

Registered number: 08208767

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

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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

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**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Members**

Mr Richard Evans  
Mr Stephen Humphrey  
Mrs Mary Breen  
Mrs Roisin Toner  
Mr Neil Froom  
Mr Phil Patient  
Mr Jacques Van Eedem

**Trustees**

Mr Richard Evans	Chair
Mr Mark Holdaway	Vice Chair
Mr Peter Barralet	Appointed November 2020
Mrs Leigh Mckay	
Mrs Nicola Boorman	Term ended October 2020
Mrs Julie Goodley	Appointed February 2021
Mrs Sandy Walia	Appointed January 2021
Mr Andy Smith	Appointed March 2021
Mrs Joanna Dean	
Mrs Martine Dodwell Bennett	Appointed March 2021
Mrs Fareeda Qasim	
Mr Denis Raymond	Term Ended May 2021
Mr Richard Tyler	

**Headteacher**

Mr Jonathan Fletcher

**Company Secretary**

Mrs Julie Mitchell

**Senior Management Team**

Mr Ivan Wright	Deputy Headteacher
Mr Paul Stephenson	Deputy Headteacher
Mrs Julie Mitchell	Business Manager
Mrs Cindy Henley	Deputy Headteacher
Miss Catt Torlop	Assistant Headteacher
Mrs Kate Hill	Assistant Headteacher
Mr Chris Cook	Assistant Headteacher
Mrs Rachel Zell	Assistant Headteacher
Mrs Kirstie Hartwell	Assistant Headteacher

**Company Name**

Charters School

**Principal and Registered Office**

Charters Road, Sunningdale, Ascot, Berkshire, SL5 9QY

**Company Registered Number**

08208767 (England & Wales)

**Independent Auditor**

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

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**Bankers**

Lloyds (Windsor & Eton Branch), PO Box 1000, BX1 1LT

**Solicitors**

**Browne Jacobson** 15th Floor, 6 Bevis Marks, London, EC3A 7BA

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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The Trustees present their annual report together with the financial statements and auditors' reports of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for students aged 11 to 18 serving a catchment area in Sunningdale, Berkshire. It has a pupil capacity of 1760 and had a roll of 1739 in the school census in January 2021 including 382 in the sixth form.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

Charters 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 (governors) of the Charters Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Charters school. Details of the trustees who served throughout the year are included in the Reference and Administrative Details on page 1 and 2.

**Members' Liability**

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

**Trustees' Indemnities**

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was included in the Risk Protection Arrangement.

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

The Board of Trustees regularly reviews the mix of skills they possess. New Trustees will be recruited with the aim of improving the skills set of the Board. It is also the intention to draw the great majority of the Board of Trustees from the local community.

Community trustees are appointed by the Board of Trustees after they are approved by the Members. Co-opted Trustees are appointed by the Board of Trustees where a specific skills gap has been identified. Staff and parent trustees are appointed via an election process of the staff and parents respectively. A parent trustee must be the parent or carer of a registered pupil of Charters School.

A Trustee's term of office, apart from the Headteacher, shall be four years. Any trustee may be re-appointed or re-elected.

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

All new Trustees meet with the Chair of the Board of Trustees to discuss the role of Trustees and meet the Headteacher to be briefed about the school's aims, purposes, and context. This year a comprehensive induction document has been produced with all the relevant information and forms included. New trustees attend a four-part induction which is held online. Additionally, individual trustees attend additional training courses and conferences organised by appropriate bodies and the school to develop their knowledge and understanding of the Trustees' role and latest educational developments and requirements. Occasionally, bite size training is provided before the Full Governing Board. The school continues to procure Governor Support Services from Achieving for Children part of RBWM, the local authority. The school has a gold membership with the National Governance Association and subscribes to their learning link training services.

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Organisational Structure**

The Trustees have responsibility for setting and monitoring the overall strategic direction of the charitable company, approving decisions reserved to Trustees and appointing key members of staff.

The Trustees meet as a Full Board of Trustees four times each year. All decisions reserved to the Trustees are taken by the Full Board of Trustees as a whole. Trustee committees meet three or four times each year to consider detailed matters and recommend decisions to the Full Board. During the partial closure of the school all committee meetings continued but were held remotely on Teams. In addition, the Trustee Board formed a subcommittee to revise the governor development plan, to ensure appropriate oversight of all strategic matters.

The function of all committees is to exercise the delegated powers (as listed under functions) and to report and make recommendations to the Full Board of Trustees. There are two such committees: Resources, and Curriculum. The committee structure was streamlined this year and the terms of reference for each committee were updated accordingly.

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

The Trustees' Remuneration Committee has been delegated responsibility by the Full Board of Trustees to:

- 1) Review the Headteacher's performance against set targets, review the Headteachers' pay, and set performance targets for the academic year.
- 2) Receive and consider the Headteacher's report about the performance review and recommendations on pay for the Senior Leadership Team with regard to the previous academic year, as well as scrutinising their targets for the new academic year.
- 3) The Remuneration Committee reports activity back to the Full Board of Trustees.

