for students in Year 7 and supporting transition for students in Year 6.

The school took significant steps to mitigate against the threat of covid with testing programmes implemented, enhanced cleaning programmes, extra ventilation and hand sanitising multiple times a day. The risk assessment was regularly reviewed and modified to reflect local and national developments.

Students engaged in fundraising and charitable activities including raising over £10,000 and filling a school minibus with items to support students displaced by the war in the Ukraine. The school has also supported and welcomed Ukraine students in all year groups into our school community.

Further fundraising was led by students with support for the Honeypot charity enable support for young people in the area who are young carers.

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**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Key Performance Indicators**

A return to traditional exams was welcomed with Priestlands maintaining its reputation as one of the highest performing comprehensive schools in the county. Headline figures for the class of 2022 are as follows:

Students achieving 9-7 in English and Maths	25%
Students achieving 9-5 in English and Maths	64%
Students achieving 9-4 in English and Maths	81%
5 grades including English & Maths at 9-4	77%
English Baccalaureate (9-5)	23%
English Baccalaureate (9-4)	27%
Progress 8 (estimate)	N/A
Attainment 8	5.43

Education at Priestlands is about much more than exam results. The school continues to enjoy significant sporting success and its high quality music and drama productions are very well received. The range of extra-curricular activities remains impressive and is highly valued by parents and students.

**Going Concern**

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

**FINANCIAL REVIEW**

Key financial policies reviewed during the period include

- Finance
- Risk register
- Charging and Remissions
- Gifts and Hospitality
- Governors' Expenses
- Anti-Fraud & Corruption
- Service Level Agreements and Contracts

Most of the Academy's income is obtained from the DfES via the EFSA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund.

Whilst grants for capital projects are available, bids are made on eligibility criteria and have no guarantee of success, therefore money has to be 'reserved' for major projects. The school was able to obtain a successful CIF bid to replace three roofs on the school site. The project began in July 2022 and is still ongoing into the 22-23 academic year.

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**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**FINANCIAL REVIEW (continued)**

The academy has taken on the deficit in the Local Government Pension Scheme in respect of its support staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity. The deficit is reviewed annually and reports are prepared by Aon Hewitt.

Trustees have appointed an Internal Scrutineer who conducts internal audits twice yearly during December and June. During the year, the trustees received the reports from the Internal Scrutineer which contained no matters of significance.

The main category of expenditure is the cost of employing teaching and support staff, and as such performance. Indicators relating to this are closely monitored as follows:

Total staff as a percentage of total expenditure 74.9%  
Teaching staff as a percentage of total expenditure 50.3%  
Educational support staff as a percentage of total expenditure 9.9%  
Teaching staff numbers 74.74 FTE  
Non-teaching staff numbers 62.45 FTE

**Impact of Covid19 virus**

Government guidance outlined that in the Autumn term schools should follow a set of control measures to limit the risk of the virus spreading. This involved regular testing within the student population. Mass testing was set up for the school return in September 2021 and January 2022. Test kits were managed within the school and these were distributed regularly within the school population to enable home testing. A small part of the cost incurred was recoverable but much had been laid on the school central budget due to the government decision to minimise reimbursement to financially well managed schools within year surplus. Costs incurred and not reimbursed include:

Increased heating costs as windows had to be kept open throughout the winter to enhance ventilation.

Cost of hand sanitiser and disinfectant wipes to maintain hygiene in classrooms and communal areas..

Increased cover costs due to staff isolating.

**Other financial impacts**

Increased costs within the current year due to staff illness in relation to covid and people having to isolate. This has been by employing external agency to cover this issue.

Energy costs have significantly increased throughout the year affecting the school budget. This is due to the increased consumption faced due to ventilation as mentioned above. However, the increased wholesale cost of gas and electricity has impacted the school budget in the year by having to increase the amounts needed

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**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Reserves Policy**

The School's "free reserves" are its funds after excluding restricted funds. "Free reserves" are therefore the resources the School has or can make available to spend for any or all of the School's purposes once it has met its commitments and covered its other planned expenditure. More specifically "free reserves" represent income to the School which is to be spent at the trustees' discretion in furtherance of any of the School's objects but which is not yet spent, committed or designated. The School's level of restricted reserves at 31 August 2022 was £884,781 and unrestricted reserves £501,369.

Demands on the School's reserves will vary over the coming years. The School's long-term policy is that the appropriate minimum level of reserves should be at least £500,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. This has been set at this amount as one month coverage of the monthly staffing bill and increased from the previous year due to a more realistic value.

The deficit on the pension reserve relates to the support staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy.

During 2021-22 the agreed planned capital expenditure of £160,000 was used with the CIF project that was started in July 22. The value of the bid including professional fees is £763K

The school is committed to invest some of the school reserves in a capital expenditure plan which has been shared with the Board of Governors. This involves repairs to some buildings in order to keep them operational and investment into the IT technical roadmap. A further use of the school reserves is to give a contribution into the CIF process for 22-23.

£30,534 of restricted reserves for this academic year is for catch up funding from 20-21 that has rolled into this academic year due to the spring term lockdown.

At 31 August 2022 the total funds comprised:

Unrestricted		501,369
Restricted:	Fixed asset funds	17,692,787
	Pension reserve	(522,000)
	Other	884,781
		<u>18,556,937</u>

**Investment Policy**

Apart from the cash held for the operation of the School, Priestlands School has no realisable investments. With respect to its cash holdings the Board of Governors has adopted a low risk strategy with only the main current account in operation. The Board of Governors has approved an Investment Policy in order to be able to invest reserves if appropriate but any future investment is only approved with the School's current banking provider. The school are currently looking at investments for 22-23.

