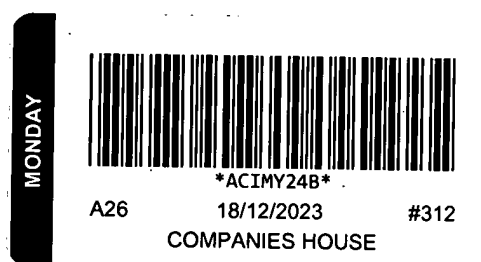


# Burton Morewood Church of England Primary School

(A Company Limited by Guarantee)

## Annual Report and Financial Statements

Year Ended 31 August 2023



Company Registration Number: 07788628  
(England & Wales)

# **Burton Morewood Church of England Primary School**

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**Reference and Administrative Details**

The Trustees, who are also directors for the purposes of company law, present their report and the financial statements of the company for the period ended 31 August 2023.

	<b>Appointed</b>	<b>Resigned</b>
<b>The Members</b>		
The members of the company who served during the period were:		
Mr Michael Fishwick		
Mr John Gaskins		
Mr Andy Barker		
The Carlisle Diocesan Board of Finance		

**The Governors**

The Governors (trustees) who served the company during the period were:

**Governors who are not directors**

Mr Michael Fishwick*	01/12/2022
Mr Michael Carr*	
Mr John Gaskins*	01/12/2022
Mrs Joanne Dugdale	
Mr George Isherwood	
Revd Graham Burrows	
Mr Richard Wilson*	
Mrs Sally Noble	
Mrs Rebecca Ludlam	
Mrs Fiona Wood*	02/12/2022
Mrs Vicky Hughes*	
Mrs Naomi Hermida	
Mrs Jemma Wraight	
Mr Zaeed Mohammed*	01/12/2022
Mrs Mel Cannon	01/12/2022

\* indicates member of Resources Committee

**Company Secretary** Mrs Helen Derrick

**Senior Management Team**

- Headteacher Mr Richard Wilson
- Business Manager Mrs Helen Derrick

**Company Name** Burton Morewood Church of England Primary School

**Principal and Registered Office** Burton Morewood Church of England Primary School  
Main Street  
Burton in Kendal  
Carnforth  
Cumbria  
LA6 1ND

**Company Registration Number** 07788628

**Reference and Administrative Details (continued)**

**Independent Auditor**

Saint and Co  
The Old Police Station  
Church Street  
Ambleside  
Cumbria  
LA22 0BT

**Bankers**

HSBC  
64 Highgate  
Kendal  
Cumbria  
LA9 4TF

**Governors' Report**

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

The trust operates an academy for pupils aged 2 to 11 serving a catchment area in and around Burton in Kendal, Westmorland and Furness. It has a pupil capacity of 210 + 26 Nursery and had 174 on roll (including 33 part time in Nursery) at the 31 August 2023.

**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 Governors of Burton Morewood Church of England Primary School Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Burton Morewood Church of England Primary School.

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

**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.

**Governor's Indemnities**

The Governors of the Academy are covered by indemnity insurance paid for by the trust.

**Method of Recruitment and Appointment or Election of Governors**

The Governors are directors of the charitable company for the purposes of the Companies Act 1985 and trustees for the purposes of charity legislation.

Arrangements to appoint new trustees are detailed in the articles of association.

- Up to 3 Governors appointed by members
- Foundation Governors, up to no more than 25% of the board
- 1 LA Governor, appointed by the LA
- 3 Staff Governors, elected by staff employed by the Academy Trust at the time of the election from amongst their number, provided that the total number of Governors (including the Head) who are employees of the Academy Trust does not exceed one third of the total number of Governors. The Governing Body shall take all steps as are reasonably practical to ensure that all staff employed at the Academy at the time are informed of the vacancy, informed they are entitled to stand as a candidate and vote at the election and given the opportunity to do so.
- A minimum of 4 Parent Governors elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he is elected. Any election of Parent Governors which is contested shall be held by secret ballot. The Governing Body shall take all steps as are reasonably practical to ensure that all parents of a registered pupil at the Academy is informed of the vacancy, informed they are entitled to stand as a candidate and vote at the election and given the opportunity to do so.
- The Head Teacher shall be treated for all purposes as being an ex officio Governor.
- The Academy Trust may also have Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being Co-opted by Governors who have not themselves been so appointed.

**Governors' Report (continued)****Policies and Procedures Adopted for the Induction and Training of Governors**

All new Trustees joining the Academy Trust complete an induction programme, including receipt of company documentation and a meeting with the Chair of Governors and Head Teacher.

**Organisational Structure**

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

The Senior Managers are the Head and the Business Manager. These managers control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the Senior Managers are responsible for the authorisation of spending within agreed budgets and the appointment of staff.

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

All pay arrangements are carried out in line with Westmorland & Furness Council (previously known as Cumbria County Council up until local government reorganisation on 01 April 2023) Teachers Model Pay Policy. Pay progression for all staff, including senior managers, follows the Appraisal Policy. The Head Teacher Appraisal is carried out with Governors and an external advisor.

**Trade union facility time**

The Academy has no relevant union officials.

**Connected Organisations, including Related Party Relationships*****The South Lakes Rural Partnership***

The South Lakes Rural Partnership consists of approximately 30 primary schools and 6 secondary schools across the South Lakes area. The partnership exists to work collaboratively to the benefit of all those within its member organisations, to meet this end in a sustainable way and to deliver those objectives in a positive and proactive way, taking affirmative actions. (This organisation was disbanded in September 2023.)

**Objectives and Activities****Objects and Aims**

The principal object and activity of the charitable company is the operation of Burton Morewood Church of England Primary School and Nursery to provide education for pupils of mixed abilities between the ages of 2 and 11.

In accordance with the articles of association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis on science and technology and their practical applications.

The main objectives of the Academy during the period are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements; and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

**Governors' Report (continued)****Objectives, Strategies and Activities**

The Academy commenced its charitable activities on 1 October 2011.

The Academy's main strategy is encompassed in its mission statement which is 'In this Church of England Academy we hope that our connections with the Church and our Christian ethos will be evident to all who come within our walls. We intend that it will guide not only the religious aspects of the day but will become a firm foundation for the whole life of the school. We want the children of our school, as they grow physically and mentally, to also grow socially and spiritually so gaining real respect for themselves, for each other, and indeed, for the whole of this exciting world in which we all live.'

With our Christian Vision: 'We are a caring and fully inclusive Academy, where the Christian values of compassion, friendship, perseverance and trust are embedded in all that we do. We aim that our values will not only resonate within every member of our school but will also have an impact within our local community and beyond'. Supported by our strapline: 'Loving to Learn and Learning to Love'.

To this end the aims of the school are to provide:

- Equal opportunities for every child to develop their full potential enabling them to leave our school well prepared for the next stage of their educational, social and spiritual development;
- A curriculum which is broad and well balanced, responsive to the needs of the individual child and relevant to the wider world;
- A staff who are committed, motivated, caring and able to meet the school curriculum requirements;
- Resources that match the needs of the children and the school as fully as possible.
- Communications with parents which are open, effective and timely.

**Public Benefit**

In setting objectives and planning activities the Governors have given consideration to the Charity Commission's general guidance on public benefit. The public benefit is providing education in accordance with the Principal Activities detailed above, and additionally in providing access to school facilities to local community groups and adult education.

**Strategic Report****Achievements and Performance**

The Academy has successfully completed its 12th period of operation.

Total number of students on roll in the period ending 31st August 2023 was 174 (including 33 part time in Nursery).

**Key Performance Indicators**

The year ending 31st August 2023 saw us re inspected by Ofsted in January 2023. The Governors are pleased to say that school was judged at 'Good' in all aspects. This outcome will hugely benefit the whole school community and staff morale. In May 2023 our children completed end of year National Assessments, known as SATs. These results will be published by the Government in December 2023.

**Key Financial Performance Indicators**

The deficit before LGPS adjustments was £26,227 (2022: £167,281).

We were delighted to welcome 17 new children into our Reception class in September 2022 and had a total of 33 children in our Nursery during the year, who attended for part-time sessions. During the period we also welcomed 2 new children into our school that joined us from other schools or countries mid year.

**Governors' Report (continued)****Going Concern**

The governors believe the academy is a going concern. This belief is based on the academy's three-year budget to August 2026 as submitted to the ESFA. This budget shows that in each of the years the academy expects income to be greater than expenditure and therefore that in year surpluses will be delivered.