The Committee consists of three Trustees, one of whom must have received appropriate performance management training. The Chair of this committee is nominated by the Trustees. The remaining two members of the Committee are selected by the Board of Trustees at the last Full Board of Trustees meeting of the previous academic year held in July. Staff Trustees are not eligible to be members of this Committee. The Committee will review the Headteachers' performance and pay and set new performance targets. The committee will meet with the Headteacher to review their own performance and discuss provisional targets. This meeting takes place before the 31st December each academic year. Subsequently, the Committee will review the Headteacher's performance, make decisions about any performance awards and set targets for the coming year. Evidence will be gathered from the Headteacher's written review of their performance and discussion with the Headteacher during the meeting. The Headteacher will ensure that the Committee also receive written performance management reviews and targets for the Senior Leadership Team, including any pay recommendations, prior to their meeting. At the meeting of the Committee, the Headteacher will present their report on the Senior Leadership Team and the Committee will receive and consider any pay recommendations and targets for the academic year. When considering the Headteacher's recommendations the Committee will apply the criteria set out in the School Teachers' Pay and Conditions Document (STPCD) and the school's Pay Policy.

All performance awards will be made in the context of affordability and the constraints on the school's annual budget. Budgetary difficulties will not, however, be used as a reason for not making pay progression awards. The amount received from specific government grant for performance pay each year will be supplemented (or not as determined by the Trustees) from the school's own resources and the total thus allocated will be identified as a separate heading in the school's budget.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Trade union facility time**

**Relevant union officials**

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

**Percentage of time spent on facility time**

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

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

Provide the total cost of facility time	Nil
Provide the total pay bill	Not Applicable
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	Not Applicable

**Paid trade union activities**

Time spent on paid trade union activities such as a percentage of total paid facility time hours calculated as:	Nil
(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	Not Applicable

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

The Headteacher and the Business Manager were Trustees for the Tyrabad Residential Educational Trust, during the course of the 2020/21 academic year the Business Manager resigned from the Tyr Abad Trustee Board, The Tyr Abad Residential Educational Trust was placed in members voluntary liquidation during 2020/2. Charters School is represented by a staff member at meetings of the Charters School Community Recreation Centre Trust.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

Charters School's object ("the Object") 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 a school offering a broad and balanced curriculum.
- (b) To promote for the benefit of the inhabitants of Windsor and Maidenhead 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.

**Objectives, Strategies and Activities**

The school's main targets for 2020/21 were to:

Develop our curriculum to ensure it meets the needs of, and sufficiently challenges, all students, with a specific emphasis on recovery following year of interrupted education for our students.

- To promote and foster positive attitudes across the school, amongst all stakeholders
- To broaden and enrich opportunities for personal development and promote physical and mental wellbeing for all.
- To foster and develop consistently high quality and positive school leadership at all levels, with a specific focus on the laser sharp use of assessment information to inform high quality targeted support.

The Trustees use the following key measures to assess the success of the activities of the charitable company:

- Examination results measured against targets set at the beginning of each academic year and against national benchmarks, Charters consistently in the top 10% for all progress and attainment measures.
- Student behaviour and attendance is in line with student academic outcomes. Progress is made against the outcomes identified in the School Improvement Plan.
- The School Self-Evaluation Form and annual Senior Leadership Team monitoring programme and any additional Headteacher reports to Trustees covering the main aspects of school operations, including school provision outside of academic qualifications.



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**TRUSTEES' REPORT (continued)**  
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**Public Benefit**

The Trustees of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. The activities undertaken to further the Academy Trust's purpose for the Public Benefit include:

**Benefits and Beneficiaries**

In accordance with its charitable objectives, the charitable company strives to advance the education of the pupils attending the school. The charitable company's primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education throughout the school.

**Trustees' Assessment of Public Benefit**

In order to determine whether or not the charitable company has fulfilled its charitable objectives for public benefit, the trustees gather evidence of the success of Charters School's activities

**STRATEGIC REPORT**

**Achievement and Performance**

The continuation of the Covid-19 pandemic and partial closure of schools at the start of the spring term for eight school weeks led, once again, to the cancellation of the summer examination series. Unlike the previous year, the Department for Education announced that they would not be using an algorithm to award grades but would instead be trusting teachers to award grades based upon work produced. Following this announcement, the school devised a system whereby assessments would be run over the course of eight school weeks. These assessments were split into two (In-class assessments and Exam-board assessments) and were designed to mirror the specification, placing a similar weighting upon the content that the original exams were designed to do. Running these assessments was a huge challenge, but both the students and the teaching and associate staff rose to meet that challenge and, as a result, we believe the vast majority of the students received grades that were fair and reflected their ability. Due to the nature of these assessments, it is unfair to make any comparisons to previous years. There was a marked increase in the number of top grades that were achieved nationally, and Charters was no exception to this. However, to suggest that these grades were inflated is mistaken. Grades were always going to be higher due to the change in the way the grades were awarded. This did create issues for both universities and, at a local level, for entrance to sixth form courses, but, as a school, we managed the process as best we could.

At sixth form, 66.8% of A level grades awarded were A\*-B (a slight fall from 2020), with 40.1% judged to be A\*/A. Six students were successful in their applications to Oxford or Cambridge, as were three Medics and four Veterinary applicants (our most ever)

In Year 11, 65.3% of all students achieved grades 9-5 in both English and Maths GCSE (slightly higher than the previous year), with the Attainment 8 grade of 5.94.