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Principal Risks and Uncertainties**

The principal risks facing the School are:

- Reputational and Performance risks which are mitigated by regular reviews of our policies and procedures.

This is an on-going process which takes account of relevant developments, legislation, guidance and best practice. We have always aspired to the highest standards of conduct and, as a matter of routine, take account of reputational risks to the School

- Financial Risk – The principal financial risks are a reduction in pupil numbers, introduction of the national funding formula, reduction in central government funding, increase in staffing costs relating to increased employer costs, or unbudgeted major capital repairs. The risks presented here are mitigated by:
  - six monthly internal audits
  - Annual external accounts
  - Costed site development plan
  - 3 year budgeting software
  - good control of the current year budget
  - Use of GEMS
  - 5 year forward planning of pupil numbers
  - Risks associated with personnel mitigated by regular review of the Schools staffing structure for both teaching and support staff taking into account known pupil volumes.

**FUNDRAISING**

Our approach to fundraising remains simple. The Priestlands Association organises several fund-raising activities (such as quizzes and other social events). Many of these had to be cancelled from March 20 onwards. The Priestlands Association also organises a monthly lottery and a scheme aimed at supporting capital projects. The school does not employ any professional fund-raisers. The Priestlands Association is registered with all necessary bodies, has appropriate insurance and complies with all legislative requirements. The Headteacher monitors fundraising carried out on the school's behalf and attends many of the activities. We have received no complaints about our fundraising. Our fundraising approaches are aimed at parents as a whole, or at parents of particular year groups, not targeted at individuals.

From time to time, the school itself applies for grants from various organisations or government agencies and occasionally receives unsolicited gifts from individuals or organisations.

**PLANS FOR FUTURE PERIODS**

The key objectives of for the school are included in the School Development Plan 2022-23 and focus on student outcomes, quality of teaching, student personal development, Leadership and Management and Business development.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The academy Trust is not acting as custodian trustee on behalf of any other organisation.

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**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

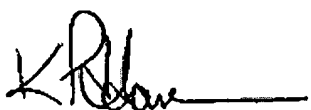
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**AUDITOR**

Insofar as the trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 7<sup>th</sup> December 2022 and signed on the board's behalf by:



**Kevin Harriman**  
Chair of Trustees

**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

---

**SCOPE OF RESPONSIBILITY**

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

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

The board of trustees has delegated the day-to-day responsibility to the **Headteacher** 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 Priestlands School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**CONFLICTS OF INTEREST**

Annual declarations of interest are made by each Trustee for the Trust's register of interests. If any Trustee has an interest in any matter discussed at Board meetings, they are required to disclose such conflicts and do not participate in related discussions or decisions.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The **board of trustees** has formally met **10** times during the year. Attendance during the year at meetings of the board of trustees was as follows (two meetings were held remotely – in December 2021 and January 2022):

Trustee	Meetings attended	Out of a possible
Mrs Beth Bray (Community)	8	10
Mr Paul Cox (Community and Internal Scrutineer)	9	10
Mr Mark Dichlian (Community)	10	10
Mrs Claire Elford (Parent)	10	10
Mrs Sally Feltham (Staff)	9	10
Mrs Dee Gittins (Parent)	8	10
Mr Kevin Harriman (Parent and Chair of Governors)	8	10
Mrs Jo Hillier (Community)	7	10
Mrs Becky Hollowbread (Staff)	10	10
Mr Peter Main (Headteacher & Accounting Officer)	8	10
Mrs Claire Renshaw (Community)	8	10
Mrs Polly Thornton (Community)	9	10
Mr Ben Williams (Community)	7	10

After a challenging year in 2020-21 when the Board met on a monthly basis with a mix of face-to-face and remote meetings, it was a relief to return to face-to-face meetings during 2021-22, except for December and January when Covid restrictions were again in place requiring the need to meet remotely. As in the previous year, governors discussed the school's COVID practices in relation to child protection/safeguarding, attendance, e-safety and behaviour as well as the financial and practical impact of mass COVID testing which took place in September 2021 and January 2022. Governors focused on teaching & learning, student and staff mental health, vulnerable students and the general welfare of the whole school community. Governors also analysed proposals for CIF bids, grants for capital projects and the capital expenditure plan, the school's reserves, data protection, health & safety, data, the curriculum & results, and undertook a programme of policy reviews.

**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**GOVERNANCE (continued)**

Governors met the challenges with their customary thoroughness and diligence. Governors undertook their responsibilities seriously and the final decisions were, therefore, well judged and well received. Governors are very dedicated and committed and offer a broad range of valuable skills and experience.

Over the past year there have been no changes to the profile of the Board of Governors. The governor skillsets and portfolios were reviewed and continue to work effectively and successfully. Governors have given generously of their time to attend online training to ensure skill gaps are covered and they are well informed to offer challenge and support.

The current structure of the Board of Governors means that at least ten meetings take place during the year and all work historically conducted at committee level now takes place at the full Board of Governors. The work of the committees has been split into portfolios with key skills being matched to portfolio holders. The portfolio holder for Finance holds a financial qualification and works closely with the Business Manager to ensure the financial health of the school. The reconstituted model ensures that all governors participate fully in all aspects of their responsibilities.

