

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022  
FOR  
THE EPIPHANY SCHOOL**

Carter & Coley Limited  
3 Durrant Road  
Bournemouth  
Dorset  
BH2 6NE



# **THE EPIPHANY SCHOOL**

## **CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

---

	<b>Page</b>
<b>Reference and Administrative Details</b>	1 to 2
<b>Report of the Trustees</b>	3 to 12
<b>Governance Statement</b>	13 to 17
<b>Statement on Regularity, Propriety and Compliance</b>	18
<b>Statement of Trustees' Responsibilities</b>	19
<b>Report of the Independent Auditors</b>	20 to 22
<b>Independent Accountant's Report on Regularity</b>	23 to 24
<b>Statement of Financial Activities</b>	25
<b>Balance Sheet</b>	26
<b>Cash Flow Statement</b>	27
<b>Notes to the Cash Flow Statement</b>	28
<b>Notes to the Financial Statements</b>	29 to 50

# THE EPIPHANY SCHOOL

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

---

### MEMBERS:

M Henderson  
Rev J Findlay  
Rev M Smith  
K Jewell  
Mrs C E Wheeler

### TRUSTEES

D G Simpson (resigned 28/2/2022) \*  
A D Saunders \*  
Mrs H B Thomas \*  
Mrs A Spokes  
C E Burge (resigned 31/8/2022) \*  
Mrs J Featherstone  
Mrs C E Wheeler \*  
L M Thomas (resigned 9/6/2022)  
N W Johnson \*  
T Murchie  
J Trenchard  
Miss V Webster (appointed 22/9/2021)  
Mrs V Goode (appointed 3/3/2022)  
I Tyrrell (appointed 8/6/2022)  
Mrs E Perry (appointed 1/9/2022)

\* members of the finance and general purpose committee

### COMPANY SECRETARY

Mrs K J Fry

### REGISTERED OFFICE

Shillingstone Drive  
Muscliff  
Bournemouth  
Dorset  
BH9 3PE

### REGISTERED COMPANY NUMBER

07991877 (England and Wales)

### SENIOR STATUTORY AUDITOR Andrew A Clark FCA

### AUDITORS

Carter & Coley Limited  
3 Durrant Road  
Bournemouth  
Dorset  
BH2 6NE

# **THE EPIPHANY SCHOOL**

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

---

### **BANKERS**

Lloyds Banking Group plc  
45-47 Old Christchurch Road  
Bournemouth  
Dorset  
BH1 1ED

# **THE EPIPHANY SCHOOL**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022**

---

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31st August 2022. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust operates a primary school serving a catchment area in Muscliff, Bournemouth. It has a pupil capacity of 420 and had a roll of 419 in the school census on 20 January 2022.

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives and aims**

The principle objective of The Epiphany School is to provide a rich and broad education for all pupils. Our mission statement is:

- During the day to day life of our school community we seek to promote the key Gospel values of love, courage and respect.
- At The Epiphany School we aim to build a firm foundation for future learning through an inspiring curriculum where children's uniqueness is celebrated and nurtured.
- We are committed to providing a stimulating, safe environment where all members of our community feel happy, safe and valued to enable everyone to achieve their full potential and are able to take their place in God's world.

#### **Our school values**

##### **Love**

Love is a core value for our Church School because love is at the heart of all that we say, do and believe at The Epiphany School. We show love towards others through our relationships, friendships, compassion and care.

The Bible explicitly tells us that God is Love and that those who live in love, live in God and God lives in them (John 4:16). Love means you are never alone.

##### **Courage**

Courage is a core value for our Church School because courage allows us to stand up for ourselves, others and persevere to overcome challenges. In the Bible, God tells his people to 'be strong and courageous and do not be frightened, for the Lord your God is with you wherever you go'. This is demonstrated in the Bible through the Easter story where Jesus shows courage in the face of death.

We show courage in School by saying 'No' when everyone is pressing you to do something you do not want to do; we also stick at a task when it is difficult and stand up for ourselves and others

##### **Respect**

Respect is a core value for our Church School because respect is at the core of Jesus' message. In the Bible, respect runs through many of the stories beginning with the Creation Story.

In Matthew's Gospel, Jesus gives us the golden rule for guidance: 'Treat others as you would want them to treat you' (Matthew 7:12). In order to understand what this means, we must first learn to respect ourselves, thus creating a firm foundation to grow and thrive into a respectful community.

# **THE EPIPHANY SCHOOL**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022**

---

### **OBJECTIVES AND ACTIVITIES**

#### **Significant activities**

The activities provided include:

- a broad and balanced curriculum for all children;
- professional development for all staff.

#### **Public benefit**

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

#### **The School's Role in the Community**

Despite Covid remaining prevalent during the Autumn and Spring Term of 2021/2022, the Leadership Team recognised how important it was to open its doors to the parental community. A series of bespoke events were organised with the objective of welcoming parents and careers into school to share high quality, educational experiences with their child. This extended to Nativity, Carol Concerts, Team Sports and Sports days, all of which had a high attendance and were gratefully received.

The library has been renovated and is open 3 afternoons per week for parents and children to borrow books. Attendance after school is high and parents are very positive about the high-quality texts. Invitations to local pre-schools have been sent inviting them in to use the space. Epiphany Pre-School have confirmed that they will be visiting with their pre-schoolers.

Links with the Church community have been re-established which are benefiting both the children of The Epiphany School and the wider community.

We have had a consistent number of parents take up the Household Support grant.

# **THE EPIPHANY SCHOOL**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022**

---

### **STRATEGIC REPORT**

#### **Achievement and performance**

##### **Charitable activities**

Within the National Standardised tests (SATS) 2022 the school have achieved significantly above the National Average in both KS1 and KS2 SATs. Due to the pandemic the academic achievements and performance of The Epiphany School does not need to be published.

The school's last Ofsted inspection took place in January 2018. The school was judged to be "good" overall. There were many positives in the final written report including the following:

"Pupils are articulate and friendly. They enjoy school and have good relationships with each other and their teachers. Arts and sport are particular strengths of the school. Many examples of pupils' high-quality artwork are on display around the school. Members of the school football team are very proud that they are currently the county champions. Pupils express themselves confidently through music. They sing with gusto during assemblies."