The governors however recognise that the academy has very low reserves and challenging cash balances. Whilst the budget forecast has assumed significant continued cost pressures in areas such as energy, the governors recognise that further financial pressures above those planned for, such as the level of the recent employee pay award, are likely to arise and in that regard the Academy continues to take additional proactive steps to further reduce costs whilst retaining educational principles aligned to the schools ethos previously agreed by the Governing Body. The Governors are still hopeful that pupil numbers may increase due to local housing growth and that this will either increase the currently forecast in year surplus figures or mitigate any unforeseen cost pressures. Taking all these factors together the Governors conclude their view that the Academy is a going concern.

**Financial Review****Financial Review**

The Academy Trust's accounting period is 01 September 2022 to 31 August 2023.

Most of the School's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2023, total restricted general expenditure of £936,136 was covered by recurrent grant funding from the DfE together with other incoming resources. The excess of restricted general income over expenditure for the year was £975 before the defined pension benefit scheme movement.

At 31 August 2023 the net book value of fixed assets was £1,284,708 and movements in tangible fixed assets are shown in notes to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy's current level of unrestricted reserves is £3,195 which consists entirely of designated School Funds.

Restricted reserves include fixed assets funds of £1,305,535.



## **Governors' Report (continued)**

### **COVID - 19 impact**

During 2022 – 2023 Covid-19 virus did still effect our workforce however not to the same extent as the previous years. There was however no further support from the government towards covid related absences.

### **Reserves Policy**

The Governors, via the work of their Finance Committee, regularly monitor on-going and projected levels of reserve, ensuring these are adequate for the continued operation of the academy. This monitoring process takes into account shifts in local and national funding policies and developments as well as material expenditure requirements.

The Governors have worked hard to produce a positive GAG outcome, to ensure the GAG deficit is reduced over time, in order to bring reserves in line with the trustees reserves policy.

### **Funds in Deficit**

The General annual grant fund was in deficit by £65,880 (2022: £72,376) at the year-end. The academy is looking to reduce this in the future through cost savings over the next few financial years.

Funds in deficit is also included in the Funds note in the Financial statements.

### **Investment Policy**

The Governors aim to ensure value for money when considering investment decisions whilst exercising caution and ensuring security of funds takes precedence over revenue maximization.

## **Principal Risks and Uncertainties**

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the following statement

### **Trust Estate Management**

The trust undertakes regular reviews of the principal risks faced and the control measures in place to mitigate these risks. To assist in this process, the trust uses external Health and Safety consultants to undertake regular audits of the trusts practices and procedures, and provide help and guidance on implementing legislative changes and best practice.

### **Financial and Risk Management Objectives and Policies**

The trustees are responsible for the management of the risks the Academy is exposed to, and have undertaken a review of risks associated with its activities. The major risks that have been identified are recorded on the Academy's Risk Register, and procedures are being developed to manage the risk. This year the Academy undertook an external review of internal financial systems, as outlined in the Academies Financial Handbook.

### **Principal Funding Sources**

The majority of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) and the Local Authority in the form of grants, the use of which is restricted to particular purposes.

**Governors' Report (continued)****Fundraising**

The Academy does not engage with professional fundraisers to undertake any fundraising activities on its behalf. The Academy from time to time does minor level fundraising activities to raise funds for the academy whereby students seek voluntary donations from parents and the local community. Occasionally the children do raise funds for charities such as Children In Need Red Nose Day, Cancer Research UK and the local hospice.

**Plans for Future Periods**

The Academy will continue to strive to improve the provision of 'quality experiences' to all members of the school community. A robust School Improvement Plan is in place.

The Academy will spend its Energy Capital funding during the next year, replacing all light fittings with new LED fittings, which will bring considerable savings on energy consumption, for the foreseeable future.

We have submitted a 5 year budget which projects financial recovery by the end of the academic year 2024-25. We have again made savings by reducing staffing hours. We continue to experience challenges relating to energy and food price increases.

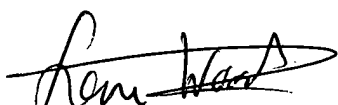
We are still hoping for an increase to our numbers on roll from the local development of low cost housing in our village. These houses are still not fully completed so the expected increase in pupil numbers has not yet happened, at the time of writing.

**Auditor**

Insofar as the trustees are aware:

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

The Governors' report, incorporating a strategic report, was approved by the Governors and signed on its behalf by:



**Fiona Wood**  
**Chair of Governors**

13/12/23 Date

## **Governance Statement**

### **Scope of Responsibility**

As Governors, we acknowledge we have overall responsibility for ensuring that Burton Morewood Church of England Primary 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 Governors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of Governors 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 Burton Morewood Church of England Primary School and the Secretary of State for Education.

The Accounting Officer is also responsible for reporting to the board of Governors any material weaknesses or breakdowns in internal control.

### **Governance**

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities.

The Governing Body has formally met 4 times during the year. Attendance at meetings of the Governing Body was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr Michael Fishwick (Chair until 01.12.2022)	4	4
Mrs Fiona Wood (Chair from 02.12.2022)	4	4
Revd Graham Burrows	3	4
Mr Michael Carr	3	4
Mr John Gaskins (Resigned 01.12.2022)	2	2
Mrs Joanne Dugdale	4	4
Mr George Isherwood	1	4
Mr Richard Wilson (Head & Accounting Officer)	3	4
Mrs Rebecca Ludlam	2	4
Mrs Sally Noble	4	4
Mrs Vicky Hughes	4	4
Mrs Naomi Hermida	4	4
Mrs Jemma Wraight	3	4
Mr Zaeed Mohammed (appointed 01.12.2022)	2	3
Mrs Mel Cannon (appointed 01.12.2022)	3	3

### **Board of Trustees work, performance and changes in composition**

The board met four times during the year and maintained effective oversight of the running of school by regular remote discussions between the Chair of Governors, Chair of Finance Committee, Headteacher and the Business Manager, on financial matters and day to day management of school. The Chair of Governors and the Chair of Finance Committee play a crucial supportive role across many areas and provide challenge where appropriate. Many discussions between the Head, Chair of Governors and Chair of Finance Committee take place in addition to the formal meetings.

In addition to this, board members play an integral role within school in curriculum review and advice in various areas, eg Health & Safety matters, particularly during Covid with evolving Risk Assessments and cleaning regime advice. We are fortunate that our current board comprises a wide cross section of skills and experience and our school really benefits from this.

**Governance Statement (continued)****Conflicts of interest**

The Academy has an embedded and robust process in respect of operating a Register of Interests for Governors. This is utilised to identify potential conflicts in advance of meetings and determine the approach to be taken. It is supported by a specific item in Governing Body and Sub Committee agendas in respect of declarations of interest for items on the agenda, which is augmented by a process that enables unforeseen conflicts that arise during a meeting to be managed by the meeting Chair and documented in the minutes.

Conflicts of interest arising in the day to day operation of the school would be highlighted to the Chair of Governors and an agreed process to manage this would be agreed and recorded.

**Meetings**

The Academy operates with a governance structure of Board and Sub Committee meetings. Both the Board and Resources Committee have met on 4 occasions during the year with agendas determined by the respective Chairs designed to provide focus on key areas, including specifically financial performance, underpinned by papers that enable robust discussion to take place. This process enables actions to be determined and followed through, effective oversight of financial and non financial matters maintained and assurance to be obtained.

**Governance Review**

The **Resources Committee** is a sub-committee of the main governing body and has formally met 4 times. Its purpose is to review the School's financial statements, closely monitor budget performance and ensure the effectiveness of internal finance and control systems, review health & safety management and site maintenance, and direct strategy for capital investment in line with School's priorities.

Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
<b>Governor</b>		
Mr John Gaskins (Chair until 01.12.2022)	1	1
Mrs Fiona Wood	4	4
Mr Michael Fishwick (Chair 01.12.2022 to 12.6.2023)	3	4
Mr Michael Carr	2	4
Mr Richard Wilson (Head & Accounting Officer)	4	4
Mrs Vicky Hughes	4	4
Mr Zaeed Mohammed (Chair from 12.06.2022)	3	3

The Academy has an established **Audit and Risk Committee** as a sub committee of the Board. This committee oversees the Trust's programme of internal scrutiny in order to ensure that risks are being addressed appropriately and reports its findings to the full Governing Body on a regular basis. In discharging this the Committee receives and reviews the Risk Register. The Committee receives, reviews and directs actions associated with the external audit of the Annual Accounts highlighting such items to the Governing Body. Mr John Gaskins ceased to be a Governor on 01.12.2022 and he now only Chairs the Audit Committee therefore ensuring a Chair for this Committee who is independent of the Governors.

Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
<b>Governor</b>		
Mr John Gaskins (Chair)	3	3
Mrs Fiona Wood	3	3
Mr Michael Fishwick	2	3
Mr Michael Carr	1	3
Mrs Vicky Hughes	3	3
Mr Zaeed Mohammed	2	2

**Governance Statement (continued)****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 educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

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

- Welcoming the concept and principles underpinning Good Value and actively pursuing these throughout all the services it provides or uses.
- Providing quality services at an acceptable cost. It is not simply the lowest cost or the highest quality. It is a question of finding the right balance of the Good Value for the price people are prepared to pay.
- Seeking continuous improvements in service, costs and quality (changes have been made this year to service providers, eg reduction in hours for cleaning provider). Regular price negotiations take place throughout the year eg Staff Absence Insurance renewal and catering suppliers.

The principles underpinning this and to which Burton Morewood School subscribe can be summarised as follows:

**Duty**

Delivery of Best Value will represent:-

- A balance between cost and quality.
- Economical, efficient and effective service delivery.
- Continuous improvement.

**Service Reviews**

There is a requirement for ongoing service reviews. The reviews will include four key elements:

- Challenge Is the service needed? Are there better ways to achieve the objectives?
- Compare Benchmarking and dialogue with users and potential suppliers.
- Consult Aims of the service, targets and means of delivery.
- Compete Is service delivery competitive? Are more efficient and effective means of delivery available?

**Performance Targets**

- All services to have performance targets, some of these will be set nationally and others agreed and set locally.
- The targets will cover efficiency and economy as well as quality.
- The targets are to be challenging and reflect continuous improvement.

The progress of the annual budget plan and this statement will be monitored with the school improvement plan in order to determine the extent of continuous improvement. This monitoring will be undertaken by the Finance Sub Committee.

During 2022-23, the Finance Sub Committee focused on:

- 1) The development of financial plans to cover future periods, to ensure that the Academy remains in a healthy financial position.
- 2) Improving cash flow reporting and generating a 5 year budget forecast for further financial security.
- 3) Capital plans and requirements in respect of future infrastructure needs and ensuring these support the continued delivery of financial balance. During the past financial year this has included ongoing research in respect of solar panels and energy efficient lighting,
- 4) The review of budgets, internal costs, charging and reducing costs further, where possible.

**Governance Statement (continued)****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 Burton Morewood Church of England Primary School for the period 01 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The governing body 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 Governing Body 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 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

**The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governing body;
- regular reviews by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks, by the Finance and Resources Committee.

**Internal Scrutiny**

The Governing Body appointed Mr Steve Thexton, a retired deputy headmaster to conduct an external review of the academy's non-financial controls. The Governing body received a report based on the review and checking of the following areas, along with appropriate recommendations:

- HR /Staffing
- Safeguarding
- Health & Safety
- Risk Register
- Insurance
- Information Technology
- GDPR
- Leadership & Governance

The Governing Body continued to secure the services of Queen Elizabeth School Finance Department, to provide support with budget setting and cash flow forecasting.

During the period the Academy continued to engage with an SRMA, appointed by the ESFA. The SRMA deployment and subsequent report, undertook to find the Academy ways of future cost saving. The final report was received by the Academy and returned with comment to the ESFA. Certain recommendations have been implemented and others are priorities for future consideration.

The independent review of the system of internal controls has found these to be good and working as expected.

**Governance Statement (continued)**

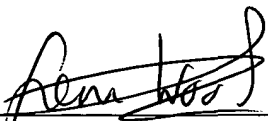
**Review of Effectiveness**

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

- the work of the external review;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the Finance Department at Queen Elizabeth School, Kirkby Lonsdale who assists 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 Governing Body and signed on its behalf by:



**Fiona Wood**  
**Chair of Governors**



**Richard Wilson**  
**Accounting Officer**

13/12/23

Date

**Statement on Regularity, Propriety and Compliance**

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

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

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



**Richard Wilson**  
**Accounting Officer**

13/12/23

Date



**Statement of Governors' Responsibilities**

The trustees (who act as Governors of Burton Morewood Church of England Primary School and 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 Annual 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 Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors are required to:

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

The Governors 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 Governors 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 Governors 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 Governing Body and signed on its behalf by:



**Fiona Wood**  
**Chair of Governors**

13/12/23

Date

**Independent Auditor's Report on the Financial Statements to the Members of Burton Morewood Church of England Primary School****Opinion**

We have audited the financial statements of Burton Morewood Church of England Primary School for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Burton Morewood Church of England Primary School's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

**Other information**

The other information comprises the information included in the annual report including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. It includes the Reference and Administrative Details, the Report of the Directors and Strategic Report and the Governance Statement. 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 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.

**Independent Auditor's Report on the Financial Statements to the Members of Burton Morewood Church of England Primary School (continued)**

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

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

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

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

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

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company 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 to 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Independent Auditor's Report on the Financial Statements to the Members of Burton Morewood Church of England Primary School****Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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 and non-compliance with laws and regulations, is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- To address the risk of fraud through management bias and override of controls, we:
  - performed analytical procedures to identify any unusual or unexpected relationships;
  - tested journal entries to identify unusual transactions;
  - assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
  - investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

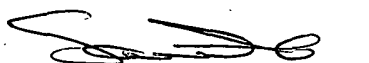
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

**Independent Auditor's Report on the Financial Statements to the Members of Burton Morewood Church of England Primary School (continued)**

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

**Use of our report**

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



Ian Thompson (Senior Statutory Auditor)

For and on behalf of

Saint & Co  
Chartered Accountants & Statutory Auditors  
The Old Police Station  
Church Street  
Ambleside  
Cumbria  
LA22 0BT

14/12/27 Date

**Independent Reporting Accountant's Assurance Report on Regularity to Burton Morewood Church of England Primary School and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 15/08/2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Burton Morewood Church of England Primary School during the period 01 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

**Respective Responsibilities of the Burton Morewood Church of England Primary School's Accounting Officer and the Reporting Accountant**

The Accounting Officer is responsible, under the requirement of the Burton Morewood Church of England Primary School's funding agreement with the Secretary of State for Education dated 30 September 2011 and the Academies Financial Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 01 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- the school resource management self-assessment checklist (SRMSAT) was obtained and considered;
- having a general awareness of regularity and propriety whilst conducting the statutory audit function;
- reviewing if extra-contractual severance payments have been made in accordance with the Handbook;
- reviewing if borrowing agreements, including leases to ensure they have been made in accordance with the Handbook;
- reviewing the minutes of the meeting of the main committees during the year;
- reviewing expenditure to check that it was not ultra vires to the charitable objectives;
- obtaining trustee / governors declaration of interests;
- where present obtaining the accounting officer's file.

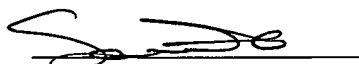
**Independent Reporting Accountant's Assurance Report on Regularity to Burton Morewood Church of England Primary School and the Education Funding Agency (continued)**

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 01 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Use of our report**

This report is made solely to Burton Morewood Church of England Primary School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Burton Morewood Church of England Primary 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 Burton Morewood Church of England Primary School and ESFA, for our work, for this report, or for the conclusion we have formed.



Ian Thompson (Reporting Accountant)

For and on behalf of

Saint & Co  
Chartered Accountants & Statutory Auditors  
The Old Police Station  
Church Street  
Ambleside  
Cumbria  
LA22 0BT

14/12/23 Date

**Statement of Financial Activities for the Year Ended 31 August 2023**

(Including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>						
Donations and capital grants	2	-	4,693	19,394	24,087	5,995
Charitable activities						
Funding for the Academy trust's educational operations	3	42,389	929,288	-	971,677	951,535
Other trading activities	4	13,273	3,130	-	16,403	20,644
Investments	5	-	-	-	-	-
<b>Total</b>		<b>55,662</b>	<b>937,111</b>	<b>19,394</b>	<b>1,012,167</b>	<b>978,174</b>
<b>Expenditure on:</b>						
Charitable activities						
Academy trust educational operations	8	46,298	936,136	47,197	1,029,631	1,143,780
Other trading activities	7	8,763	-	-	8,763	1,675
<b>Total</b>	6	<b>55,061</b>	<b>936,136</b>	<b>47,197</b>	<b>1,038,394</b>	<b>1,145,455</b>
<b>Net income / (expenditure)</b>		<b>601</b>	<b>975</b>	<b>(27,803)</b>	<b>(26,227)</b>	<b>(167,281)</b>
<b>Transfers between funds</b>	10	<b>730</b>	<b>(730)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains and (losses)</b>						
Actuarial (losses) / gains on defined benefit pension schemes	23	-	180,000	-	180,000	461,000
<b>Net movement in funds</b>		<b>1,331</b>	<b>180,245</b>	<b>(27,803)</b>	<b>153,773</b>	<b>293,719</b>
<b>Reconciliation of funds</b>						
Total funds brought forward	18	1,864	(238,881)	1,333,338	1,096,321	802,602
<b>Total funds carried forward</b>	18	<b>3,195</b>	<b>(58,636)</b>	<b>1,305,535</b>	<b>1,250,094</b>	<b>1,096,321</b>

All of the academy's activities derive from continuing operations during the above two financial periods.