The Board is divided into 11 Portfolios – Chair of Governors, Finance, Data, Teaching & Learning, SEN/Looked After Children, Safeguarding & Welfare, Behaviour and EDI, Premises, Health & Safety, Human Resources, GDPR & Governor Training, Careers & Enterprise, Audit & Risk (and Internal Scrutineer) – and the leaders and deputies of these portfolios regularly visit the school and report back to the Board. In addition, policies are allocated to individual portfolios and are considered and ratified on an annual or three year cycle. Health & Safety site tours with governors take place after Board meetings, about six times per year.

During the year, the Business Manager and portfolio holder for Finance have presented management reports, finance reports, cash flow statements and balance sheets to governors at 10 Board meetings. In addition, site development plans have been discussed and a record of all policies related to finance kept up to date following ratification by governors. The school has also been using the GEMS documents. The portfolio holder for Finance or the deputy portfolio for Finance have attended all the meetings.

In accordance with the Academy Trust Handbook (ATH) the Board of Governors maintains an Audit & Risk committee which operates as a sub-committee of the main board. This committee, which meets three times per academic year, is responsible for providing internal scrutiny of identified risks (financial, procedural and any other risk types as identified in the Risk Register such as investment opportunities) for the Trust and reports its findings back to the full BoG. A new member of this committee also joined in 2022. As well as the basic role of internal scrutiny, this committee is also the point contact for the review of any other risk, financial or otherwise, that the Trust may identify as well as overseeing submissions which may affect the Trust's funding.

The programme of internal scrutiny completed during the academic year is determined following a review of the updated Risk Register at the start of the academic year and is then documented in the Procedure for Internal Scrutiny which is updated annually.

For the 2021-22 academic year this scrutiny took the form of two internal audits, carried out by the Internal Scrutineer, to review a cross section of items from the Risk Register review, the results of which are shared with both the Audit & Risk committee and the full Board of Governors. In accordance with the ATH the Trust chose to use a non-employed trustee as the internal scrutineer for this academic year. The annual summary of the internal scrutiny is attached but in summary no major items were observed and the minor ones identified were quickly resolved by the Trust.



**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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The Premises, Health & Safety committee meets once per term and also feeds back to the Board of Governors.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Paul Cox (Chair of Audit & Risk Committee)	3	3
Mark Dichlian	2	3
Ben Williams	2	3
Dee Gittins	2	3
Peter Main (Headteacher) in attendance	3	3
Samantha Fuell (Business Manager) in attendance	3	3

**REVIEW OF VALUE FOR MONEY**

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

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

- consistent scrutiny of the financial position resulting in a surplus budget despite increased financial pressure due to increased employer costs and COVID costs
- the school achieved another set of excellent GCSE results
- the school choose to negotiate and extend their cleaning contract rather than go out to market at a high cost time.
- An oversubscribed incoming year group resulted in increased revenues.
- Strong financial processes adhered to
- Successful CIF Bid to replace three roofs on site
- Successful sourcing of new minibus

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Priestlands Academy Trust for the period 1<sup>st</sup> September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1<sup>st</sup> September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk register is completed half termly and is also discussed greatly in depth within the audit committee. This also feeds into the process for internal scrutiny within the year. This information is also shared at BoG level.

**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**THE RISK AND CONTROL FRAMEWORK**

On a half yearly basis, the internal scrutineer reports to the board of trustees, through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The board of trustees has decided:

- to employ a **trustee** as internal auditor.

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

- testing of recruitment processes
- testing of business continuity
- testing of control account/ bank reconciliations
- testing of payroll systems
- testing of purchasing systems
- testing of inventory systems
- testing of procurement / contracts
- review of the risk register
- review of IT systems

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

**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**REVIEW OF EFFECTIVENESS**

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

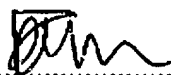
- the work of the Internal Scrutineer
- the work of the external auditor
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 7<sup>th</sup> December 2022 and signed on its behalf by:



**Kevin Harriman**  
Chair of Trustees



**Peter Main**  
Accounting Officer

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**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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As accounting officer of Priestlands School Academy Trust I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of 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 Academies Trust Handbook 2021.

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

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



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**Peter Main**  
Accounting officer

7<sup>th</sup> December 2022

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**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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

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

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

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

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

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

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

  
.....

**Kevin Harriman**  
Chair of Trustees  
Date: 7 December 2022

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
PRIESTLANDS SCHOOL**

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**Opinion**

We have audited the financial statements of Priestlands School (the 'Academy Trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 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 Trust'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

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**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
PRIESTLANDS SCHOOL (CONTINUED)**

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**Other information**

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

We have nothing to report in this regard.

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

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

- the information given in the Trustees' Report (incorporating the Strategic Report and the Directors Report) for the financial year for which the financial statements are prepared is consistent with the financial statements and.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

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

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
PRIESTLANDS SCHOOL (CONTINUED)**

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**Responsibilities of trustees**

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

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

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

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

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

- Enquiry of management around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of 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;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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



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**PRIESTLANDS SCHOOL**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
PRIESTLANDS SCHOOL (CONTINUED)**

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**Use of our report**

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



**BIANCA SILVA BA ACA DChA (Senior Statutory Auditor)**  
for and on behalf of  
**MHA MacIntyre Hudson (Statutory Auditor)**  
Maidenhead, United Kingdom

Date: 16 December 2022

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**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
PRIESTLANDS SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 31 August 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 Priestlands School during the year 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.

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

**Respective responsibilities of Priestlands School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Priestlands School's funding agreement with the Secretary of State for Education dated 1 August 2011 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 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.