"Pupils behave well during lessons and around the school site. They are keen to contribute their ideas in class and they are polite and well-mannered when they do. Teachers have developed a culture where everyone feels included and this ensures that pupils are motivated and involved. Pupils accept each other readily. Parents are supportive of the school and its staff. One parent's comment was typical of many who responded to the Parent View questionnaire, 'Both my daughters go in smiling and come out smiling. I couldn't recommend this school highly enough.'"

The most recent Section 48 SIAMS Church Schools Inspection in November 2016 also judged the school to be "good".

The school prides itself on the breadth and balance of the curriculum it offers and in partnership with the pupils and parents provides a rich education that nourishes the "whole child". Musical and sporting excellence is embedded and the school boasts a school choir of over 60 children alongside an orchestra. Over a third of the children in Key Stage 2 have represented the school for Sporting competitions or fixtures over the course of the year.

The SIAMS inspection in 2016 noted that,

"Children sing beautifully in worship and produce a sound that lifts the spirit which brings a special quality to the worship experience. Music makes a significant contribution to the general life of the school."

Our pupils are our greatest asset. They contribute much to the success of the school. There is an elected School Council who meet regularly to make suggestions to improve school. The School Council has a designated budget which is funded by donations from the long standing PTA (ESFA).

**THE EPIPHANY SCHOOL**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

---

**STRATEGIC REPORT**

**Achievement and performance**

**Summary of the Year**

The Epiphany School remains a happy and successful place and is highly regarded. Every year group is full, with waiting lists for all year groups (R to Year 6). The transition of the new Headteacher and leadership team has been smooth and the school continues to thrive. Staffing within school is stable and support and teaching teams are working well together to ensure the school's vision and values are met. Despite Covid 19 restrictions continuing during the academic year of 2021 the school met all of its Development Plan (SDP).

The results of the 2021 -22 parental survey indicate that last academic year was successful. 289 parents and careers completed the survey. For further details please see school website.

My child is happy and enjoys school.	98% overall agreement
My child feels safe at school.	98.2% overall agreement
My child is well looked after in school.	98.5% overall agreement
My child is taught well in school.	99% overall agreement
I know how well my child is doing in school.	89.2% overall agreement
My child is making good progress.	95% overall agreement
My child is happy and enjoys school.	98% overall agreement
The school is well led and managed.	99.5% overall agreement.
Behaviour in School is good.	99% overall agreement.
The school deals effectively with bullying.	95% overall agreement.
The school communicates well with me about school life.	94.5% overall agreement
I am comfortable approaching the school if I need to.	99.5% overall agreement.
The school responds well to concerns	98% overall agreement.
I would recommend this school to another parent.	84% overall agreement



# THE EPIPHANY SCHOOL

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

---

### STRATEGIC REPORT

#### Achievement and performance

#### Key financial performance indicators

The Academy has operated within the terms and conditions set down within its Academy Funding Agreement to which the Secretary of State for Education is the other party.

Staff costs as % of grant income	2022	2021
Teaching staff	49%	52%
Supply and Educational Support Staff	18%	16%
Administrative Staff	6%	7%
Site Staff	6%	5%

#### Admissions for Year Reception Main School Entry

2021		2020	
Applications	Accepted	Applications	Accepted
167	60	152	60

#### Financial review

#### Financial position

The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

The reduction in general funds from £210,882 to £131,088 has resulted from a conscious decision by the Governing Body to utilise these funds for one off expenditure items. Improvements have been made to the outside KS1 area and the school library in addition to the installation of security doors throughout the school.

#### Principal funding sources

The principal source of income is grants from the DfE via the Education and Skills Funding Agency. The grants received from the DfE during the year ended 31st August 2022 and associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

#### Investment policy and objectives

The Articles of Association list the powers that the academy trust has with regards to investments. This is kept under regular review by the Finance, Staffing and Premises Committee.

#### Reserves policy

The school has discussed the reserves held and has agreed to carry forward a prudent level in order to meet the long term cyclical costs of renewals and other unforeseen events.

#### Going concern

After making appropriate enquiries, the governing body has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

# **THE EPIPHANY SCHOOL**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022**

---

### **STRATEGIC REPORT**

#### **Fundraising**

The school has an active Parent Teacher Association (The Epiphany School Friends Association, ESFA) which has raised an incredible £26,000 during the last academic year. This has been spent on a range of resources for the children at the school. Details of this can be found on the ESFA Newsletter, July 2022. The PTA is a registered charity and operates under The Charity Commission guidelines.

Over 2021-2022, funds were raised for Children in Need and Save The Children. These monies were paid directly to the charities.

The school does not use professional fundraisers nor does it enter into any arrangements with commercial participators.

#### **Principal risks and uncertainties**

As indicated within the Risk Management Statement the major risks to which the academy trust is exposed as identified by the trustees, Senior Leadership Team and others, have been reviewed and systems and procedures established to manage these risks. Internal control systems and the exposure to risks are considered on a regular basis by the Trustees and Senior Leadership Team at their routine meetings. The full risk register was reviewed by Trustees during June 2021.

#### **Financial and risk management objectives and policies**

A review of the academy trust's exposure to financial risks including credit, cash flow and liquidity risks has been undertaken. Noting that the principal financial instruments that the academy deals with are largely bank balances, cash and trade creditors, with limited trade (and other) debtors the trustees have determined that the academy's financial situation is robust and stable with no exposure to uncertain financial risks.

#### **Future plans**

The Epiphany School publishes an Annual School Development Plan. This details the priority areas for school improvement and development for the academic year. The whole school targets are the overall main priorities for the school in the year ahead. In 2022/2023 these cover four main areas:

1. Continue to develop a carefully planned, well sequenced and ambitious curriculum (foundation subjects).
2. Ensure quality first teaching is consistent across school within all subjects to better support all pupils to achieve.
3. Develop practice in the EYFS to ensure children are ready to begin National Curriculum in Year 1.
4. Develop links with other local schools to support professional growth and expertise.

The school's Senior Leadership Team and Governing Body will continue to implement, modify and evaluate the School Development plan and fully expect this plan to alter and change through the year to take account of on-going instructions and guidance from the Government and BCP Local Authority.