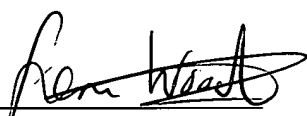



## Balance Sheet as at 31 August 2023

Company Number 07788628

	Note	2023 £	2023 £	2022 £	2022 £
<b>Fixed assets</b>					
Tangible assets	13		1,284,708		1,328,050
Investments			-		-
			<u>1,284,708</u>		<u>1,328,050</u>
<b>Current assets</b>					
Stock	14	925		881	
Debtors	15	15,897		19,164	
Cash at bank and in hand		<u>21,630</u>		<u>752</u>	
		38,452		20,797	
<b>Liabilities</b>					
Creditors: Amount falling due within one year	16	<u>(71,882)</u>		<u>(78,157)</u>	
<b>Net current assets</b>			<u>(33,430)</u>		<u>(57,360)</u>
<b>Total assets less current liabilities</b>			1,251,278		1,270,690
Creditors: Amount falling due after one year	17		<u>(1,184)</u>		<u>(2,369)</u>
<b>Net Assets excluding pension liability</b>			1,250,094		1,268,321
<b>Provision for liabilities</b>					
Defined benefit pension scheme liability	23		-		(172,000)
<b>Total net assets</b>			<u>1,250,094</u>		<u>1,096,321</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset funds	18	1,305,535		1,333,338	
Restricted income funds	18	(58,636)		(66,881)	
Pension reserve	18,23	-		(172,000)	
<b>Total restricted funds</b>	18		1,246,899		1,094,457
<b>Unrestricted income funds</b>					
General fund	18	<u>3,195</u>		<u>1,864</u>	
<b>Total unrestricted funds</b>			3,195		1,864
<b>Total funds</b>			<u>1,250,094</u>		<u>1,096,321</u>

The financial statements were approved by the trustees, and authorised for issue and signed on their behalf by:

  
 Fiona Wood  
 Chair of Governors

  
 Richard Wilson  
 Accounting Officer

13/12/23 Date

## Statement of Cash Flows for the Year Ended 31 August 2023

	2023	2022			
	£	£			
<b>Reconciliation of net income / (expenditure) to net cash flow from operating activities</b>					
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(26,227)	(167,281)			
<i>Adjusted for:</i>					
Depreciation	43,342	55,013			
Capital grants from DfE/ESFA and other capital income	(19,395)	(5,995)			
Other government capital grants	-	-			
Capital donations	-	-			
Interest receivable	-	-			
Defined benefit pension scheme costs less contributions payable	1,000	59,000			
Defined benefit pension scheme net pension finance costs	7,000	12,000			
Decrease/(Increase)Increase in stocks	(44)	(191)			
Decrease/(Increase) in debtors	3,267	(5,754)			
Increase/(Decrease) in creditors	(6,275)	17,638			
Increase/(Decrease) in long term creditors	(1,185)	(1,184)			
Decrease/(increase) in salix loans included in above	1,185	1,184			
<b>Net cash provided by / (used in) Operating Activities</b>	<b>2,668</b>	<b>(35,570)</b>			
<b>Cash flows from financing activities</b>					
Repayments of borrowing	-	-			
Cash inflows from new borrowing	-	-			
Receipts from Salix loans	-	-			
Repayments made on Salix loans	(1,185)	(1,184)			
<b>Net cash provided by / (used in) financing activities</b>	<b>(1,185)</b>	<b>(1,184)</b>			
<b>Cash flows from investing activities</b>					
Interest receivable	-	-			
Proceeds from sale of tangible fixed assets	-	-			
Purchase of tangible fixed assets	-	-			
Capital grants from DfE/ESFA and other capital income	19,395	5,995			
Other government capital grants	-	-			
Capital donations	-	-			
<b>Net cash provided by / (used in) investing activities</b>	<b>19,395</b>	<b>5,995</b>			
<b>Change in cash and cash equivalents in the reporting period</b>	<b>20,878</b>	<b>(30,759)</b>			
<b>Reconciliation of net cash flow to movement in net funds</b>					
<b>Cash and cash equivalents at 1 September 2022</b>	<b>752</b>	<b>31,511</b>			
Change in cash and cash equivalents in the reporting period	20,878	(30,759)			
<b>Cash and cash equivalents at 31 August 2023</b>	<b>21,630</b>	<b>752</b>			
<b>Analysis of cash and cash equivalents</b>	<b>1 Sept 22</b>	<b>Cash flows</b>	<b>31 Aug 23</b>		
	£	£	£		
Cash in hand and at bank	752	20,878	21,630		
<b>Total cash and cash equivalents</b>	<b>752</b>	<b>20,878</b>	<b>21,630</b>		
<b>Analysis of changes in net debt</b>	<b>1 Sept 22</b>	<b>Cash flows</b>	<b>New finance leases</b>	<b>Other non-cash changes</b>	<b>31 Aug 23</b>
	£	£	£	£	£
Cash	752	20,878	-	-	21,630
Loans falling due within one year	(1,184)	1,185	-	(1,185)	(1,184)
Loans falling due after more than a year	(2,369)	-	-	1,185	(1,184)
<b>Total</b>	<b>(2,801)</b>	<b>22,063</b>	<b>-</b>	<b>-</b>	<b>19,262</b>

**Notes to the Financial Statements for the Year Ended 31 August 2023****1. Statement of Accounting Policies**

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

**Basis of Preparation**

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

The trust meets the definition of a public benefit entity under FRS 102.

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

**Going Concern**

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

**Incoming Resources**

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

- General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.
- Other government grants are also recognised on a receivable basis. For all grants the balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.
- Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.
- Donations, legacies and other forms of voluntary income 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, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

**Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)****1. Statement of Accounting Policies (Continued)**

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

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

**Deferred Income**

Grants and other funding received for the academy's educational activities for a period spanning the year end are deferred pro-rata to the relevant periods in order to match the funding to the period in which the costs of charitable activities are incurred.

**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.

- Charitable Activities - These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.
- Expenditure on Raising Funds (Other trading activities) - This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

All resources expended are inclusive of irrecoverable VAT.

**Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)****1. Statement of Accounting Policies (Continued)****Tangible Fixed Assets**

Assets are carried at valuation/cost, net of depreciation and any provision for impairment.

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

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

Tangible fixed assets transferred on conversion to Academy status have been included in the accounts at valuation.

**Depreciation**

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

- Long Leasehold buildings - straight line over economic life (ranging from 31 to 55 years)
- Plant and machinery – straight line over economic life (ranging from 11 to 26 years).
- Information communications & technology equipment - 25% straight line
- Furniture, fittings & equipment - 10% straight line
- Land (on which the school buildings are situated) used under an agreement with the Carlisle Diocesan Board of Finance Limited is not depreciated here as there is no arrangement termination date.

All assets have been depreciated for 12 months except land used under an agreement with the Carlisle Diocesan Board of Finance Limited noted above.

Assets are depreciated in full in the year of purchase.

The total depreciation charge is allocated to teaching costs and administration and support costs pro-rata to the number of employees.

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

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

**Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)****1. Statement of Accounting Policies (Continued)****Liabilities**

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

**Salix Accounting Policy / Public Benefit Entity Concessionary Loans**

Public Benefit Entity Concessionary Loans shall initially be measured at the amount received and recognised in the statement of financial position. In subsequent years, the carrying amount of the concessionary loans in the financial statements shall be adjusted to reflect any accrued interest payable.