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**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
PRIESTLANDS SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

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**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:

- reviewing the minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing a sample of payroll payments to staff;
- testing a sample of payments to suppliers and other third parties;
- consideration of governance issues;
- evaluating the internal control procedures and reporting lines, and testing as appropriate; and
- making appropriate enquires of the Accounting Officer.

**Conclusion**

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

*MHA MacIntyre Hudson*

Reporting Accountant

**MHA MacIntyre Hudson (Statutory Auditor)**  
Maidenhead, United Kingdom

Date: 16 December 2022

**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset fund 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>						
Donations and capital grants	3	-	6,830	628,243	635,073	84,994
Other trading activities	5	111,243	44,791	-	156,034	106,825
Investments	6	188	-	-	188	161
Charitable activities		-	7,781,574	-	7,781,574	7,464,856
<b>Total income</b>		<b>111,431</b>	<b>7,833,195</b>	<b>628,243</b>	<b>8,572,869</b>	<b>7,656,836</b>
<b>Expenditure on:</b>						
Charitable activities		27,016	8,208,869	456,218	8,692,103	8,073,062
<b>Total expenditure</b>		<b>27,016</b>	<b>8,208,869</b>	<b>456,218</b>	<b>8,692,103</b>	<b>8,073,062</b>
<b>Net income/ (expenditure)</b>		<b>84,415</b>	<b>(375,674)</b>	<b>172,025</b>	<b>(119,234)</b>	<b>(416,226)</b>
<b>Other recognised gains:</b>						
Actuarial losses on pension schemes	24	-	3,264,000	-	3,264,000	219,000
<b>Net movement in funds</b>		<b>84,415</b>	<b>2,888,326</b>	<b>172,025</b>	<b>3,144,766</b>	<b>(197,226)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		416,954	(2,525,545)	17,520,762	15,412,171	15,609,397
Net movement in funds		84,415	2,888,326	172,025	3,144,766	(197,226)
<b>Total funds carried forward</b>		<b>501,369</b>	<b>362,781</b>	<b>17,692,787</b>	<b>18,556,937</b>	<b>15,412,171</b>

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

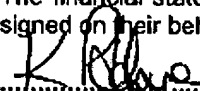
The notes on pages 29 to 57 form part of these financial statements.

**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07695684**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2022**

	Note	2022 £	2022 £	2021 £	2021 £
<b>Fixed assets</b>					
Tangible assets	14		17,507,394		17,520,762
			<u>17,507,394</u>		<u>17,520,762</u>
<b>Current assets</b>					
Debtors	15	547,972		220,978	
Cash at bank and in hand		1,566,333		1,406,046	
		<u>2,114,305</u>		<u>1,627,024</u>	
Creditors: amounts falling due within one year	16	(542,762)		(446,615)	
<b>Net current assets</b>			<u>1,571,543</u>		<u>1,180,409</u>
<b>Total assets less current liabilities</b>			<u>19,078,937</u>		<u>18,701,171</u>
Defined benefit pension scheme liability	24		(522,000)		(3,289,000)
<b>Total net assets</b>			<u><u>18,556,937</u></u>		<u><u>15,412,171</u></u>
<b>Funds of the Academy Trust</b>					
<b>Restricted funds:</b>					
Fixed asset funds	17	17,692,787		17,520,762	
Restricted income funds	17	884,781		763,455	
Pension reserve	17	(522,000)		(3,289,000)	
<b>Total restricted funds</b>	17		<u>18,055,568</u>		<u>14,995,217</u>
<b>Unrestricted income funds</b>	17		<u>501,369</u>		<u>416,954</u>
<b>Total funds</b>			<u><u>18,556,937</u></u>		<u><u>15,412,171</u></u>

The financial statements on pages 26 to 57 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



**Mr Kevin Harriman**  
Chair of Trustees  
Date: 7 December 2022

The notes on pages 29 to 57 form part of these financial statements.

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**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	19	<b>(25,294)</b>	1,171,886
<b>Cash flows from investing activities</b>	20	<b>185,581</b>	(608,343)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		<b>160,287</b>	563,543
Cash and cash equivalents at the beginning of the year		<b>1,406,046</b>	842,503
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	21, 22	<b>1,566,333</b>	1,406,046
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 29 to 57 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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 (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Priestlands School is a company limited by guarantee incorporated in England and Wales. The address of the registered office, principal place of operations and registered number are detailed on page 1. The nature of the Academy Trust's operations and principal activity are detailed in the Trustees' Report.

The Financial Statements are prepared in British Pound Sterling (£), the functional and presentational currency, rounded to the nearest £1.

**1.2 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 the funders where the asset acquired or created is held for a specific purpose.

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

Investment income, gains and losses are allocated to the appropriate fund.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. Accounting policies (continued)**

**1.3 Income**

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

- **Grants**

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

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

Capital grants are recognised in full when there is 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 not deferred over the life of the asset on which they are expended.

- **Donations**

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

- **Other income**

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

- **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

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 Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

**1.4 Expenditure**

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



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. Accounting policies (continued)**

**1.4 Expenditure (continued)**

• **Charitable activities**

Expenditure on charitable activities are costs incurred on the Academy Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

**1.5 Going concern**

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

**1.6 Tangible fixed assets**

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

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

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

Long-term leasehold property	- 2% per annum on cost of buildings only
Equipment	- 20% per annum on cost
Computer equipment	- 33% per annum on cost
Motor vehicles	- 20% per annum on cost

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 incorporating Income and Expenditure Account.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. Accounting policies (continued)**

**1.7 Operating leases**

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

**1.8 Taxation**

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

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

**1.9 Debtors**

Trade and other debtors are recognised at the settlement amount. Prepayments are recognised at the amount prepaid.