**Key Performance Indicators**

The School uses the School Resource Management Self- Assessment dashboard to enable informed decision in relation to effective resource management, in addition, the Trustees receive and review benchmarking information annually.

The key financial performance indicator for the school was to maintain the current level of educational performance within a balanced budget. The school had set a balanced budget; performance was better than expected, in addition, the following financial key performance indicators are regularly monitored, staff costs, total staff costs to ESFA income, staff cost to total income and staff costs as a proportion of total expense. Performance against these indicators was, as expected or better than expected. The school makes good use of ICFP to inform curriculum and financial planning.

In 2020-21, student applications for places at the school continued to be strong. This is due to high level on-going student examination success rates, effective leadership at all levels and an increasing demographic trend.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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Attendance rates continue to be above average although it is felt that they can still be improved, and exclusions are lower than national benchmarks.

**Going Concern**

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

**FINANCIAL REVIEW**

Most of Charters School's income comes from the Educational and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. These grants and the associated expenditure are shown as restricted general funds in the statement of financial activities. In 2021/22 academic year the school received grants from the ESFA to support a recovery curriculum. The school has used these funds to support disadvantaged student, this has included tutoring, wellbeing support, resilience workshops and additional curriculum time in core subjects for some students.

Charters School also receives grants from the ESFA for capital expenditure and in accordance with the Charities Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities', such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Other sources of income are 'unrestricted', and these are mainly monies collected from parents for learning resources, school trips, outings, and other extra-curricular activities. Also included in 'unrestricted' funds are voluntary donations made by parents to support school life, lettings income and surplus cash funds transferred from RBWM at the time of conversion.

Charters School held fund balances on 31 August 2021 of £16,635,401 comprising £15,930,593 of restricted funds including a pension reserve deficit of £(£6,617,000) and restricted fixed assets of £22,428,698, and unrestricted funds of £704,808. The reserves at the end of the financial year are greater than anticipated, as a number of planned projects could not complete during the financial year. The planned works will take place during the next financial year and reserves will reduce accordingly. The Trustees believe the fund balances are adequate to provide sufficient working capital in times of possible future funding turbulence, to provide a cushion to deal with unexpected emergencies and to fulfil the objectives detailed in the School Development Plan.

As detailed in note 24 to the accounts, the Trust has taken on a deficit in the Local Government Pension Scheme. This will result in the school having to make additional contributions in future years. The Trustees believe they will be able to fund this deficit in the coming years.

**IMPACT OF COVID-19 VIRUS**

The Covid-19 pandemic and subsequent partial closure of schools during lockdown quite clearly had a huge impact upon the academic year 2020/21. As a consequence of the partial lockdowns in the Autumn and Spring terms, the school once again relied upon remote learning for the majority of students, ensuring learning continued in line with the normal school timetable. Education for some was disrupted due to illness, but overall access to online learning throughout the year ensured minimal impact where students engaged. Staff and students once again, adapted to remote learning very quickly and teaching and learning continued, in line with the normal school timetable until the end of the academic year. The school remained open at all times for the most vulnerable students and throughout the remainder of the academic year for all students. The examination series was cancelled, and headline figures increased, giving our students an excellent start to the next stage of their education or career. The changes to the examination series saw workload increase for staff across the school due to the setting and marking of internal and exam board assessments.

Engagement with learning remained high and where necessary families were provided with access to IT, often through the DfE laptop scheme. Regular welfare checks were carried out to ensure support for some of our most vulnerable families and student and parent surveys informed the School's recovery plans.

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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The year-end financial position is better than expected, this was largely due to a decrease in expenditure throughout the year. Little of the contingency for 2020/21 was required and as the school managed on site testing in house with the support of parental volunteers this funding was also used to support project throughout the year. Agency supply was used infrequently, use of invigilators reduced and a refund of examination fees have all contributed to a positive year end position. Once again, several projects were delayed until the 2021/22 financial year. The delay in projects was largely due to difficulty engaging contractors and sourcing supplies during the summer break, we anticipate this is likely to continue in the next financial year, as most contractors are advising of a shortage of labour and materials. The increase in reserves for 2020/21 has strengthened the school's financial position, however it is important to note that reserves will decrease in the next financial year as the delayed projects complete. Due to the unexpected delay in procuring some goods and services the Trustees are designating £101,000 to ensure the following projects are completed in 2021/23:

Sixth Form canopy, replace hanging tiles on sixth form block, relocate and replace long jump pit, health and safety works to various paths, masonry repairs.

The school's major fundraising activities ceased because of the pandemic. However, the school continued to benefit from regular parental donations. Parental generosity has ensured that the Christmas fundraising prize draw was a success and the school also benefitted from one off parental donations to support ICT for students whose families were facing financial hardship as a result of the pandemic. Deposit accounts remain unaffected, however as investments continue to perform worse than expected in the local government pensions scheme there is potential for increased defined benefit liability. The Trustees will continue to monitor this annually but are assured by the government backed guarantee.

The impact of the virus on staff and students has been widespread, with many in the school community feeling the effects first-hand. However, wellbeing support is in place and the school development plans reflect the additional challenges associated with the pandemic, with a particular emphasis on a recovery curriculum and support for staff and student wellbeing. In particular, additional staff have been employed on a fixed term basis to ensure students receive the additional support they need, and the school has reinstated a five period day on Fridays for all year groups.