**Provisions**

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

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

**Leased Assets**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**Financial Instruments**

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in the notes. 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 the notes. Taxation and social security are not included in the financial instruments disclosure definition. *Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.* Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

**Stocks**

Stocks are valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

**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.

**Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)****1. Statement of Accounting Policies (Continued)****Pension Benefits**

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

**Teachers' Pension Scheme**

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

**Local Government Pension Scheme**

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.

**Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)****1. Statement of Accounting Policies (Continued)****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 governors.

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

Restricted general funds comprise grants, including the General Annual Grant (GAG), and other funding for educational purposes and any voluntary income to be used for specific purposes.

The Local Government Pension Scheme deficit is recognised against restricted general funds in order to match it against the GAG, in accordance with Education and Skills Funding Agency guidance.

Details of restricted and unrestricted funds are shown in the notes to the financial statements.

**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, assumptions and judgements*

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the notes, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.
- Furthermore this year the pension asset has been restricted to any surplus of scheme assets over 110% of the scheme liabilities, in line with the schemes funding strategy.
- The annual depreciation charge is sensitive to the estimated useful economic lives of property. The useful economic lives of property, plant and equipment is initially based on the professional valuers report using their judgement and experience. The useful economic lives are assessed annually and changed when necessary to reflect current thinking on their remaining lives.



## Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

## 2. Donations and Capital Grants

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2023 £	Total 2022 £
ESFA - Capital Grant	-	-	19,395	19,395	5,995
Other Government - Capital grants	-	-	-	-	-
Other - Capital grants	-	-	-	-	-
Miscellaneous donations	-	4,692	-	4,692	-
	-	4,692	19,395	24,087	5,995
<b>2022 total</b>	-	-	5,995	5,995	

## 3. Funding for Academy's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
<b>DfE/ESFA Grants</b>				
General Annual Grant (GAG)	-	679,406	679,406	651,732
Pupil premium	-	27,895	27,895	27,013
UFSM	-	21,522	21,522	23,409
Teachers Pay Grant	-	439	439	313
Teachers Pension Grant	-	1,240	1,240	886
Schools supplementary grant	-	19,707	19,707	8,211
Mainstream schools support grant	-	9,421	9,421	-
Sports Funding	-	17,300	17,300	17,330
Other DfE/ESFA grants	-	4,503	4,503	11,559
Other DfE Group grants	-	-	-	-
	-	781,433	781,433	740,453
<b>Other Government Grants</b>				
LA funded statements	-	34,562	34,562	42,359
Teaching school	-	-	-	-
Nursery funding	-	65,715	65,715	61,789
Other government grants	-	1,471	1,471	-
	-	101,748	101,748	104,148
<b>Exceptional government funding</b>				
COVID-19 additional funding (ESFA/DfE)				
Catchup premium	-	-	-	-
National tutoring / mental health grants	-	2,578	2,578	3,428
Recovery premium grant	-	2,465	2,465	2,356
Coronavirus exceptional support	-	-	-	-
Coronavirus workforce fund	-	-	-	20,715
COVID-19 additional funding (non - ESFA/DfE)				
Coronavirus Job Retention Scheme grant	-	-	-	-
Other COVID-19 funding	-	-	-	1,118
	-	5,043	5,043	27,617
<b>Catering</b>	13,846	-	13,846	15,528
<b>Nursery income</b>	-	18,568	18,568	18,378
<b>School fund income</b>	28,543	4,851	33,394	26,070
<b>School trips income</b>	-	16,228	16,228	17,095
<b>Science learning partnership</b>	-	-	-	-
<b>Schools direct</b>	-	-	-	-
<b>Other educational income</b>	-	1,417	1,417	2,246
	42,389	929,288	971,677	951,535
<b>2022 total</b>	32,615	918,920	951,535	

**Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)****Exceptional government funding**

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

The academy has claimed £2,465 in respect of the national tutoring programme. This has been used to cover staffing costs.

The academy received £2,578 in respect of the Recovery Premium Grant. This has been used to cover staffing costs.

<b>4. Other Trading Activities</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Staff services income	7,635	-	7,635	392
Hire of facilities - lettings	5,638	-	5,638	5,394
Staff insurance receipts	-	3,130	3,130	14,858
	<u>13,273</u>	<u>3,130</u>	<u>16,403</u>	<u>20,644</u>
<b>2022 total</b>	<u>5,786</u>	<u>14,858</u>	<u>20,644</u>	
<b>5. Investment Income</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Bank interest receivable	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>2022 total</b>	<u>-</u>	<u>-</u>	<u>-</u>	

## Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

6. Expenditure	Staff Costs £	Non Pay Premises £	Expenditure Other Costs £	Total 2023 £	Total 2022 £
Cost of other trading activities	7,635	-	1,128	8,763	1,675
Academy's educational operations					
Direct costs	701,175	-	57,915	759,090	833,085
Allocated support costs	80,218	78,823	111,500	270,541	310,695
	<u>781,393</u>	<u>78,823</u>	<u>169,415</u>	<u>1,029,631</u>	<u>1,143,780</u>
	<u>789,028</u>	<u>78,823</u>	<u>170,543</u>	<u>1,038,394</u>	<u>1,145,455</u>
2022 total	<u>886,973</u>	<u>58,490</u>	<u>199,992</u>	<u>1,145,455</u>	

	2023 £	2022 £
Net income/(expenditure) for the period includes:		
Depreciation	43,342	55,013
(Gain)/loss on disposal of fixed assets	-	-
Operating leases	707	776
Fees payable to current auditor		
- audit of the financial statements	6,015	5,940
- other assurance services	1,890	1,645
- other services	-	175

7. Cost of Other Trading activities	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Staff costs	7,635		7,635	1,175
Letting expenses	1,128	-	1,128	500
	<u>8,763</u>	<u>-</u>	<u>8,763</u>	<u>1,675</u>
2022 total	<u>1,675</u>	<u>-</u>	<u>1,675</u>	

## Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

<b>8. Charitable Activities</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2023</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Direct Costs - educational operations</b>				
Teaching and educational support staff costs	-	701,175	701,175	741,992
Depreciation	-	32,106	32,106	46,021
Educational supplies	-	13,948	13,948	8,032
Staff development	-	1,794	1,794	3,053
Educational consultancy	-	200	200	15,578
Other direct costs	-	9,867	9,867	18,409
	-	759,090	759,090	833,085
<b>Support Costs - educational operations</b>				
Support staff costs	11,198	69,020	80,218	143,806
Depreciation	-	11,236	11,236	8,992
Maintenance of premises and equipment	-	10,675	10,675	15,369
Maintenance - capital projects	-	-	-	-
Professional Fees	-	-	-	2,374
Cleaning	-	15,812	15,812	2,128
Rates and water	-	6,382	6,382	10,327
Heat and light	-	23,673	23,673	12,419
Insurance	-	11,045	11,045	9,255
Transport	-	-	-	2,205
Catering expenses	7,888	10,035	17,923	15,980
Technology costs	-	5,179	5,179	3,195
Educational visits	-	16,365	16,365	17,026
School fund expenses	27,212	2,967	30,179	22,115
Other support costs	-	12,500	12,500	8,237
	46,298	194,889	241,187	273,428
<b>Support Costs - governance</b>				
Audit fees	-	6,015	6,015	5,940
Accountancy and assurance fees	-	2,390	2,390	1,820
Trustees' training and expenses	-	-	-	-
Legal and professional fees	-	13,949	13,949	17,507
Net finance costs in respect of defined benefit pension schemes	-	7,000	7,000	12,000
	-	29,354	29,354	37,267
<b>Total direct and support costs</b>	<b>46,298</b>	<b>983,333</b>	<b>1,029,631</b>	<b>1,143,780</b>
<b>2022 total</b>	<b>33,795</b>	<b>1,109,985</b>	<b>1,143,780</b>	

## Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

## 9. Staff

## a. Staff costs

	2023	2022
	£	£
Staff costs during the period were:		
Wages and salaries	603,682	638,997
Social security costs	47,198	48,744
Operating costs of defined benefit pension schemes	138,148	199,232
Apprenticeship levy	-	-
	<u>789,028</u>	<u>886,973</u>
Supply staff costs	-	-
Staff restructuring costs	-	-
Staff seconded in / out of the organisation	-	-
	<u>789,028</u>	<u>886,973</u>
Staff restructuring costs comprise:		
Redundancy payments	-	-
Severance payments	-	-
Other restructuring costs	-	-
	<u>-</u>	<u>-</u>