**THE EPIPHANY SCHOOL**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

---

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Epiphany School is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The trustees for the charitable activities of The Epiphany School are also the directors of the Charitable Company for the purposes of company law and the two terms are used synonymously throughout the financial statements.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

**Members' liability**

Each member of the academy trust undertakes to contribute to the assets of the 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 cease to be a member.

**Trustees' Indemnities**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim.

**Principal activities**

The Academy Trust's principal activity is specifically restricted to the following:

- a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relating to arranging for religious education and daily acts of worship (as required by the Relevant Funding Agreement), and having regard to the advice of the Diocesan Board of Education ("the Academy"); and
- b) to promote for the benefit of the inhabitants of Muscliff, Bournemouth and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants

# THE EPIPHANY SCHOOL

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

---

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Recruitment and appointment of new trustees

The Articles of Association allow for the following members:

- Signatories to the Memorandum (appointed by the Diocesan Bishop)
- Up to 3 persons who may be appointed by the Diocesan Bishop
- Any other person appointed by the Diocesan Bishop as he thinks fit
- One person appointed by the Secretary of State (should he wish to do so)
- Chairman of Directors

The Funding Agreement allows for the following trustees:

- 
- A minimum of two parents of a pupil at the Academy (to be elected by parents of registered pupils)
- A minimum of two employees at the Academy (to be elected by employees of the Academy)

Where vacancies arise, an appointment process is immediately initiated depending upon type.

- Diocesan appointments - made by the Bishop through either the Epiphany Church Parochial Church Council, the Bournemouth Deanery Synod or the Winchester Diocesan Board of Education.
- Parent appointments - notification is sent to all parents of children at the school that a vacancy has arisen. Nominations are invited and elections held where necessary.
- Staff appointments - notification is given to members of teaching/support staff that a vacancy has arisen. Nominations are invited and elections held where necessary.

Vacancies are managed by the Clerk to Governors and progress reported on a regular basis to the Governing Body.

#### Organisational structure

The Epiphany School has a Governing Body, the composition of which is set out in the Academy's Articles of Association.

The Governing Board has reviewed its structure, and from September 2022 has two main Committees: Finance, Staffing and Premises, and Admissions, to which trustees are appointed. Matters that were previously delegated to the Ethos & Curriculum committee are now dealt with by the full board, to ensure that the ethos of the school is central to all we do as Governors. The Academy will also call on members of the Governing Body to sit on a Disciplinary Committee and Appeals Committee on an ad hoc basis should either Committee be required. The Governing Body and its Committees have Terms of Reference which are reviewed annually and contain details of compositions, responsibilities, delegated authorities and matters reserved for the Governing Body itself.

The Academy Leadership Team comprises of those persons listed on pages 1 and 2. Their roles and responsibilities are reviewed annually by the Governing Body as part of the School Development Plan. This was last completed in September 2022. Financial and other authorities are confirmed annually by the Governing Body within the adopted Scheme of Delegation. This was last completed in October 2022.

# **THE EPIPHANY SCHOOL**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022**

---

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Succession Planning**

The Governing Body were pro-active in preparations for the retirement of the previous Accounting Officer and Headteacher. The previous post holder had held this office since the school converted to an Academy school in April 2012. The Governing Body put in place a well-planned induction programme for the newly appointed Headteacher to ensure a seamless transition, and to enable her to acquire full understanding of the educational and financial responsibilities associated with leading an academy trust. The Deputy Headteacher has now been in post for just over a year, and has supported and assisted with the leadership of the school. The school has also appointed a new Assistant Headteacher and SENCo to further strengthen the Senior Leadership Team.

#### **Induction and training of new trustees**

Trustees undergo a comprehensive induction and mentoring process according to the appropriate adopted policy.

#### **Key management remuneration**

The Governing Body takes responsibility for arranging and setting the pay for the Senior Leadership Team including the Headteacher and Deputy Headteacher. The Governing Body delegates responsibility for this to the Finance, Staffing and Premises sub-committee. This committee is responsible for the performance management of the Headteacher. In 2020-2021, performance management for the Headteacher and Senior Leadership Team was carried out in line with the school's published policy. An independent external reviewer was employed to oversee this process. Any recommendations for pay progression are ratified by the Governing Body within the constraints of the agreed budget.

#### **Related parties**

The Academy Trust is not part of a wider network such as a soft federation, whereby the relationship involved would have an impact on the Academy's operational policies. The Academy has not established any relationships with related parties and any other charities/organisations with which it co-operates in the pursuit of charitable activities such that they have influence over operational policies. The Academy is associated with a registered charity operated by The Friends of The Epiphany School. This Charity has no access to public funds and the Academy does not contribute any funds to this Charity from its public grant.

#### **Risk management**

Major risks to which the Academy Trust is exposed, as identified by the trustees, the Academy Leadership Team and others have been reviewed and systems or procedures have been established to manage those risks. Internal control systems and the exposure to risks are considered on a regular basis by the trustees and the Academy Leadership Team at their routine meetings. Categories listed under the Risk Register are reviewed on an ongoing basis.

### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the academy trust's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the academy trust's auditors are aware of that information.

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

So far as each trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware;

Each trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

# **THE EPIPHANY SCHOOL**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022**

---

### **AUDITORS**

As required by the Academies Financial Handbook, the external audit provision was put out to tender in Autumn 2022.

From the results of that tender, our current auditors, Carter & Coley Limited will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 30 November 2022 and signed on the board's behalf by:



Mrs C E Wheeler - Trustee

**THE EPIPHANY SCHOOL**  
**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

---

**Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that The Epiphany 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 of loss.

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

The board of trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Epiphany School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

# THE EPIPHANY SCHOOL

## GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2022

### Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees Responsibilities. The board of trustees has formally met six times during the period .