During the partial closures in the 2020/21 academic year the School recognised the risks of moving all operations off site. Staff continued to work from home and the effective control measures implemented during the 2019/20 partial closure were introduced once again. The compliance and health and safety risks of the pandemic are regularly reviewed by the Accounting Officer and Trustee Board. The risk associated with the pandemic featured heavily in the School's Risk Register. Trustee meetings continued, with the majority of these taking place online.

The control measures currently in place in school provide a safe environment for the school community, control measures follow the national guidelines, and this easing of restrictions has enabled all school activities to recommence. This includes, sports fixtures, extracurricular, assemblies, external CPD for staff and the use of volunteers around the school. Additional control measures are in place for those staff who are most vulnerable and in the event of an outbreak additional control measures will be reintroduced to limit transmission within the school community.

**NATIONAL FREE SCHOOL MEALS SUPPORT**

The school engaged with the nation free school meal voucher support scheme and continued to provide free school meals to those eligible students who were unable to attend school due to the pandemic. The school also distributed free school meal vouchers on behalf of the local authority, ensuring the most disadvantaged students had access to free school meals during school holidays.

**REVIEW OF VALUE FOR MONEY**

The Accounting Officer has responsibility for ensuring that the school delivers good value for money during each academic year and reports to the Trustee Board where value for money can be improved, including the use of benchmarking data where available. During the 2020/21 academic year the school has continued to monitor staff costs, carefully considering any appointment, and making savings where appropriate. Several contracts have been retendered delivering costs savings. Teaching staff have continued to provide cover team support during

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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the year where appropriate and during periods of school closure staff were redeployed. End of life equipment has been replaced using government procurement framework and the school has also made use of the supply framework. Energy costs have been considered and contracts fixed where possible, in addition robust management of contract during periods of lockdown have ensured continued value.

**Reserves Policy**

The Trust holds reserves to provide sufficient working capital in times of possible future funding turbulence, to provide a cushion to deal with unexpected emergencies and to fulfil the objectives detailed in the School Development Plan.

On 31 August 2021 the total funds comprised:

Unrestricted		704,808
Restricted:	Fixed asset funds	22,428,698
	GAG	173,449
	Pension reserve	(6,617,000)
	Other, less SALIX loan	(54,554)
		<u>£16,635,401</u>

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teacher's scheme, separate assets are held to fund future liabilities as discussed in note 24. The deficit has increased by £962,000 during the 2020/21 financial year, this is as a result of changes to financial assumptions. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds of £118,895 includes SALIX loan liability of £119,197 which will be met from GAG funds over a period of years as per notes 18 and 19. Therefore, excluding this liability, restricted funds are £238,092, which will be spent in accordance with the terms of the particular funds.

Unrestricted reserves are higher than expected, this is as a result of issues with the supply of goods, material, and services. A number of planned projects did not complete in the 2020/21 academic year this included: health and safety works to paths across the school, sixth form canopy, sixth form hanging tile replacement, replace and relocate the long jump pit, masonry repair work across the school. Of the £704,808 unrestricted reserves, £101,000 is designated for use in the 2021/22 financial year to complete the projects set out above.

**Investment Policy**

The Trustees' investment powers are set down in the Memorandum and Articles of Association which permit the investment of monies of Charters School that are not immediately required for its purposes in such investments as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

Charters School's current policy is to invest surplus funds in a combination of short-term cash deposits for fixed periods of no longer than six weeks and longer-term deposit accounts up to one year. Periodically, the management will review interest rates and compare with other investment opportunities. Any change in policy requires the approval of Trustees.

**Principal Risks and Uncertainties**

The Academy Trust practices through its Board of Trustees and the constituted committees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Board of Trustees accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior executive officers. The School maintains a Risk Register and Risk Management Action Plan that is reviewed regularly by Trustees at the Resource Committee Meeting.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**FUNDRAISING**

The School engages in fundraising throughout the school year, both for specific projects and to augment the annual education budget. Funds are raised in a number of ways including, regular giving, fundraising events, letting the school facilities, project specific campaigns and sponsorship. Where appropriate the school also applies for grants from local and national organisations.

All fundraising activity is monitored by the Headteacher and School Business Manager to ensure it is coordinated appropriately. Trustees and the SLT are mindful that each families' financial circumstances are different and therefore parents are asked only for contributions that are practical and affordable.

The school does not work with professional fundraisers and has not received any complaints.

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**TRUSTEES' REPORT (continued)**  
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**PLANS FOR FUTURE PERIODS**

The future development of Charters School is detailed in the School Improvement Plan, approved by the Board of Trustees. In the plan, there are clear objectives with specific and measurable success criteria laid out. These are evaluated by trustees regularly. At a high level, the school's future plans centre on four areas with key desired outcomes, namely,

**Quality of Education**

**FOCUS 2: TO CONTINUE DEVELOP OUR CURRICULUM TO ENSURE IT MEETS THE NEEDS OF, AND SUFFICIENTLY CHALLENGES, ALL STUDENTS.**