## b. Severance payments

The academy trust paid £Nil severance payments in the year, disclosed in the following bands:

	2023
	No
0 - £25,000	-
£25,001 - £50,000	-
£50,001 - £100,000	-
£100,001 - £150,000	-
£150,000+	-
	<u>-</u>

## c. Special staff severance payments - Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2022: £Nil). Individually, the payments were £Nil. (2022: £Nil)

## d. Staff numbers

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

	2023	2022
	No	No
<b>Charitable Activities</b>		
Management	1	1
Teachers	10	11
Administration and support	16	23
	<u>27</u>	<u>35</u>

**Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)****e. Higher paid staff**

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

	2023 No	2022 No
£60,000 to £64,999	-	-
	-	-

**f. Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was:

	2023 £	2022 £
Senior Management Team	102,180	114,246
Staff Governors	108,384	101,919
	210,564	216,165

## Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

## 10. Transfers Between Funds

2023

£

**Restricted general funds**

## General Annual Grant (GAG)

Lettings income surplus to GAG to cover costs not allocated and overspend

4,510

Designated catering overspend supported by GAG

(5,240)

UIFSM and restricted catering surplus to GAG to cover unallocated costs

(2,764)

Transfer from Nursery fund to cover costs and GAG overspend

35,213

Unrestricted school funds transferred to GAG

-

Fixed asset purchases during the year

-

31,719

Nursery restricted fund (at year end restriction removed as service provided)

Transfer surplus to GAG to cover costs not allocated and GAG overspend

(35,213)

Fixed asset purchases from school funds

-

UIFSM and restricted catering surplus to GAG to cover unallocated costs

2,764

(730)**Restricted fixed asset funds**

## Fixed assets used for charitable purposes

Purchases from ESFA formula grant

-

Purchases from GAG

-

Purchases from school funds

-

## ESFA formula grant to Fixed assets fund

Purchases of fixed assets used for charitable purposes

-

Balance of Conditions Improvement Fund projects

-

-

-**Unrestricted Funds**

Unrestricted school funds transferred to GAG

-

Lettings income surplus to GAG to cover costs not allocated and overspend

(4,510)

Designated catering overspend supported by GAG

5,240

730

730

**Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)****11. Related Party Transactions – Governors' remuneration and expenses**

One or more governors has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

Other governors did not receive any payments, other than expenses, from the academy in respect of their role as governors.

The value of governors' remuneration and other benefits for the period was as follows:

R Wilson (principal and governor)		
Remuneration	£55,000 to £59,999	(2022: £55,000 to £59,999)
Employer's pension contributions	£10,000 to £14,999	(2022: £10,000 to £14,999)
S Noble (staff governor)		
Remuneration	£20,000 to £24,999	(2022: £15,000 to £19,999)
Employer's pension contributions	£0 to £4,999	(2022: £0 to £4,999)
R Ludlam (staff governor)		
Remuneration	£15,000 to £19,999	(2022: £15,000 to £19,999)
Employer's pension contributions	£0 to £4,999	(2022: £0 to £4,999)
N Hermida (staff governor)		
Remuneration	£40,000 to £44,999	(2022: £40,000 to £44,999)
Employer's pension contributions	£5,000 to £9,999	(2022: £5,000 to £9,999)

During the year ended 31 August 2023, travel and subsistence expenses totalling £Nil were reimbursed to governors in respect of their governors roles, some staff receive travel expenses but only in relation to their teaching roles (2022: £Nil).

**12. Governors and officers insurance**

In accordance with normal commercial practice the academy has purchased insurance to protect governors and officers from claims for negligent acts, errors or omissions occurring whilst on academy business. The insurance for the year ended 31 August 2023 provides cover up to £10,000,000 (2022: £10,000,000) on any one loss and any one membership year.

The academy's insurance is via the Department for Education's risk protection arrangement (RPA) and the cost of this insurance is included in the total insurance cost. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme membership.



## Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

## 13. Tangible Fixed Assets

	Leasehold Land & Buildings £	Plant & Machinery £	Furniture Fittings & Equipment £	ICT Equipment £	Total £
<b>Cost</b>					
As at 1 September 2022	1,595,813	177,920	76,648	43,221	1,893,602
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
As at 31 August 2023	<u>1,595,813</u>	<u>177,920</u>	<u>76,648</u>	<u>43,221</u>	<u>1,893,602</u>
<b>Depreciation</b>					
As at 1 September 2022	334,957	125,651	61,723	43,221	565,552
Charge in year	34,676	6,758	1,908	-	43,342
Disposals	-	-	-	-	-
As at 31 August 2023	<u>369,633</u>	<u>132,409</u>	<u>63,631</u>	<u>43,221</u>	<u>608,894</u>
<b>Net book values</b>					
As at 31 August 2023	<u>1,226,180</u>	<u>45,511</u>	<u>13,017</u>	<u>-</u>	<u>1,284,708</u>
As at 1 September 2022	<u>1,260,856</u>	<u>52,269</u>	<u>14,925</u>	<u>-</u>	<u>1,328,050</u>

## Valuation Details

The leasehold land and buildings and the plant and machinery integral to the building include valuations of £935,108 and £170,517 respectively made in 2011 by AT Snape RICs Registered Valuer, who is independent of the charitable company. The basis of valuation for the assets was Existing Use Value using a Depreciated Replacement Cost approach. This was for the inclusion of the items on conversion to an academy trust.

## Leases

The school buildings are situated on land owned by the Carlisle Diocesan Board of Finance Limited (CDBF). A Church Supplemental Agreement has been signed giving the academy the right to occupy this land. The Church Supplemental Agreement gives the CDBF the right to terminate the agreement with two years notice. The governors have capitalised the leasehold land and buildings as they are not aware of any intention by the CDBF to serve notice in the future.

The playing fields are subject to a 125 lease with Westmorland and Furness Council which commenced on 1st October 2011.

## Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

<b>14. Stock</b>	<b>2023</b>	<b>2022</b>
	£	£
Stationery	754	841
Cleaning	116	20
Catering	55	20
Clothing	-	-
	<u>925</u>	<u>881</u>
<b>15. Debtors</b>	<b>2023</b>	<b>2022</b>
	£	£
Trade debtors	-	-
VAT recoverable	641	1,969
Prepayments	6,159	8,530
Accrued income	9,097	8,665
Other debtors	-	-
	<u>15,897</u>	<u>19,164</u>
<b>16. Creditors: Amounts falling due within one year</b>	<b>2023</b>	<b>2022</b>
	£	£
Trade creditors	6,932	19,521
Taxation and social security	11,687	12,201
Sundry creditors	10,295	9,695
Salix loan	1,184	1,184
Accruals	18,462	19,306
Deferred income	23,322	16,250
	<u>71,882</u>	<u>78,157</u>
<b>Deferred Income</b>	<b>2023</b>	<b>2022</b>
	£	£
Accruals and deferred income includes:		
Deferred income at 1 September 2022	16,250	19,203
Resources deferred in the year	23,322	16,250
Amounts released from previous years	(16,250)	(19,203)
Deferred income at 31 August 2023	<u>23,322</u>	<u>16,250</u>
Deferred income comprises:		
Universal Infants Free School Meals allocation for next year	13,180	13,891
ESFA grant for rates 1 September 2023 to 31 March 2024	-	2,359
SEN funding in relation to the next academic year	10,142	-
	<u>23,322</u>	<u>16,250</u>
<b>17. Creditors: Amounts falling due after one year</b>	<b>2023</b>	<b>2022</b>
	£	£
Salix loan	1,184	2,369
	<u>1,184</u>	<u>2,369</u>

Included within creditors are public benefit concessionary loans (Salix loan) from the ESFA which is provided on the following terms. Repayable by installments over 8 years with payments in arrears and are interest free.

## Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

18. Funds	Balance at 01-Sep 2022 £	Incoming resources £	Resources expended £	Gains, Losses and Transfers £	Balance at 31-Aug 2023 £
<b>Restricted General Funds</b>					
General Annual Grant (GAG)	(72,376)	679,406	(704,629)	31,719	(65,880)
Pupil premium	-	27,895	(27,895)	-	-
Teachers Pay Grant	-	439	(439)	-	-
Teachers Pension Grant	-	1,240	(1,240)	-	-
Schools supplementary grant	-	19,707	(19,707)	-	-
Mainstream schools support grant	-	9,421	(9,421)	-	-
Sports Funding	-	17,300	(17,300)	-	-
Other ESFA grants	-	4,503	(4,503)	-	-
Catch-up premium	-	-	-	-	-
Exceptional government funding	-	5,043	(5,043)	-	-
UIFSM and restricted catering	-	21,522	(24,286)	2,764	-
LA funded statements	-	34,562	(34,562)	-	-
Other government grants	-	1,471	(1,471)	-	-
Schools Direct	-	-	-	-	-
Nursery	-	84,283	(49,070)	(35,213)	-
Trips	157	16,228	(16,363)	-	22
School Funds	5,338	4,851	(2,967)	-	7,222
Other educational income	-	4,547	(4,547)	-	-
Other restricted general funds	-	4,693	(4,693)	-	-
	<u>(66,881)</u>	<u>937,111</u>	<u>(928,136)</u>	<u>(730)</u>	<u>(58,636)</u>
<b>Restricted Fixed Asset Funds</b>					
Fixed assets used for charitable purposes	1,328,050	-	(43,342)	-	1,284,708
ESFA formula capital	5,288	19,394	(3,855)	-	20,827
ESFA condition improvement funds	-	-	-	-	-
Other capital donations	-	-	-	-	-
	<u>1,333,338</u>	<u>19,394</u>	<u>(47,197)</u>	<u>-</u>	<u>1,305,535</u>
<b>Restricted Pension Reserve Funds</b>					
Pension reserve fund	(172,000)	-	(8,000)	180,000	-
<b>Total Restricted Funds</b>	<u>1,094,457</u>	<u>956,505</u>	<u>(983,333)</u>	<u>179,270</u>	<u>1,246,899</u>
<b>Unrestricted Funds</b>					
Unrestricted general funds	-	13,273	(8,763)	(4,510)	-
Designated school fund	1,864	28,543	(27,212)	-	3,195
Designated catering fund	-	13,846	(19,086)	5,240	-
<b>Total Unrestricted Funds</b>	<u>1,864</u>	<u>55,662</u>	<u>(55,061)</u>	<u>730</u>	<u>3,195</u>
<b>Total Funds</b>	<u>1,096,321</u>	<u>1,012,167</u>	<u>(1,038,394)</u>	<u>180,000</u>	<u>1,250,094</u>

Details of transfers are shown in an earlier note.

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

The academy trust is carrying a net deficit of £55,441 (2022: 65,017) on restricted general funds (excluding pension reserve) plus unrestricted funds. This had arisen as a consequence of the impact of Covid in increasing expenditure and reducing income streams during 2020/21 and 2021/22 alongside lower Nursery hours take up in 2021/22 than were budgeted. The GAG deficit in the year has been reduced to £65,880 due to a stringent review of costs. The Academy's budget for 2023/24 and the following two years shows a surplus, which is expected to bring the General Annual Grant back into surplus.

**Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)**

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

**General Annual Grant (GAG) fund**

This 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 (ESFA).

**Pupil premium fund**

This represents funding paid by the DfE to support disadvantaged students in their teaching and learning, with the aim of improving their attainment and closing the gap with more advantaged students.

**Teachers pay and pension grants**

Teachers pay grant is provided to support teacher pay awards. Teachers pension grant is provided to support the increase in employer contributions to the Teachers' Pension Scheme from September 2019.

**Defined benefit pension scheme fund**

This represents the deficit on the Local Government Pension Scheme (LGPS) at the year end. For details of the deficit payment plan see the pensions note.

**Local authority funded statements**

This represents funding from the Local Authority to pay for Learning Support Assistants who support the "statemented" special needs students.

**UIFSM**

This represents funding from the DofE to fund school meals for all infant students

**Nursery**

We took over the running of the village Nursery in April 2018. It has become increasingly popular since its arrival within school and numbers have increased. We receive income from the Local Authority for the Government's 30 hours Nursery funding and payment from individual parents for non-funded hours. Nursery income covers the cost of Nursery staff and all other related expenses. When we took on this venture we set up a separate fund so that we could have greater visibility of income and expenditure to ensure viability.

**ESFA condition improvement funds**

This represents monies from the ESFA in relation to capital projects.

**Fixed assets used for charitable purposes**

This represents the value and movements on Tangible Fixed Assets note.

**Funds in Deficit**

The General Annual Grant deficit has reduced during the year. The academy is looking to reduce this in the future through costs savings over the next few financial years.

## Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

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

	Balance at 01-Sep 2021 £	Incoming resources £	Resources expended £	Gains, Losses and Transfers £	Balance at 31-Aug 2022 £
<b>Restricted General Funds</b>					
General Annual Grant (GAG)	(36,755)	651,732	(717,700)	30,347	(72,376)
Pupil premium	-	27,013	(27,013)	-	-
Teachers Pay Grant	-	313	(313)	-	-
Teachers Pension Grant	-	886	(886)	-	-
Schools supplementary grant	-	8,211	(8,211)	-	-
Sports Funding	-	17,330	(17,330)	-	-
Other ESFA grants	-	11,559	(11,559)	-	-
Catch-up premium	11,760	-	(11,760)	-	-
Exceptional government funding	-	27,617	(27,617)	-	-
UIFSM and restricted catering	(950)	23,409	(22,239)	(220)	-
LA funded statements	-	42,359	(42,359)	-	-
Schools Direct	-	-	-	-	-
Nursery	-	80,167	(52,200)	(27,967)	-
Trips	88	17,095	(17,026)	-	157
School Funds	2,154	8,983	(5,799)	-	5,338
Other educational income	-	17,104	(17,104)	-	-
Other restricted general funds	-	-	-	-	-
	<u>(23,703)</u>	<u>933,778</u>	<u>(979,116)</u>	<u>2,160</u>	<u>(66,881)</u>
<b>Restricted Fixed Asset Funds</b>					
Fixed assets used for charitable purposes	1,383,063	-	(55,013)	-	1,328,050
ESFA formula capital	4,149	5,995	(4,856)	-	5,288
ESFA condition improvement funds	-	-	-	-	-
Other capital donations	-	-	-	-	-
	<u>1,387,212</u>	<u>5,995</u>	<u>(59,869)</u>	<u>-</u>	<u>1,333,338</u>
<b>Restricted Pension Reserve Funds</b>					
Pension reserve fund	(562,000)	-	(71,000)	461,000	(172,000)
<b>Total Restricted Funds</b>	<u>801,509</u>	<u>939,773</u>	<u>(1,109,985)</u>	<u>463,160</u>	<u>1,094,457</u>
<b>Unrestricted Funds</b>					
Unrestricted general funds	-	5,786	(1,675)	(4,111)	-
Designated school fund	1,093	17,087	(16,316)	-	1,864
Designated catering fund	-	15,528	(17,479)	1,951	-
<b>Total Unrestricted Funds</b>	<u>1,093</u>	<u>38,401</u>	<u>(35,470)</u>	<u>(2,160)</u>	<u>1,864</u>
<b>Total Funds</b>	<u>802,602</u>	<u>978,174</u>	<u>(1,145,455)</u>	<u>461,000</u>	<u>1,096,321</u>

## Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

## 19. Analysis of Net Assets Between Funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	1,284,708	1,284,708
Current assets	3,195	14,430	20,827	38,452
Current liabilities	-	(71,882)	-	(71,882)
Non-current liabilities	-	(1,184)	-	(1,184)
Pension scheme liability	-	-	-	-
<b>Total Net Assets</b>	<b>3,195</b>	<b>(58,636)</b>	<b>1,305,535</b>	<b>1,250,094</b>

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

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	1,328,050	1,328,050
Current assets	1,864	13,645	5,288	20,797
Current liabilities	-	(78,157)	-	(78,157)
Non-current liabilities	-	(2,369)	-	(2,369)
Pension scheme liability	-	(172,000)	-	(172,000)
<b>Total Net Assets</b>	<b>1,864</b>	<b>(238,881)</b>	<b>1,333,338</b>	<b>1,096,321</b>

## 20. Long-term commitments, including under operating leases

## Operating Leases

At the balance sheet date the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £	2022 £
Assets other than land & buildings		
Amounts due within one year	707	707
Amounts due between one and five years	1,238	1,945
Amounts due after five years	-	-
	<u>1,945</u>	<u>2,652</u>

## 21. Capital Commitments

	2023 £	2022 £
Contracted for, but not provided in the financial statements	-	-
	<u>-</u>	<u>-</u>

## 22. 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.

## Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

## 23. Pension and Similar Obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022.

Contributions payable to the schemes at 31 August and included in creditors were as follows:

	2023	2022
	£	£
Teachers' Pension Scheme	10,258	9,638
Local Government Pension Scheme	-	-
	<u>10,258</u>	<u>9,638</u>

The total pension costs to the academy during the year ended 31 August and included in staff costs were as follows:

	2023	2022
	£	£
Teachers' Pension Scheme	87,856	83,643
Local Government Pension Scheme	42,517	46,806
Local Government Pension Scheme deficit recovery	6,775	9,783
LGPS current service cost/contributions adjustment	1,000	59,000
	<u>138,148</u>	<u>199,232</u>

## Teachers' Pension Scheme

## Introduction

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

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

## Valuation of the Teachers' Pension Scheme

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

**Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)****23. Pensions and Similar Obligations (continued)**

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

The employer's pension costs paid to TPS in the period amounted to £87,856 (2022: £83,643).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions made for the year ended 31 August were as follows:

	2023	2022
	£	£
Employer's contributions	49,292	56,589
Employees' contributions	12,732	13,755
Total contributions	<u>62,024</u>	<u>70,344</u>

The agreed contribution rates for future years are 18.4% for employers, and 5.5% - 12.5% for employees depending on pay bands.