Attendance at meetings of the board of trustees was as follows:

	Trustee Meetings attended	Out of a possible
H B Thomas	4	6
D G Simpson	3	3
V Webster	5	6
N Johnson	6	6
T Murchie	5	6
A D Saunders	5	6
J Featherstone	6	6
C E Burge	4	6
C Wheeler (Chair)	6	6
L Thomas	5	6
J Trenchard	5	6
A Spokes	4	6
V Goode	3	3
I Tyrrell	1	1

The Governing Body continues to review its effectiveness and is mindful of succession planning, engaging with the Diocese, local Churches and the school community to ensure minimal time between vacancies. Succession Planning for governors is an agenda item at each full board meeting.

The Finance, Staffing and Premises Committee is a sub- committee of the main board of Trustees. With regard to academy finance its main purpose is:

- To review the annual budget plan as proposed by the Headteacher and ensure that it has been done with due consideration for prioritised spending in line with the school development plan. Make recommendation to the full board of trustees to approve the budget plan within a 3 year budget forecast.
- To monitor and review spending against budget plan throughout the year to identify any significant deviations and take corrective actions when needed, providing termly reporting to the full board of trustees.
- To review any proposed changes to the budget plan during the financial year and to make recommendations for review and approval by the full board of trustees.
- To periodically review income and expenditure relating to finance related school policies (e.g. school lettings, charging) and report any losses to the full board of trustees.
- In partnership with the Headteacher develop longer term strategies and scenarios and undertake value for money assessments, including benchmarking where necessary, within a 3 year budget forecast.
- To monitor good practice and investigate any financial irregularities.

Attendance at meetings in the period was as follows:

	Trustee Meetings attended	Out of a possible
H B Thomas	6	6
D G Simpson	3	6
V Webster	5	6
N Johnson (Chair)	5	6
C Wheeler	6	6
T Murchie	6	6
J Trenchard	5	6
L Thomas	3	5



**THE EPIPHANY SCHOOL**  
**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

---

**Review of Value for Money**

As accounting officer, the principal has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes 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 continued to seek best value for money during the year by:

- Adopting competitive tendering processes where possible.
- Maximising the ability to get reduced pricing for all works.
- Restructuring the Senior Leadership Team (SLT)
- Investment in the DfE approved Little Wandle Phonics scheme

The newly appointed Site Team ensure value for money by completing where possible work themselves. An example of this can be seen in the refurbishment of the library and Wren's outside sensory area. Both of these examples represent good value for money.

The restructuring of the SLT has enabled the school to move forward, at pace with the Curriculum redesign. Feedback from children, parents and staff is positive.

The investment in the phonetics scheme Little Wandle has resulted in a high number of children passing the 2022 Phonics screen (80%).

**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 The Epiphany School for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

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

# **THE EPIPHANY SCHOOL**

## **GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2022**

---

### **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:

- Monthly submission of budget monitoring report, trial balance and cash flow to Chair of Governors and Chair of Finance, Staffing and Premises

The board of trustees has considered the need for a specific internal audit function and for 2021/22 appointed an internal auditor.

The internal auditor's role (carried out twice per year) included giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- Testing of payroll systems
- Governance and Regularity including:
  - Leases
  - Declaration of interests
  - Member's independence
  - Staff members serving as Trustees
  - Related Party transactions
  - Gifts and hospitality
  - Governance structure
  - Provision of information
  - Board performance and effectiveness
  - Information on the Academy's website
  - "Dear Accounting Officer" letter
- Audit Committee
- Audit Tender procedures
- DBS checks

The internal audit reports are reviewed by the Finance, Staffing and Premises committee on a termly basis.

The trustees confirm that the internal auditor has delivered their schedule of work as planned and there are no material control issues arising as a result of the internal auditor's work.

# THE EPIPHANY SCHOOL

## GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2022

---

### Review of Effectiveness

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

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

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

Approved by order of the members of the board of trustees on 30 November 2022 and signed on its behalf by:



Mrs C E Wheeler - Trustee



Mrs V Webster - Accounting Officer

# THE EPIPHANY SCHOOL

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

---

As accounting officer of The Epiphany 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 received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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

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

Mrs V Webster - Accounting Officer

*V. Webster*  
30.11.22

30 November 2022

# THE EPIPHANY SCHOOL

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

---

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

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

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

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

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

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

Approved by order of the board of trustees on 30 November 2022 and signed on its behalf by:



Mrs C E Wheeler - Trustee

# **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE EPIPHANY SCHOOL**

---

## **Opinion**

We have audited the financial statements of The Epiphany School (the 'academy trust') for the year ended 31 August 2022 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, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2021 to 2022.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

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

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

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

# **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE EPIPHANY SCHOOL**

---

## **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the 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 academy trust 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

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

## **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, 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 the preparation of financial statements that are free from material misstatement, whether due to fraud or error

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

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE EPIPHANY SCHOOL

---

### **Our 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in making accounting estimates. Audit procedures performed by the engagement team included -  
Inspecting correspondence with regulators and tax authorities.

Discussion with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.

Evaluating management's controls designed to prevent and detect irregularities.

Identifying and testing journals, in particular journal entries posted with an unusual account combinations, postings by unusual account users or with unusual descriptions.

Challenging assumptions and judgements made by management in their accounting estimates.

Completed analytical work, to include comparison with prior periods.

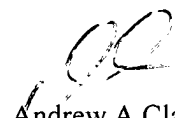
Reviewed minutes of Governors meetings and confirmed income sources mentioned were included correctly within the account.

Reviewing financial statements disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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 Report of the Independent Auditors.

### **Use of our report**

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



Andrew A Clark FCA (Senior Statutory Auditor)  
for and on behalf of Carter & Coley Limited  
3 Durrant Road  
Bournemouth  
Dorset  
BH2 6NE

30 November 2022



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

---

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Epiphany School during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

## **Respective responsibilities of The Epiphany School's accounting officer and the reporting accountant**

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

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

## **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2021 to 2022 issued by the 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.