<b>Priority</b>	<b>Impact</b>
<b>2.1</b> Implement a Recovery Curriculum that ensures that all students are equipped with the skills and knowledge to progress.	<ul style="list-style-type: none"><li>• Increased confidence in students in their ability to do well in school</li></ul>
<b>2.2</b> Development of whole school pedagogical approach based around the 'Charters 7' that is understood and used by all.	<ul style="list-style-type: none"><li>• Staff understand principles and implement within teaching leading to stronger outcomes for all students in all departments.</li><li>• Students understand expectations across the school in terms of the learning experience.</li></ul>
<b>2.3</b> Implementation of Early Career Framework that delivers high-quality support for ECTs.	<ul style="list-style-type: none"><li>• School will be compliant with ECF programme and Statutory induction guidance.</li></ul>
<b>2.4</b> Development of Coaching and Mentoring programme to provide high-quality support and CPD for staff across the school.	<ul style="list-style-type: none"><li>• Coaching Programme further embedded within school, such that staff feel supported in their Teaching and Career progression</li></ul>
<b>2.5</b> Implement a robust and supportive structure for Quality Assurance of Teaching and Learning across every department within the school.	<ul style="list-style-type: none"><li>• School leaders to have clear understanding of strengths and areas for development within each department and a strategy for improvement</li></ul>
<b>2.6</b> Raise the aspirations and achievement of male students to ensure that the gender gap closes at KS4 in line with expected outcomes.	<ul style="list-style-type: none"><li>• Gaps between different learner groups identified and reduced.</li></ul>
<b>2.7</b> Development of Progress Report Structure across KS3/4 which enables students to take greater ownership of their attitude to learning and progress.	<ul style="list-style-type: none"><li>• Students and parents have a better understanding of where they are and what they need to improve.</li><li>• Targeted students have higher aspirations.</li></ul>
<b>2.8</b> Ensure we maintain a broad and balanced curriculum that promotes challenge to all students.	<ul style="list-style-type: none"><li>• Student uptake of Ebacc Qualification between 40-50%.</li><li>• Uptake in Creative/Vocational Subjects to remain high at GCSE</li></ul>
<b>2.9</b> Literacy Strategy	<ul style="list-style-type: none"><li>• Greater understanding and use of tier 2 and 3 language across the school, alongside confidence in reading for understanding and meaning</li></ul>

**TRUSTEES' REPORT (continued)**  
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**Behaviour and attitudes**

**FOCUS 3: PROMOTE AND FOSTER POSITIVE ATTITUDES ACROSS THE SCHOOL, AMONGST ALL STAKEHOLDERS.**

Priority	Impact
<b>3.1</b> Holistic review of Behaviour Policy	<ul style="list-style-type: none"><li>• Behaviour systems are consistent and fit for their purpose.</li></ul>
<b>3.2</b> Introduce an escalation process to key areas. (IE – Mobile Phone / Fire Brigade)	<ul style="list-style-type: none"><li>• Point of conflict reduced with clear understanding and procedures.</li></ul>
<b>3.3</b> Develop alternative provision procedures and processes and embed strong and sustainable relationships with AP providers	<ul style="list-style-type: none"><li>• Targeted students get excellent outcomes from the provision.</li></ul>
<b>3.4</b> Development of the new Inclusion Hub	<ul style="list-style-type: none"><li>• A move away from FTE, keeping more vulnerable students in school during the day for support after FTE breaches of Behaviour Policy</li></ul>
<b>3.5</b> Development of Behaviour and Attitudes Parent Focus group.	<ul style="list-style-type: none"><li>• Access to a representative view from parents of behaviour and attitudes at Charters School</li></ul>
<b>3.6</b> Develop Student Council and Leadership opportunities to promote empowerment and ownership of the Charters School values.	<ul style="list-style-type: none"><li>• Clear messages to all regarding what racism and discrimination is and how it will be tackled.</li><li>• Tracking of any bullying/discriminatory behaviour</li></ul>
<b>3.7</b> Earlier 'bespoke' packages of support for students most at risk of PEX, including work with the RBWM SEMH service.	<ul style="list-style-type: none"><li>• Improved outcomes for a small number of targeted students.</li></ul>
<b>3.8</b> Review and redevelop the use of ClassCharts to achieve more consistency across the school.	<ul style="list-style-type: none"><li>• Consistency across all staff in school in the use of ClassCharts</li></ul>
<b>3.9</b> Review systems for the collation of bullying / discriminatory behaviour of all types.	<ul style="list-style-type: none"><li>• Clear targeted interventions to reduce the frequency and reduce incidents.</li></ul>
<b>3.10</b> Establish a clear culture of anti-bullying, racism, homophobic behaviour or any other form of discrimination.	<ul style="list-style-type: none"><li>• All understand expectations and uphold the values of URE</li></ul>
<b>3.11</b> Review and redevelop a coherent whole school attendance strategy.	<ul style="list-style-type: none"><li>• Increased attendance of all year groups to over 96%</li><li>• Reduced number of students classed as 'persistent absentees' (&lt; 10%)</li></ul>
<b>3.12</b> Introduction of behaviour leaders to support staff classroom practice focusing on positive behaviour management.	<ul style="list-style-type: none"><li>• Ensure that all have a consistent experience in school and have the confidence to address negative behaviours.</li></ul>

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**CHARTERS SCHOOL**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Personal development**