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

At the balance sheet date the scheme is in surplus per the FRS101/102 pension scheme accounting figures, however the 31 March 2022 actuarial valuation of the fund showed that the scheme was still in deficit and annual deficit contribution payments are required to be made to the scheme.

The Academy has entered into an agreement effective from 1 April 2023 to make additional contributions in addition to normal funding levels. It is anticipated that the payments will be made over 10 years from 1 April 2023, including £2,400 for 2023/24, £2,500 in 2024/25 and £2,600 in 2025/26.



## Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

## 23. Pensions and Similar Obligations (continued)

## Local Government Pension Scheme (continued)

The principal actuarial assumptions are:

	At 31 August 2023	At 31 August 2022
Rate of increase in salaries	4.30%	4.40%
Rate of increase for pensions in payment / inflation	2.90%	3.00%
Discount rate for scheme liabilities	5.30%	4.30%
Inflation assumption (CPI)	2.80%	2.90%

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

	At 31 August 2023	At 31 August 2022
<i>Retiring today</i>		
Males	21.4	22.6
Females	23.8	25.3
<i>Retiring in 20 years</i>		
Males	22.7	24.1
Females	25.6	27.1

## Sensitivity analysis

The table below, as produced by Mercer sets out the impact of a small change in assumptions on the defined benefit obligation. The figures are based on the surplus /deficit in the scheme before any surplus restriction.

	Deficit / (Surplus)	At 31 August 2023 Change	Deficit / (Surplus)	At 31 August 2022 Change
Discount rate + 0.1%	(49,000)	(15,000)	152,000	(20,000)
Discount rate - 0.1%	(19,000)	15,000	192,000	20,000
Mortality assumption - 1 year increase	(18,000)	16,000	191,000	19,000
Mortality assumption - 1 year decrease	(50,000)	(16,000)	153,000	(19,000)
CPI rate + 0.1%	(19,000)	15,000	192,000	20,000
CPI rate - 0.1%	(49,000)	(15,000)	152,000	(20,000)

## Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

## 23. Pensions and Similar Obligations (continued)

## Local Government Pension Scheme (continued)

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

	Fair value at 31 August 2023 £	Fair value at 31 August 2022 £
Equity instruments		
Equities	322,000	262,000
Debt instruments		
Government bonds	108,000	110,000
Other bonds	-	-
Property	67,000	75,000
Cash/liquidity	19,000	24,000
Other	332,000	307,000
<b>Total Market Value of Assets</b>	<b>848,000</b>	<b>778,000</b>
Present value of scheme liabilities		
Funded	(814,000)	(950,000)
Unfunded	-	-
<b>Surplus / (deficit) in the scheme</b>	<b>34,000</b>	<b>(172,000)</b>
Surplus restriction	(34,000)	-
<b>Surplus / (deficit) recognised in the financial statements</b>	<b>-</b>	<b>(172,000)</b>

**Surplus Restriction**

As noted above the actuary has valued the academy's share of the Cumbria LGPS to be a surplus of £34,000. The trust has not recognised this surplus as an asset, as FRS102 states that a surplus can only be recognised to the extent that it reduces future contributions. The rate of future contributions are set at the triennial reviews of the LGPS, the last one was at 31 March 2022. In the supporting valuation reports, this stated that only surpluses over 110% of liabilities are able to be returned to scheme participants through reduced future contributions. In the academy's case the assets do not exceed 110% of the liabilities, therefore, under the scheme's current funding strategy the academy cannot reduce its future contributions.

The actual return on the scheme assets in the year was £37,000 (2022: -£55,000).

None of the fair values of the assets shown above include any of the academy's own financial instruments or any property occupied by, or other assets used by, the academy.

Amounts recognised in the statement of financial activities	2023 £	2022 £
Current service cost (net of employee contributions)	(50,000)	(115,000)
Net interest cost	(5,000)	(10,000)
Administration expenses	(2,000)	(2,000)
Past service cost (gain)	-	-
Benefit changes	-	-
<b>Total operating charge</b>	<b>(57,000)</b>	<b>(127,000)</b>
<b>Other recognised gains and (losses)</b>	<b>2023 £</b>	<b>2022 £</b>
Remeasurements (liabilities)	227,000	530,000
Remeasurements (assets)	(13,000)	(69,000)
Surplus restriction	(34,000)	-
<b>Total amount recognised in the SOFA</b>	<b>180,000</b>	<b>461,000</b>

## Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

## 23. Pensions and Similar Obligations (continued)

## Local Government Pension Scheme (continued)

Changes in the deficit / (surplus) in the year:	2023	2022
	£	£
Deficit / (Surplus) in scheme at beginning of period	172,000	562,000
Current service cost	50,000	115,000
Interest cost	40,000	24,000
Past service cost (gain)	-	-
Employer contributions	(49,000)	(56,000)
Actuarial (gain)/loss - Remeasurements	(214,000)	(461,000)
Administration expenses	2,000	2,000
Interest income	(35,000)	(14,000)
Plan introductions, benefit changes, curtailments and settlements	-	-
<b>Deficit / (Surplus) at 31 August 2023</b>	<b>(34,000)</b>	<b>172,000</b>
Surplus restriction	34,000	-
<b>Deficit / (Surplus) recognised in the financial statements</b>	<b>-</b>	<b>172,000</b>

Changes in the present value of defined benefit obligations were as follows:	2023	2022
	£	£
At beginning of period	(950,000)	(1,338,000)
Current service cost	(50,000)	(115,000)
Interest cost	(40,000)	(24,000)
Employee contributions	(13,000)	(14,000)
Past service cost (gain)	-	-
Actuarial gain/(loss) - Remeasurements	227,000	530,000
Benefits / transfers paid	12,000	11,000
Plan introductions, benefit changes, curtailments and settlements	-	-
<b>Benefit obligation at 31 August 2023</b>	<b>(814,000)</b>	<b>(950,000)</b>

Changes in the fair value of Academy's share of scheme assets:	2023	2022
	£	£
At beginning of period	778,000	776,000
Interest income	35,000	14,000
Administration expenses	(2,000)	(2,000)
Actuarial gain/(loss) - Remeasurements	(13,000)	(69,000)
Employer contributions	49,000	56,000
Employee contributions	13,000	14,000
Benefits / transfers paid	(12,000)	(11,000)
Plan introductions, benefit changes, curtailments and settlements	-	-
<b>Scheme assets at 31 August 2023</b>	<b>848,000</b>	<b>778,000</b>

**Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)****24. Related Party Transactions**

Owing to the nature of the academy trust and the composition of the board of governors 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 AFH, 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.

The following related party transactions took place in the period of account:

Some of the governors are parents of the pupils; transactions, such as payments for transport costs, were at arms length and no amounts were owing by the governors at the year end.

Related party transactions with staff governors are detailed in an earlier note.

**25. Agency Arrangements**

The academy previously distributed Nursery Funding from Cumbria County Council to Schools Out Club as an agent, this arrangement is no longer in place and the funding is paid directly to the Schools Out Club. In the accounting period ending 31 August 2023 the academy received £nil (2022: £2,122) and disbursed £nil (2022: £2,027) from the fund. £nil is due from the academy to Schools Out club at the year end (2022: £95) relating to undistributed funds at the year end. The receipts and distributions during the year have been excluded from the statement of financial activities.