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

---

**Conclusion**

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



Carter & Goley Limited  
Reporting Accountant  
3 Durrant Road  
Bournemouth  
Dorset  
BH2 6NE

30 November 2022

# THE EPIPHANY SCHOOL

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

					2022	2021
		Unrestricted funds	Restricted funds	Restricted fixed asset fund	Total funds	Total funds
	Notes	£	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>						
<b>Charitable activities</b>						
Funding for the academy's educational operations	2	88,825	1,923,311	9,035	2,021,171	1,866,618
Other trading activities	3	10,437	-	-	10,437	6,790
Investment income	4	532	-	-	532	443
<b>Total</b>		<b>99,794</b>	<b>1,923,311</b>	<b>9,035</b>	<b>2,032,140</b>	<b>1,873,851</b>
<b>EXPENDITURE ON</b>						
<b>Charitable activities</b>						
Academy's educational operations	6	115,846	2,108,389	103,365	2,327,600	2,066,107
<b>Total</b>		<b>115,846</b>	<b>2,108,389</b>	<b>103,365</b>	<b>2,327,600</b>	<b>2,066,107</b>
<b>NET INCOME/(EXPENDITURE)</b>						
Transfers between funds	15	(16,052)	(185,078)	(94,330)	(295,460)	(192,256)
Other recognised gains/(losses)		-	(76,665)	76,665	-	-
Actuarial gains/(losses) on defined benefit schemes		-	1,291,000	-	1,291,000	(60,000)
<b>Net movement in funds</b>		<b>(16,052)</b>	<b>1,029,257</b>	<b>(17,665)</b>	<b>995,540</b>	<b>(252,256)</b>
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		130,922	(1,530,040)	3,615,057	2,215,939	2,468,195
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>114,870</b>	<b>(500,783)</b>	<b>3,597,392</b>	<b>3,211,479</b>	<b>2,215,939</b>

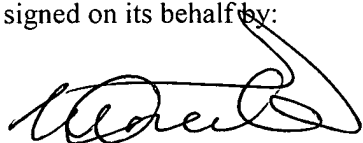
The notes form part of these financial statements

# THE EPIPHANY SCHOOL

## BALANCE SHEET 31 AUGUST 2022

				2022	2021
	Notes	Unrestricted funds £	Restricted funds £	Restricted fixed asset fund £	Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	11	-	-	3,593,093	3,610,758
<b>CURRENT ASSETS</b>					
Debtors	12	160	39,766	-	40,480
Cash at bank and in hand		<u>122,876</u>	<u>52,097</u>	<u>4,299</u>	<u>287,644</u>
		123,036	91,863	4,299	328,124
<b>CREDITORS</b>					
Amounts falling due within one year	13	(8,166)	(75,646)	-	(112,943)
<b>NET CURRENT ASSETS</b>		<u>114,870</u>	<u>16,217</u>	<u>4,299</u>	<u>215,181</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		114,870	16,217	3,597,392	3,825,939
<b>PENSION LIABILITY</b>	16	-	(517,000)	-	(1,610,000)
<b>NET ASSETS</b>		<u>114,870</u>	<u>(500,783)</u>	<u>3,597,392</u>	<u>2,215,939</u>
<b>FUNDS</b>	15				
<b>Restricted funds</b>					
Restricted income funds				16,217	79,960
Restricted fixed asset funds				3,597,392	3,615,057
Restricted pension funds				(517,000)	(1,610,000)
<b>Unrestricted funds</b>					
Unrestricted income funds				<u>114,870</u>	<u>130,922</u>
<b>TOTAL FUNDS</b>				<u>3,211,479</u>	<u>2,215,939</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30 November 2022 and were signed on its behalf by:



C E Wheeler - Trustee

The notes form part of these financial statements

# THE EPIPHANY SCHOOL

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(23,204)</u>	<u>118,146</u>
Net cash (used in)/provided by operating activities		<u>(23,204)</u>	<u>118,146</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(85,700)	(15,589)
Interest received		<u>532</u>	<u>443</u>
Net cash used in investing activities		<u>(85,168)</u>	<u>(15,146)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(108,372)</u>	<u>103,000</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>287,644</u>	<u>184,644</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>179,272</u>	<u>287,644</u>



The notes form part of these financial statements

# THE EPIPHANY SCHOOL

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2022

### 1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(295,460)	(192,256)
Adjustments for:		
Depreciation charges	103,365	102,890
Loss on disposal of fixed assets	-	655
Interest received	(532)	(443)
Decrease in debtors	554	12,994
(Decrease)/increase in creditors	(29,131)	47,306
Difference between pension charge and cash contributions	<u>198,000</u>	<u>147,000</u>
Net cash (used in)/provided by operations	<u>(23,204)</u>	<u>118,146</u>

### 2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/21 £	Cash flow £	At 31/8/22 £
Net cash			
Cash at bank and in hand	<u>287,644</u>	<u>(108,372)</u>	<u>179,272</u>
	<u>287,644</u>	<u>(108,372)</u>	<u>179,272</u>
Total	<u>287,644</u>	<u>(108,372)</u>	<u>179,272</u>

# THE EPIPHANY SCHOOL

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

---

### 1. ACCOUNTING POLICIES

#### **Basis of preparing the financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2021 to 2022 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

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

#### **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 one year from the date of approval of the financial statements.

#### **Income**

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

#### **Donated fixed assets**

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

#### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the academy trust to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### **Governance costs**

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

#### **Allocation and apportionment of costs**

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

---

### 1. ACCOUNTING POLICIES - continued

#### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Land and buildings	- 2% on cost
Plant and Machinery	- 10% on cost
Fixtures and fittings	- 10% on cost
Computer equipment	- 25% on cost

No depreciation is provided in respect of land.

Only one rate of depreciation has been applied to buildings as there is no reliable evidence to enable the valuation that was obtained at the date of conversion to an academy to be split into any major components. The trustees are of the opinion that this does not cause any distortion to the truth and fairness of the financial statements.

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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

In accordance with FRS102 and guidance issued by the ESFA, although title to the school's land and buildings is held by the Winchester Diocese Board of Finance, effective control of the property is exercised by the academy trust and in these financial statements they have been capitalised as leasehold property and the buildings depreciated over fifty years, even though strictly there is no formal lease in place.

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.

#### **Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

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



# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

---

### 1. ACCOUNTING POLICIES - continued

#### **Financial instruments**

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. 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.

#### **Taxation**

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

#### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the academy trust. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### **Pension costs and other post-retirement benefits**

Academy staff are members of one of two defined benefit schemes.