**FOCUS 4: TO BROADEN AND ENRICH OPPORTUNITIES FOR PERSONAL DEVELOPMENT AND PROMOTE PHYSICAL & MENTAL WELLBEING FOR ALL.**

Priority	Impact
4.1 Preparing students for next phase of education, training or employment: To ensure the 8 Gatsby Benchmarks are met	<ul style="list-style-type: none"><li>• Providing Charters students with a comprehensive careers information advice and guidance programme to increase awareness of opportunities and prepare them for their next steps</li></ul>
4.2 To re-establish an effective system of student voice across the school	<ul style="list-style-type: none"><li>• To empower Charters students to become ambassadors for change involved with shaping school and community life.</li></ul>
4.3 To re-establish an effective Parental Voice calendar	<ul style="list-style-type: none"><li>• Increasing parental participation in school life leading to improved student progress, punctuality, attendance and behaviour.</li></ul>
4.4 To provide opportunity for all students to be involved with enrichment activities including at Post 16	<ul style="list-style-type: none"><li>• To provide all Charters students with an outstanding enrichment offer to develop all aspects of PiXL LORIC and URE.</li></ul>
4.5 To provide increased leadership opportunities across the school	<ul style="list-style-type: none"><li>• To provide opportunity for all Charters students to have engaged in a leadership activity to promote and develop LORIC skills and qualities</li></ul>
4.6 To re-establish our school Library as a Hub for learning and personal development	<ul style="list-style-type: none"><li>• Providing Charters students with an inviting learning space in which they can work both individually and collaboratively developing their research and information handling skills whilst igniting a passion for books and reading.</li></ul>
4.7 Celebration Evenings are reviewed and re-established	<ul style="list-style-type: none"><li>• Charter's students can celebrate success in the fields of academia, sport, enrichment, and personal development</li></ul>
4.8 Review PSHE and Tutor Time (renamed Personal Development) Curriculum across the school	<ul style="list-style-type: none"><li>• Providing Charters students with a comprehensive package of personal development skills including careers, RSE, character education and an appreciation of British values to enable them to demonstrate Unity, Respect and Excellence in all they do.</li></ul>
4.9 - Provide and promote strategies to support mental health and well-being for the school community	<ul style="list-style-type: none"><li>• Emotional first aiders and emotional buddies to be explicit across the school</li><li>• Explore opportunities through the staff council to provide support in developing activities which promote well-being</li></ul>



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Leadership and Management**

**FOCUS 5: TO FOSTER AND DEVELOP CONSISTENTLY HIGH QUALITY AND POSITIVE SCHOOL LEADERSHIP AT ALL LEVELS.**

Priority	Impact
<b>5.1</b> To ensure that a culture of 'it could happen here' is embedded across the school in our safeguarding work.	<ul style="list-style-type: none"><li>• A clear culture of it could happen at Charters, so a pre-emptive culture in place.</li></ul>
<b>5.2</b> Embed the school ethos of Unity, Respect and Excellence throughout the curriculum so that the school values are at the core.	<ul style="list-style-type: none"><li>• School values are clear and understood by all</li></ul>
<b>5.3</b> Explore the possibility of Charters being at the centre of a MAT.	<ul style="list-style-type: none"><li>• A clear understanding of the processes required to be at the centre of a MAT.</li></ul>
<b>5.4</b> Ensure the curriculum is challenging and accessible for all no matter what their starting points	<ul style="list-style-type: none"><li>• Students are engaged in school life, attendance is high, outcomes are strong and there is high engagement in extracurricular activities.</li></ul>
<b>5.5</b> Consistent quality assurance process procedures at all level	<ul style="list-style-type: none"><li>• High-quality learning and teaching alongside pastoral support allow students to thrive in their learning.</li></ul>
<b>5.6</b> Develop external and peer review	<ul style="list-style-type: none"><li>• High-quality practice can be maintained to ensure that students get the best possible experience guarding against complacency.</li></ul>
<b>5.7</b> Development of Heads of Year	<ul style="list-style-type: none"><li>• Proactive, pre-emptive approach within each year team</li></ul>
<b>5.8</b> Development of relationships with primary feeder schools	<ul style="list-style-type: none"><li>• Smooth transition and the development of leadership roles for students.</li></ul>
<b>5.9</b> Review and improve data analysis systems for student performance	<ul style="list-style-type: none"><li>• Interventions and support programmes can be highly targeted for learning groups and vulnerable students.</li></ul>
<b>5.10</b> Marketing of the school to ensure continued high numbers.	<ul style="list-style-type: none"><li>• Clear, crisp image of the school that showcases what the school does well and conveys the school ethos of URE</li></ul>
<b>5.11</b> Bring your own devices roll out	<ul style="list-style-type: none"><li>• Students develop skills of learning and organisation linked to BYOD, removal of the need for mobile phones in school.</li></ul>
<b>5.12</b> A 3-year plan in place to ensure the profile of the Library is raised.	<ul style="list-style-type: none"><li>• Library is open and used for lesson time as well as during social time to support individuals in their learning.</li></ul>
<b>5.13</b> Restructuring of the schools' Sixth form offer.	<ul style="list-style-type: none"><li>• Enrichment offer for Sixth Form Student comprehensive and open to all.</li></ul>
<b>5.14</b> A comprehensive programme of Mapped Personal development across the school	<ul style="list-style-type: none"><li>• Development of programme offer from Year 7 to Year 13 to develop character students the importance of this for future development.</li></ul>
<b>5.15</b> Review of the Schools Middle leadership (TLR) payments	<ul style="list-style-type: none"><li>• To ensure that the system is fair, equitable, and transparent across the school</li></ul>
<b>5.16</b> Review of the school uniform.	<ul style="list-style-type: none"><li>• To make the uniform more consistent across year groups and the year.</li><li>• To ensure that the uniform is as cost-effective for all.</li></ul>