**1.10 Cash at bank and in hand**

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

**1.11 Liabilities and provisions**

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 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. Accounting policies (continued)**

**1.12 Pensions**

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

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

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

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

**1.13 Financial instruments**

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

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**2. 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.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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:

The judgements that have had a significant effect on amounts recognised in the financial statements are those concerning the choice of depreciation policies and asset lives.

**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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

	<b>Restricted funds 2022 £</b>	<b>Restricted fixed asset funds 2022 £</b>	<b>Total funds 2022 £</b>
Donations	6,830	-	6,830
Capital Grants	-	628,243	628,243
	<b>6,830</b>	<b>628,243</b>	<b>635,073</b>

	<b>Restricted funds 2021 £</b>	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>
Donations	6,626	7,483	14,109
Capital Grants	-	23,536	23,536
Grants	-	47,349	47,349
	<b>6,626</b>	<b>78,368</b>	<b>84,994</b>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022

4. Funding for the Academy Trust's educational operations

	Restricted funds 2022 £	Total funds 2022 £
<b>DfE/ESFA grants</b>		
General Annual Grant (GAG)	6,736,260	6,736,260
Other DfE/ESFA grants		
Pupil premium	240,282	240,282
Teachers pay grant	-	-
Teachers pension grant	-	-
Others	113,437	113,437
	<b>7,089,979</b>	<b>7,089,979</b>
<b>Other Government grants</b>		
SEN income	195,221	195,221
	<b>195,221</b>	<b>195,221</b>
<b>Other income from the Academy Trust's educational operations</b>	<b>414,972</b>	<b>414,972</b>
<b>COVID-19 additional funding (DfE/ESFA)</b>		
Other DfE/ESFA COVID-19 funding	66,462	66,462
	<b>66,462</b>	<b>66,462</b>
<b>COVID-19 additional funding (non-DfE/ESFA)</b>		
Other COVID-19 funding	14,940	14,940
	<b>14,940</b>	<b>14,940</b>
	<b>7,781,574</b>	<b>7,781,574</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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

	Restricted funds 2021 £	Total funds 2021 £
<b>DfE/ESFA grants</b>		
General Annual Grant (GAG)	6,220,000	6,220,000
Other DfE/ESFA grants		
Pupil premium	227,670	227,670
Teachers pay grant	86,097	86,097
Teachers pension grant	243,290	243,290
Others	58,618	58,618
	<u>6,835,675</u>	<u>6,835,675</u>
<b>Other Government grants</b>		
SEN income	176,110	176,110
	<u>176,110</u>	<u>176,110</u>
<b>Other income from the Academy Trust's educational operations</b>	293,688	293,688
<b>COVID-19 additional funding (DfE/ESFA)</b>		
Catch-up Premium	99,520	99,520
Other DfE/ESFA COVID-19 funding	23,733	23,733
	<u>123,253</u>	<u>123,253</u>
<b>COVID-19 additional funding (non-DfE/ESFA)</b>		
Other COVID-19 funding	36,130	36,130
	<u>36,130</u>	<u>36,130</u>
	<u><u>7,464,856</u></u>	<u><u>7,464,856</u></u>

The academy received £99,520 of funding for catch-up premium and costs incurred in respect of this funding totalled £68,985, with the remaining £30,534 to be spent in 2021/22.

**PRIESTLANDS SCHOOL**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**5. Income from other trading activities**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Rental income	4,723	-	4,723
School fund	13,598	-	13,598
School clubs	-	29,266	29,266
Catering	2,275	-	2,275
Other income	90,647	15,525	106,172
	<u>111,243</u>	<u>44,791</u>	<u>156,034</u>

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Rental income	1,190	-	1,190
School fund	10,245	-	10,245
School clubs	-	19,171	19,171
Catering	1,790	-	1,790
Other income	25,206	49,223	74,429
	<u>38,431</u>	<u>68,394</u>	<u>106,825</u>

**6. Investment income**

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income	<u>188</u>	<u>188</u>



**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**6. Investment income (continued)**

	Unrestricted funds 2021 £	Total funds 2021 £
Investment income	161	161

**7. Expenditure**

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Educational operations:				
Direct costs	5,243,701	344,170	774,428	6,362,299
Allocated support costs	1,265,181	607,748	456,875	2,329,804
	<u>6,508,882</u>	<u>951,918</u>	<u>1,231,303</u>	<u>8,692,103</u>

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Educational operations:				
Direct costs	5,130,404	337,045	627,286	6,094,735
Allocated support costs	1,105,063	453,088	420,176	1,978,327
	<u>6,235,467</u>	<u>790,133</u>	<u>1,047,462</u>	<u>8,073,062</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**8. Analysis of specific expenses**

Included within expenditure are the following transactions:

	<b>Total</b>	<b>Individual items above £5,000</b>	
		<b>Amount</b>	<b>Reason</b>
Gifts made by the Academy Trust	<b>85</b>	-	

**9. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>
Educational operations	<b>6,362,299</b>	<b>2,329,804</b>	<b>8,692,103</b>

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>
Educational operations	<b>6,094,735</b>	<b>1,978,327</b>	<b>8,073,062</b>

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**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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