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). These are defined benefit schemes, are contracted out of the State Earnings-Related Scheme (SERPS), and the assets are held separately from those of the Academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit model. The TPS is a multi employer scheme and the Academy is unable to identify its share of underlying net assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

The LGPS is a funded 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 method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

---

### 1. ACCOUNTING POLICIES - continued

#### **Liabilities**

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

#### **Critical accounting estimates and areas of judgement**

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

#### **Critical accounting estimates and assumptions**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

### 2. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>DfE/ESFA grants</b>				
General Annual Grant(GAG)	-	1,726,340	1,726,340	1,582,500
Capital grants	-	8,691	8,691	8,725
Other DfE/ESFA Grants	-	133,846	133,846	163,843
	-	1,868,877	1,868,877	1,755,068
<b>Other Government grant</b>				
Local authority grants	-	43,413	43,413	38,692
<b>COVID-19 additional funding (DfE/ESFA)s</b>				
Catch up premium	-	-	-	33,040
Other DfE/ESFA COVID-19 funding	-	-	-	575
	-	43,413	43,413	72,307
<b>COVID-19 additional funding (non DfE/ESFA)</b>				
Local Authority COVID-19 funding	-	2,110	2,110	-
<b>Other income from the academy trust's educational operations</b>	88,825	17,946	106,771	39,243
	<u>88,825</u>	<u>1,932,346</u>	<u>2,021,171</u>	<u>1,866,618</u>

### 3. OTHER TRADING ACTIVITIES

	2022 £	2021 £
Hire of facilities	<u>10,437</u>	<u>6,790</u>

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

### 4. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	<u>532</u>	<u>443</u>

### 5. EXPENDITURE

	Non-pay expenditure			2022	2021
	Staff costs	Premises	Other costs	Total	Total
	£	£	£	£	£
<b>Charitable activities</b>					
<b>Academy's educational operations</b>					
Direct costs	1,486,577	-	101,433	1,588,010	1,401,709
Allocated support costs	<u>370,760</u>	<u>151,885</u>	<u>216,945</u>	<u>739,590</u>	<u>664,398</u>
	<u>1,857,337</u>	<u>151,885</u>	<u>318,378</u>	<u>2,327,600</u>	<u>2,066,107</u>

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Auditors' remuneration	4,425	4,350
Auditors' remuneration for non audit work	1,105	1,055
Depreciation - owned assets	103,365	102,890
Deficit on disposal of fixed assets	<u>-</u>	<u>655</u>

### 6. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	£	£	£	£
Direct costs	61,052	1,526,958	1,588,010	1,401,709
Support costs	<u>54,794</u>	<u>684,796</u>	<u>739,590</u>	<u>664,398</u>
	<u>115,846</u>	<u>2,211,754</u>	<u>2,327,600</u>	<u>2,066,107</u>

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

### 6. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued

	2022	2021
	Total	Total
	£	£
<b>Analysis of support costs</b>		
Support staff costs	370,760	325,228
Depreciation	36,169	36,349
Technology costs	11,729	16,550
Premises costs	151,885	161,560
Other support costs	162,142	117,931
Governance costs	<u>6,905</u>	<u>6,780</u>
 Total support costs	 <u>739,590</u>	 <u>664,398</u>

### 7. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	1,249,840	1,184,483
Social security costs	109,791	96,049
Operating costs of defined benefit pension schemes	<u>436,372</u>	<u>361,279</u>
	1,796,003	1,641,811
Supply teacher costs	34,828	15,874
External providers	<u>26,506</u>	<u>15,904</u>
	<u>1,857,337</u>	<u>1,673,589</u>

In the previous year there was one statutory severance payment.

The average number of persons (including senior management team) employed by the academy trust during the year was as follows:

	2022	2021
Teaching	23	20
Support	39	35
Management	<u>4</u>	<u>2</u>
	<u>66</u>	<u>57</u>

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

### 7. STAFF COSTS - continued

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

	2022	2021
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
	<u>1</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the period ended 31 August 2022 pension contributions for these staff amounted to £15,566 (2021: £18,030).

### 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 £309,357 (2021: £277,029).

### 8. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

Principal and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy in respect of their role as trustees. The value of trustees' remuneration (in bands of £5,000) was as follows:

	2022		2021	
	Salary	Pension Cont'n	Salary	Pens Cont'n
D G Simpson	£35,001 - £40,000	£5,001 - £10,000	£75,001 - £80,000	£15,001 - £20,000
J Featherstone	£40,001 - £45,000	£5,001 - £10,000	£35,001 - £40,000	£5,001 - £10,000
R Burnett			£35,001 - £40,000	£5,001 - £10,000
V Webster	£65,001 - £70,000	£15,001 - £20,000		
V Goode	£35,001 - £40,000	£5,001 - £10,000		

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

### 9. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. It is no longer possible to quantify the trustees and officers indemnity element from the overall cost of the insurance scheme.

### 10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Restricted fixed asset fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
<b>Charitable activities</b>				
Funding for the academy's educational operations	38,243	1,828,375	-	1,866,618
Other trading activities	6,790	-	-	6,790
Investment income	443	-	-	443
<b>Total</b>	<u>45,476</u>	<u>1,828,375</u>	<u>-</u>	<u>1,873,851</u>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Academy's educational operations	75,868	1,886,694	103,545	2,066,107
<b>Total</b>	<u>75,868</u>	<u>1,886,694</u>	<u>103,545</u>	<u>2,066,107</u>
<b>NET INCOME/(EXPENDITURE)</b>	(30,392)	(58,319)	(103,545)	(192,256)
<b>Transfers between funds</b>	-	(15,589)	15,589	-
<b>Other recognised gains/(losses)</b>				
Actuarial gains/(losses) on defined benefit schemes	-	(60,000)	-	(60,000)
<b>Net movement in funds</b>	(30,392)	(133,908)	(87,956)	(252,256)
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	161,314	(1,396,132)	3,703,013	2,468,195
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>130,922</u>	<u>(1,530,040)</u>	<u>3,615,057</u>	<u>2,215,939</u>

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

### 11. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and Machinery £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>					
At 1 September 2021	4,109,783	51,960	109,866	194,227	4,465,836
Additions	-	52,808	20,726	12,166	85,700
At 31 August 2022	4,109,783	104,768	130,592	206,393	4,551,536
<b>DEPRECIATION</b>					
At 1 September 2021	611,078	25,483	58,297	160,220	855,078
Charge for year	67,196	10,477	11,536	14,156	103,365
At 31 August 2022	678,274	35,960	69,833	174,376	958,443
<b>NET BOOK VALUE</b>					
At 31 August 2022	3,431,509	68,808	60,759	32,017	3,593,093
At 31 August 2021	3,498,705	26,477	51,569	34,007	3,610,758

Included in cost or valuation of land and buildings is freehold land of £750,000 (2021 - £750,000) which is not depreciated.