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Sixth Form**

**FOCUS 6: TO ENSURE THERE IS CONSISTENTLY HIGH-QUALITY TEACHING AND ENRICHMENT OPPORTUNITIES ACROSS ALL SUBJECTS.**

Priority	Impact
<b>6.1 Introduction</b> of enrichment programme for Sixth Form	<ul style="list-style-type: none"><li>• Students more visible and active in the school and wider community.</li><li>• All students actively engaged in enrichment opportunities.</li><li>• Learning Leaders programme embedded into student timetables.</li><li>• Development of Cultural capital across the year group for all.</li><li>• Great involvement of Sixth Form students in the local community and school community.</li><li>• Targeted students to receive support from a life coach to help raise aspirations</li></ul>
<b>6.2 Review</b> of KS5 curriculum with a streamlining of courses offered to ensure financially viable pathways for all high and middle ability learners	<ul style="list-style-type: none"><li>• Streamlining of KS5 offer prior to Open Evening including a review of entry requirements.</li><li>• Rebranding of the Sixth Form with a clear sense of Charters offer in the local community.</li><li>• A pathway for middle ability students to enables them to progress to Level 4 qualifications.</li></ul>
<b>6.3 High Achievers - Provision</b>	<ul style="list-style-type: none"><li>• Correct students identified for the PHA programme at each Key Stage</li><li>• Increased number of applications for high entry requirement university courses.</li></ul>
<b>6.4 Quality first Teaching</b>	<ul style="list-style-type: none"><li>• Review the Learning and Teaching provision in the Sixth form to ensure quality first teaching is consistent across all subjects and where not support put in place.</li></ul>
<b>6.5 Further Development</b> of Pastoral support	<ul style="list-style-type: none"><li>• All students receive the same high-quality support and guidance to enable them to be ready for the next stage of their education.</li></ul>
<b>6.6 Improved IAG</b> in line with Gatsby	<ul style="list-style-type: none"><li>• Students are given relevant, up to date support and guidance throughout Sixth form and during Year 10 and 11 to ensure correct courses are studied and decisions can be made.</li></ul>

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

Charters School does not hold cash or assets as a custodian for any third party.

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**CHARTERS SCHOOL**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**AUDITOR**

MHA, Macintyre Hudson have indicated their willingness to continue in office.

In so far as the trustees are aware:

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

This Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 30 November 2021 and signed on the board's behalf by:

  
R Evans  
Chair of Trustees

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**CHARTERS SCHOOL**  
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**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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The Academy Trust has an established Senior Leadership Team that has instituted a thorough and effective system of internal control measures to ensure the appropriate management of the resources for which we are responsible.

**SCOPE OF RESPONSIBILITY**

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher (Jonathan Fletcher), 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 Charters School and the Secretary of State for Education. He is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The full Board of Trustees has formally met four times during the year. The board met twice in person and twice on Microsoft Teams.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr Richard Evans (Chair)	4	4
Mr Mark Holdaway (Vice Chair)	4	4
Mr Peter Barralet	3	3
Mrs Leigh McKay	4	4
Mrs Nicola Boorman	1	1
Mr Julie Goodley	2	2
Mrs Jonathan Fletcher	4	4
Mrs Sandy Walia	2	2
Mr Andy Smith	1	1
Mrs Joanna Dean	4	4
Mrs Martine Dodwell Bennett	1	1
Mrs Fareeda Qasim	3	4
Mr Denis Raymond	3	3
Mr Richard Tyler	3	4

The board of trustees comprises:

- up to four Community Trustees;
- up to three Staff Trustees
- a minimum of four Parent Trustees;
- the Head (and where the Academy has co-heads, both shall be a Trustee);
- any Additional Governors, if appointed under Article 62, 62A or 68A; and
- any Further Governors, if appointed under Article 63 or Article 68A.

In the year 2020/21 we have 4 Community Trustees, 3 Staff Trustees (including the Head and 1 teaching staff and 1 associate staff), and a full complement of 5 Parent Trustees and 1 co-opted trustee. It should be noted that two of our parent trustees (Richard Evans and Richard Tyler) transitioned to community trustees when their term as parent trustees ended. This was approved unanimously by our Members.

**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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A review of the board's performance was conducted on 14th June by the Effective Governance working group, using a self-evaluation template provided by the National Governance Association. This review concluded that the board performed well in 2020/21 against the defined criteria. The main area requiring further development was that the Trustee Board should continue to work to provide a parent forum with staff and student views more regularly undertaken. Trustees are informed about the school and are able to attend many school events whether in person or online and they speak to many parents and students as a result, but it was felt a more formal setting would benefit ongoing dialogue and plans for regular updates from the Chair in the weekly newsletter are in place. The Chair occasionally attends staff briefings to keep staff up to date on trustee activities. Trustees looked at succession planning and will be recruiting to fill vacancies as they become available. The Chair and the Clerk and the Head and School Business Manager meet quarterly over Zoom with our members to keep them up to date on what is happening within the board and the school.