**Analysis of direct costs**

	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Staff costs	<b>5,243,701</b>	5,130,404
Depreciation	<b>456,218</b>	453,139
Other staff costs	<b>20,872</b>	5,358
Educational consultancy	<b>36,448</b>	28,263
Technology costs	<b>38,672</b>	29,255
Educational supplies	<b>314,783</b>	203,988
Examination fees	<b>50,471</b>	78,256
School trip expenditure	<b>151,926</b>	117,088
Other direct costs	<b>49,208</b>	48,984
	<b><u>6,362,299</u></b>	<b><u>6,094,735</u></b>

**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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

**Analysis of support costs**

	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Pension finance cost	54,000	51,000
Support staff costs	1,265,181	1,105,063
Other staff costs	20,312	14,684
Catering supplies	175,139	132,550
Maintenance of premises and equipment	150,423	126,829
Cleaning	152,048	148,859
Energy	207,086	105,019
Security costs	6,094	3,970
Technology costs	86,578	71,378
Rates	15,104	32,365
Administrative supplies	39,070	44,539
Legal and professional	81,917	90,583
Non staff related costs	39,440	28,110
Other support costs	2,043	3,781
Bank charges	6,084	3,824
Governance costs	29,285	15,773
	<b>2,329,804</b>	<b>1,978,327</b>

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

Net income/(expenditure) for the year includes:

	<b>2022 £</b>	<b>2021 £</b>
Operating lease rentals	8,126	8,519
Depreciation of tangible fixed assets: owned by the charity	456,218	453,139
Fees paid to auditors for:		
- audit	9,500	8,250
- other services	5,285	3,523

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**PRIESTLANDS SCHOOL**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**11. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	4,543,150	4,434,245
Social security costs	435,473	414,729
Pension costs	1,386,688	1,285,609
	<u>6,365,311</u>	<u>6,134,583</u>
Agency staff costs	143,571	77,136
Staff restructuring costs	-	23,748
	<u>6,508,882</u>	<u>6,235,467</u>

Staff restructuring costs comprise:

	2022 £	2021 £
Severance payments	-	23,748
	<u>-</u>	<u>23,748</u>

**b. Special staff severance payments**

There are no non contractual severance payments included within staff restructuring costs (2021: one payment totalling £12,000).

**c. Staff numbers**

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

	2022 No.	2021 No.
Teachers	87	85
Administration and support	84	81
Management	7	7
	<u>178</u>	<u>173</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**11. Staff (continued)**

**d. Higher paid staff**

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

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	4	5
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	1	1

**e. 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 employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £836,718 (2021: 635,141).

**12. Related party transactions - trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
B Hollowbread	Remuneration	<b>45,000 - 50,000</b>	45,000 - 50,000
	Pension contributions paid	<b>10,000 - 15,000</b>	10,000 - 15,000
P Main, Headteacher and Accounting Officer	Remuneration	<b>85,000 - 90,000</b>	85,000 - 90,000
	Pension contributions paid	<b>20,000 - 25,000</b>	20,000 - 25,000
S Feltham	Remuneration	<b>30,000 - 35,000</b>	25,000 - 30,000
	Pension contributions paid	<b>5,000 - 10,000</b>	0 - 5,000

Details of Trustees resigning before 1 September 2021 are not shown.

During the year ended 31 August 2022, no expenses were reimbursed or paid directly to Trustees (2021 - £NIL to Trustees).

**13. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £NIL (2021 - £NIL). The cost of this insurance is included in the total insurance cost.

**PRIESTLANDS SCHOOL**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**14. Tangible fixed assets**

	Long-term leasehold property £	Equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 September 2021	20,286,493	476,992	293,339	40,665	21,097,489
Additions	294,044	29,712	94,094	25,000	442,850
At 31 August 2022	20,580,537	506,704	387,433	65,665	21,540,339
<b>Depreciation</b>					
At 1 September 2021	3,007,513	311,951	229,039	28,224	3,576,727
Charge for the year	344,170	63,637	40,938	7,473	456,218
At 31 August 2022	3,351,683	375,588	269,977	35,697	4,032,945
<b>Net book value</b>					
At 31 August 2022	17,228,854	131,116	117,456	29,968	17,507,394
At 31 August 2021	17,278,980	165,041	64,300	12,441	17,520,762

Included in long leasehold property is long leasehold land at valuation of £3,053,266 (2021: £3,053,266) which is not depreciated.

**15. Debtors**

	2022 £	2021 £
<b>Due within one year.</b>		
Trade debtors	6,738	-
Other debtors	-	667
Prepayments and accrued income	424,742	169,219
VAT recoverable	116,492	51,092
	<u>547,972</u>	<u>220,978</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>92,884</b>	40,135
Other taxation and social security	<b>111,040</b>	105,802
Other creditors	<b>117,469</b>	113,570
Accruals and deferred income	<b>221,369</b>	187,108
	<b>542,762</b>	446,615
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Deferred income at 1 September 2021	<b>58,913</b>	99,907
Resources deferred during the year	<b>51,703</b>	58,913
Amounts released from previous periods	<b>(58,913)</b>	(99,907)
	<b>51,703</b>	58,913

Deferred income of £51,703 relates to school trips, catering, music fee and other income occurring after 31 August 2022.