The school buildings and the land on which they are situated are owned by the Winchester Diocesan Board of Finance. The Epiphany School occupies the property rent free on an informal basis, in accordance with an agreement between the Diocese and the ESFA.

### 12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	160	-
VAT	6,236	6,416
Prepayments and accrued income	33,530	34,064
	39,926	40,480



# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

### 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	6,653	15,747
Social security and other taxes	22,119	25,856
Pension	-	18,515
Accruals and deferred income	<u>55,040</u>	<u>52,825</u>
	<u>83,812</u>	<u>112,943</u>
	2022	2021
Deferred income as at 1 September 2021	40,582	31,970
Resources deferred in year	39,189	40,582
Amounts released from previous years	<u>(40,582)</u>	<u>(31,970)</u>
Deferred income as at 31 August 2022	<u>39,189</u>	<u>40,582</u>

At the balance sheet date the academy trust was holding funds in advance in respect of grants and parental contributions received for the 2022/23 academic year.

### 14. MEMBERS' LIABILITY

Each member of the academy trust undertakes to contribute to the assets of the 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 cease to be a member.

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

### 15. MOVEMENT IN FUNDS

	At 1/9/21 £	Net movement in funds £	Transfers between funds £	At 31/8/22 £
<b>Restricted general funds</b>				
General restricted fund	72,409	11,782	(67,974)	16,217
Devolved formula capital grant	-	8,691	(8,691)	-
PE and sport premium grant	4,751	(4,751)	-	-
LEA and other grants	2,800	(2,800)	-	-
Restricted pension fund	(1,610,000)	1,093,000	-	(517,000)
Restricted fixed assets				
Transfer on conversion	3,267,976	(63,809)	-	3,204,167
Capital expenditure from GAG	67,239	(9,913)	67,974	125,300
Capital grant	279,842	(20,608)	8,691	267,925
	<u>2,085,017</u>	<u>1,011,592</u>	<u>-</u>	<u>3,096,609</u>
<b>Unrestricted funds</b>				
General fund	128,891	(14,021)	-	114,870
Designated fund	2,031	(2,031)	-	-
	<u>130,922</u>	<u>(16,052)</u>	<u>-</u>	<u>114,870</u>
<b>TOTAL FUNDS</b>	<u>2,215,939</u>	<u>995,540</u>	<u>-</u>	<u>3,211,479</u>

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

### 15. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Restricted general funds</b>				
General restricted fund	1,812,059	(1,800,277)	-	11,782
Devolved formula capital grant	8,691	-	-	8,691
PE and sport premium grant	19,580	(24,331)	-	(4,751)
Pupil Premium	30,657	(30,657)	-	-
LEA and other grants	43,413	(46,213)	-	(2,800)
Donations	8,911	(8,911)	-	-
Restricted pension fund	-	(198,000)	1,291,000	1,093,000
Restricted fixed assets				
Transfer on conversion	-	(63,809)	-	(63,809)
Capital expenditure from GAG	-	(9,913)	-	(9,913)
Capital grant	9,035	(29,643)	-	(20,608)
	<u>1,932,346</u>	<u>(2,211,754)</u>	<u>1,291,000</u>	<u>1,011,592</u>
<b>Unrestricted funds</b>				
General fund	99,794	(113,815)	-	(14,021)
Designated fund	-	(2,031)	-	(2,031)
	<u>99,794</u>	<u>(115,846)</u>	<u>-</u>	<u>(16,052)</u>
<b>TOTAL FUNDS</b>	<u>2,032,140</u>	<u>(2,327,600)</u>	<u>1,291,000</u>	<u>995,540</u>

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

### 15. MOVEMENT IN FUNDS - continued

#### Comparatives for movement in funds

	At 1/9/20 £	Net movement in funds £	Transfers between funds £	At 31/8/21 £
<b>Restricted general funds</b>				
General restricted fund	-	78,273	(5,864)	72,409
Devolved formula capital grant	-	8,725	(8,725)	-
PE and sport premium grant	6,668	(1,917)	-	4,751
LEA and other grants	-	2,800	-	2,800
Donations	200	800	(1,000)	-
Restricted pension fund	(1,403,000)	(207,000)	-	(1,610,000)
Restricted fixed assets				
Transfer on conversion	3,333,076	(65,100)	-	3,267,976
Capital expenditure from GAG	70,816	(9,441)	5,864	67,239
Capital grant	<u>299,121</u>	<u>(29,004)</u>	<u>9,725</u>	<u>279,842</u>
	<u>2,306,881</u>	<u>(221,864)</u>	<u>-</u>	<u>2,085,017</u>
<b>Unrestricted funds</b>				
General fund	161,314	(32,423)	-	128,891
Designated fund	<u>-</u>	<u>2,031</u>	<u>-</u>	<u>2,031</u>
	<u>161,314</u>	<u>(30,392)</u>	<u>-</u>	<u>130,922</u>
<b>TOTAL FUNDS</b>	<u>2,468,195</u>	<u>(252,256)</u>	<u>-</u>	<u>2,215,939</u>

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

### 15. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Restricted general funds</b>				
General restricted fund	1,732,499	(1,654,226)	-	78,273
Devolved formula capital grant	8,725	-	-	8,725
PE and sport premium grant	19,600	(21,517)	-	(1,917)
Pupil Premium	27,859	(27,859)	-	-
LEA and other grants	38,692	(35,892)	-	2,800
Donations	1,000	(200)	-	800
 Restricted pension fund	 -	 (147,000)	 (60,000)	 (207,000)
 Restricted fixed assets				
Transfer on conversion	-	(65,100)	-	(65,100)
Capital expenditure from GAG	-	(9,441)	-	(9,441)
Capital grant	-	(29,004)	-	(29,004)
	<u>1,828,375</u>	<u>(1,990,239)</u>	<u>(60,000)</u>	<u>(221,864)</u>
 <b>Unrestricted funds</b>				
General fund	43,445	(75,868)	-	(32,423)
Designated fund	<u>2,031</u>	<u>-</u>	<u>-</u>	<u>2,031</u>
	<u>45,476</u>	<u>(75,868)</u>	<u>-</u>	<u>(30,392)</u>
 <b>TOTAL FUNDS</b>	 <u><u>1,873,851</u></u>	 <u><u>(2,066,107)</u></u>	 <u><u>(60,000)</u></u>	 <u><u>(252,256)</u></u>

Under the funding agreements with the Secretary of State, the academy trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2022.