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**17. Statement of funds**

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>						
General Funds	416,954	111,431	(27,016)	-	-	501,369
<b>Restricted general funds</b>						
General Annual Grant	732,921	6,736,260	(6,584,400)	-	-	884,781
Pupil premium	-	240,282	(240,282)	-	-	-
Other DfE/ESFA grants	-	113,437	(113,437)	-	-	-
Catch-up premium	30,534	-	(30,534)	-	-	-
Other DfE/ESFA COVID-19 funding	-	66,462	(66,462)	-	-	-
Other COVID-19 funding	-	14,940	(14,940)	-	-	-
Local authority grants	-	195,221	(195,221)	-	-	-
Trips	-	145,529	(145,529)	-	-	-
Catering	-	269,443	(269,443)	-	-	-
Other restricted funds	-	51,621	(51,621)	-	-	-
Pension reserve	(3,289,000)	-	(497,000)	-	3,264,000	(522,000)
	(2,525,545)	7,833,195	(8,208,869)	-	3,264,000	362,781
<b>Restricted fixed asset funds</b>						
DfE/ESFA capital grants	-	628,243	-	(442,850)	-	185,393
Fixed asset fund	17,520,762	-	(456,218)	442,850	-	17,507,394
	17,520,762	628,243	(456,218)	-	-	17,692,787
<b>Total Restricted funds</b>	<b>14,995,217</b>	<b>8,461,438</b>	<b>(8,665,087)</b>	<b>-</b>	<b>3,264,000</b>	<b>18,055,568</b>
<b>Total funds</b>	<b>15,412,171</b>	<b>8,572,869</b>	<b>(8,692,103)</b>	<b>-</b>	<b>3,264,000</b>	<b>18,556,937</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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

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

All general funds are held for the purposes of education in line with the Academy's objectives.

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Academy via the Education and Skills Funding Agency and the Department for Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the Academy.

The other DfE/ESFA restricted fund represents other funding received from the government which does not form part of GAG but is received in relation to specific purposes.

The local authority restricted fund represents other funding received from the local authority in relation to specific purposes such as SEN funding.

Other restricted funds include donations and miscellaneous educational income which must be used for the purposes agreed.

The pension reserve has been created to separately identify the pension deficit inherited from the local authority upon conversion to Academy status, and through which all the pension scheme movements are recognised.

The fixed asset fund has been set up to recognise the tangible assets gifted to the Academy upon conversion which represent the school site including the leasehold land and buildings and capital grants. Depreciation charged on those inherited assets is allocated to the fund as well as fixed asset additions and disposals.

The capital grants fund has been created to recognise the restricted grant funding received from all sources towards capital expenditure. Transfers are made to the capital grants fixed asset fund for expenditure incurred that is in respect of tangible fixed assets.

Transfers between restricted funds and restricted fixed asset funds represent capital additions funded by restricted reserves.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**17. Statement of funds (continued)**

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
General Funds	413,944	38,592	(35,582)	-	-	416,954
<b>Restricted general funds</b>						
General Annual Grant	482,617	6,220,000	(5,881,999)	(87,697)	-	732,921
Pupil premium	-	227,670	(227,670)	-	-	-
Other DfE/ESFA grants	-	388,005	(388,005)	-	-	-
Catch-up premium	-	99,520	(68,986)	-	-	30,534
Other DfE/ESFA COVID-19 funding	-	23,733	(23,733)	-	-	-
Other COVID-19 funding	-	36,130	(36,130)	-	-	-
Local authority grants	-	176,110	(176,110)	-	-	-
Trips	-	110,758	(110,758)	-	-	-
Catering	-	182,930	(182,930)	-	-	-
Other restricted funds	-	75,020	(75,020)	-	-	-
Pension reserve	(3,095,000)	-	(413,000)	-	219,000	(3,289,000)
	<u>(2,612,383)</u>	<u>7,539,876</u>	<u>(7,584,341)</u>	<u>(87,697)</u>	<u>219,000</u>	<u>(2,525,545)</u>
<b>Restricted fixed asset funds</b>						
DfE/ESFA capital grants	465,975	23,536	-	(489,511)	-	-
Fixed asset fund	17,341,861	-	(453,139)	632,040	-	17,520,762
Donations	-	54,832	-	(54,832)	-	-
	<u>17,807,836</u>	<u>78,368</u>	<u>(453,139)</u>	<u>87,697</u>	<u>-</u>	<u>17,520,762</u>
<b>Total Restricted funds</b>	<u>15,195,453</u>	<u>7,618,244</u>	<u>(8,037,480)</u>	<u>-</u>	<u>219,000</u>	<u>14,995,217</u>
<b>Total funds</b>	<u>15,609,397</u>	<u>7,656,836</u>	<u>(8,073,062)</u>	<u>-</u>	<u>219,000</u>	<u>15,412,171</u>

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

**Current year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	17,507,394	17,507,394
Current assets	639,969	1,288,943	185,393	2,114,305
Creditors due within one year	(138,600)	(404,162)	-	(542,762)
Provisions for liabilities and charges	-	(522,000)	-	(522,000)
<b>Total</b>	<b>501,369</b>	<b>362,781</b>	<b>17,692,787</b>	<b>18,556,937</b>

**Prior year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	17,520,762	17,520,762
Current assets	416,954	1,210,070	-	1,627,024
Creditors due within one year	-	(446,615)	-	(446,615)
Provisions for liabilities and charges	-	(3,289,000)	-	(3,289,000)
<b>Total</b>	<b>416,954</b>	<b>(2,525,545)</b>	<b>17,520,762</b>	<b>15,412,171</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. Reconciliation of net expenditure to net cash flow from operating activities**

	2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)	(119,234)	(416,226)
<b>Adjustments for:</b>		
Depreciation	456,218	453,139
Capital grants from DfE and other capital income	(628,243)	(23,536)
Interest receivable	(188)	(161)
Defined benefit pension scheme finance cost	497,000	413,000
(Increase)/decrease in debtors	(326,994)	477,630
Increase in creditors	96,147	268,040
<b>Net cash (used in)/provided by operating activities</b>	<b>(25,294)</b>	<b>1,171,886</b>

**20. Cash flows from investing activities**

	2022 £	2021 £
Purchase of tangible fixed assets	(442,850)	(632,040)
Capital grants from DfE Group	628,243	23,536
Investment income	188	161
<b>Net cash provided by/(used in) investing activities</b>	<b>185,581</b>	<b>(608,343)</b>

**21. Analysis of cash and cash equivalents**

	2022 £	2021 £
Cash in hand and at bank	1,566,333	1,406,046
<b>Total cash and cash equivalents</b>	<b>1,566,333</b>	<b>1,406,046</b>

**NOTES TO THE FINANCIAL STATEMENTS  
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**22. Analysis of changes in net debt**

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,406,046	160,287	1,566,333
	<u>1,406,046</u>	<u>160,287</u>	<u>1,566,333</u>

**23. Capital commitments**

	2022 £	2021 £
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	<u>461,345</u>	<u>-</u>

**24. Pension commitments**

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

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

Contributions amounting to £113,118 were payable to the schemes at 31 August 2022 (£109,609) 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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
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**24. Pension commitments (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 2024.

The employer's pension costs paid to TPS in the year amounted to £705,974 (2021 - £697,659).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £311,000 (2021 - £296,000), of which employer's contributions totalled £237,000 (2021 - £225,000) and employees' contributions totalled £ 74,000 (2021 - £71,000). The agreed contribution rates for future years are 24.3 per cent for employers and 12.5 per cent for employees.

As described in note 1.12 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
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**24. Pension commitments (continued)**

**Principal actuarial assumptions**

	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	<b>3.70</b>	3.60
Rate of increase for pensions in payment/inflation	<b>2.70</b>	2.60
Discount rate for scheme liabilities	<b>4.10</b>	1.70
Inflation assumption (CPI)	<b>2.70</b>	2.60

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

	<b>2022</b>	<b>2021</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
Males	<b>22.9</b>	23.1
Females	<b>25.4</b>	25.5
Retiring in 20 years		
Males	<b>24.7</b>	24.8
Females	<b>27.1</b>	27.3

**Sensitivity analysis**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Discount rate +0.1%	<b>(124)</b>	(192)
Discount rate -0.1%	<b>130</b>	200
Mortality assumption - 1 year increase	<b>(146)</b>	(300)
Mortality assumption - 1 year decrease	<b>146</b>	309
CPI rate +0.1%	<b>114</b>	175
CPI rate -0.1%	<b>(108)</b>	(167)



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**24. Pension commitments (continued)**

**Share of scheme assets**

The Academy Trust's share of the assets in the scheme was:

	At 31 August 2022 £	At 31 August 2021 £
Equities	2,830,000	2,900,000
Gilts	743,000	914,000
Property	381,000	308,000
Cash and other liquid assets	44,000	35,000
Other	460,000	894,000
Multi Asset Credit	430,000	-
<b>Total market value of assets</b>	<b>4,888,000</b>	<b>5,051,000</b>

The actual return on scheme assets was £(375,000) (2021 - £765,000).

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

	2022 £	2021 £
Current service cost	(680,000)	(587,000)
Interest cost	(54,000)	(51,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(734,000)</b>	<b>(638,000)</b>

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

	2022 £	2021 £
<b>Opening defined benefit obligation</b>	<b>8,340,000</b>	<b>7,097,000</b>
Current service cost	680,000	587,000
Interest cost	142,000	121,000
Employee contributions	74,000	71,000
Actuarial (gains)/losses	(3,727,000)	476,000
Benefits paid	(99,000)	(12,000)
<b>Closing defined benefit obligation</b>	<b>5,410,000</b>	<b>8,340,000</b>

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**24. Pension commitments (continued)**

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2022 £	2021 £
<b>Opening fair value scheme assets</b>	<b>5,051,000</b>	<b>4,002,000</b>
Actuarial (losses)/gains	<b>(463,000)</b>	695,000
Employer contributions	<b>237,000</b>	225,000
Employee contributions	<b>74,000</b>	71,000
Benefits paid	<b>(99,000)</b>	(12,000)
Return on plan assets	<b>88,000</b>	70,000
<b>Closing fair value scheme assets</b>	<b>4,888,000</b>	<b>5,051,000</b>

	2022 £	2021 £
<b>The amount shown in the Statement of Financial activities is:</b>		
Changes in financial assumptions	<b>3,727,000</b>	(476,000)
Return on assets excluding amounts included in net interest	<b>(463,000)</b>	695,000
<b>Actuarial gains/(losses) on defined benefit pension schemes</b>	<b>3,264,000</b>	<b>219,000</b>

	2022 £	2021 £
<b>The amount shown in the Balance Sheet is:</b>		
Present value of defined benefit obligation	<b>(5,410,000)</b>	(8,340,000)
Fair value of scheme assets	<b>4,888,000</b>	5,051,000
<b>Defined benefit pension scheme liability</b>	<b>(522,000)</b>	<b>(3,289,000)</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**25. Operating lease commitments**

At 31 August 2022 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	3,844	9,410
Between 2 and 5 years	6,132	9,198
	<u>9,976</u>	<u>18,608</u>

**26. Members' liability**

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

**27. Related party transactions**

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