The trust has received capital funding which is being carried forward to be used for the completion of the dining hall.

The trust has received PE and sport premium grant which has been fully expended on the provision of PE and sport for the benefit of the pupils.

Donations received in the previous year had been designated towards specific projects and are now fully expended.

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

---

### 16. 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 Dorset County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £0 were payable to the schemes at 31 August 2022 (2021 - £18,515) and are included within creditors.

#### **Teachers' pension scheme**

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

The TPS is an unfunded scheme to which both 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.

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

---

### 16. PENSION AND SIMILAR OBLIGATIONS - continued

#### Valuation of the teachers' pension scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £165,398 (2021 - £158,596).

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 contribution made for the year ended 31 August 2022 was £127,767 (2021 - £103,864), of which employer's contributions totalled £100,560 (2021 - £81,196). and employees' contributions totalled £27,207 (2021 - £22,668). The agreed contribution rates for future years are 22 per cent for employers and 12.50 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

### 16. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in the Balance Sheet are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Present value of funded obligations	(1,713,000)	(2,777,000)
Fair value of plan assets	<u>1,196,000</u>	<u>1,167,000</u>
	(517,000)	(1,610,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(517,000)</u>	<u>(1,610,000)</u>
Net liability	<u>(517,000)</u>	<u>(1,610,000)</u>

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

	<b>Defined benefit pension plans</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Current service cost	272,000	205,000
Net interest from net defined benefit asset/liability	46,000	22,000
Past service cost	-	-
Administration expenses	<u>-</u>	<u>1,000</u>
	<u>318,000</u>	<u>228,000</u>
Actual return on plan assets	<u>(50,000)</u>	<u>199,000</u>



# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

### 16. PENSION AND SIMILAR OBLIGATIONS - continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2022	2021
	£	£
Opening defined benefit obligation	2,777,000	2,299,000
Current service cost	272,000	205,000
Contributions by scheme participants	27,000	23,000
Interest cost	46,000	37,000
Benefits paid	(48,000)	(31,000)
Remeasurements:		
Actuarial gains/(losses) from changes in demographic assumptions	(103,000)	(28,000)
Actuarial gains/(losses) from changes in financial assumptions	(1,427,000)	318,000
Experience (loss)/gain on defined benefit obligation	169,000	(46,000)
	<u>1,713,000</u>	<u>2,777,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2022	2021
	£	£
Opening fair value of scheme assets	1,167,000	896,000
Contributions by employer	101,000	81,000
Contributions by scheme participants	27,000	23,000
Administration expenses	(1,000)	(1,000)
Benefits paid	(48,000)	(31,000)
Interest on assets	20,000	15,000
Return on plan assets (excluding interest income)	(70,000)	184,000
	<u>1,196,000</u>	<u>1,167,000</u>

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

### 16. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in other recognised gains and losses are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Actuarial gains/(losses) from changes in demographic assumptions	103,000	28,000
Actuarial gains/(losses) from changes in financial assumptions	1,427,000	(318,000)
Experience (loss)/gain on defined benefit obligation	(169,000)	46,000
Return on plan assets (excluding interest income)	<u>(70,000)</u>	<u>184,000</u>
	<b><u>1,291,000</u></b>	<b><u>(60,000)</u></b>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Equities	646,000	639,000
Liability driven investment	131,000	138,000
Other bonds	55,000	65,000
Diversified growth fund	80,000	77,000
Property	123,000	102,000
Cash	18,000	19,000
Infrastructure	89,000	72,000
Multi asset credit	<u>54,000</u>	<u>55,000</u>
	<b><u>1,196,000</u></b>	<b><u>1,167,000</u></b>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	<b>2022</b>	<b>2021</b>
Discount rate	4.25%	1.65%
Future salary increases	3.95%	3.90%
Future pension increases	2.95%	2.90%
CPI increases	2.95%	2.90%
Commutation of benefits to lump sums	50.00%	50.00%

# THE EPIPHANY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2022

### 16. PENSION AND SIMILAR OBLIGATIONS - continued

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

	2022	2021
Retiring today		
Males	22.1	23.1
Females	24.2	24.6
Retiring in 20 years		
Males	23.4	24.4
Females	25.6	26.1
Sensitivity analysis		
	2022	2021
	£	£
Discount rate +0.1%	39,000	64,000
Discount rate -0.1%	40,000	66,000
Mortality assumption - 1 year increase	53,000	116,000
Mortality assumption - 1 year decrease	52,000	111,000
CPI rate +0.1%	3,000	6,000
CPI rate -0.1%	3,000	6,000

### 17. RELATED PARTY DISCLOSURES

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

During the year,

1. J Burge, spouse of a trustee, C Burge, was employed as a lunch supervisor and teaching assistant. C Burge was not involved in the decision making process regarding appointment. J Burge is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

2. H Spokes, daughter of a trustee, A Spokes, was employed as a teacher. A Spokes was not involved in the decision making process regarding appointment. H Spokes is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

3. the academy trust paid £2,238 (2021 £360) to Lighthouse Ministries, a business owned by A Saunders, a trustee, for mentoring services.

No other related party transactions took place.

# **THE EPIPHANY SCHOOL**

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

---

### **17. RELATED PARTY DISCLOSURES - continued**

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying 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.