We achieve good data quality through the following:

- **Governance and leadership** - defined roles and responsibilities to ensure accountability for data quality with policies and procedures in place to support the process
- **Systems and processes** - are in place that secure the quality of data
- **People and skills** - train staff so they have the appropriate knowledge, competencies, and capacity for their roles
- **Data use** - the purpose of collecting and reporting robust, good quality data is to inform management, make improvements to teaching and learning outcomes and to promote accountability to parents, stakeholders, local residents and government
- **Data security** - data collected must be secure and should only be used for authorised purposes

All management information, including financial and performance information, is used by the trustees to manage its performance. External bodies use this information to assess our performance and stakeholders need accessible and reliable information to make informed decisions.

The sources of data about academic progress and attainment are from published results and independent, third-party evaluations compared to other schools nationally (RAISEonline; Alps; Fischer Family Trust).

The board finds the quality of data acceptable because they accurately reflect performance and give reliable pointers to where we can improve as a school.

The **Curriculum Committee** is a sub-committee of the main Board of Trustees. Its purpose is to monitor and evaluate rates of progress and standards of achievement by pupils; and to review, monitor and evaluate the curriculum offer and in doing so ensure a broad and balanced curriculum that is relevant to the needs of all pupils at Charters School. The attendance at meetings in the year was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr Richard Tyler (Chair)	3	3
Mr Peter Barralet	1	2
Mrs Martine Dodwell Bennett	1	1
Mrs Fareeda Qasim	3	3
Mrs Sandy Walia	2	2

The **Resources Committee** is a sub-committee of the main Board of Trustees. Its purpose is to ensure that the Academy Trust complies with the ESFA Academies Financial Handbook, to provide guidance and assistance to the Headteacher and Trustees in all matters relating to budgeting and finance, and to provide support and guidance for the Board of Trustees and the Headteacher on all matters relating to the maintenance and development of the premises and grounds, including Health and Safety.

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**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Denis Raymond (Chair) term ended May 2021	2	3
Mr Richard Evans	3	4
Mr Mark Holdaway (Chair for June Meeting)	4	4
Mr Andy Smith	2	2
Mrs Julie Goodley	2	2
Mrs Leigh McKay	3	4
Mr Jonathan Fletcher	4	4

**REVIEW OF VALUE FOR MONEY**

As accounting officer, the Headteacher, Jonathan Fletcher, has responsibility for ensuring that Charters School 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 appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by taking a wide range of steps, linked to the School Improvement Plan, to ensure the Academy's sustained excellent performance as measured by outcomes for students. A relentless focus on the quality of learning and teaching has ensured that students have continue to exceed expectations

In terms of financial efficiency, during the 2020/21 academic year the school has continued to monitor staff costs, carefully considering any appointments, and making savings where appropriate. Several contracts have been retendered delivering costs savings. Teaching staff have continued to provide cover support during the year where appropriate and during periods of school closure staff were redeployed. End of life equipment has been replaced using government procurement framework and the school has also made use of the supply framework. Energy costs have been considered and contracts fixed where possible, in addition robust management of contract during periods of lockdown have ensured continued value.

**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**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 Charters School for the period ending 31 August 2021 and up to the date of approval of the annual report and financial statements.

Careful analysis of the performance of students in receipt of the Pupil Premium and Bursary Fund has led to more effective planning of their financial support. Outcomes for these students are in line with non-disadvantaged students nationally.

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which Charters School is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees confirm that there is a formal on-going process for identifying, evaluating and managing the Charters School's significant risks. This has been in place for the twelve-month period to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees through the Committees.

**THE RISK AND CONTROL FRAMEWORK**

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

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

The board of trustees has decided not to appoint an internal auditor. However, the trustees have appointed Mrs C Perry, the FD of Prospect School to perform peer review

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

- testing of recruitment processes

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**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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- testing of payroll procedures, including authorising appointments, changes to pay.
- testing of procurement procedures, including testing delegated authority and segregation of duties is in place
- testing of control account/ bank reconciliations
- testing the period closedown processes and management accounts

On an annual basis, the reviewer reports to the board of trustees, through the **Resources Committee incorporating the Risk and Audit Committee** on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. During 2020/21 the work was delivered as planned, but the schedule was delayed due to the impact of Covid-19 and periods of lockdown. No major control issues were identified. There were two minor issues identified, these have now been addressed.



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**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**REVIEW OF EFFECTIVENESS**

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

- the work of the external auditor
- 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 accepted the recommendations of the external audit and a plan to address weaknesses and ensure continuous improvement of the system has been implemented as appropriate.

Approved by order of the Members of the Board of Trustees on 30 November 2021 and signed on its behalf by:



R Evans  
Chair of Trustees



J Fletcher  
Accounting Officer

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**CHARTERS SCHOOL**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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As Accounting Officer of Charters School, I have considered my responsibility to notify Charters School Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of funding, under the funding agreement in place between Charters School and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by Charters School, or material non-compliance with the terms and conditions of funding under the Charters School's funding agreement and the Academies Financial Handbook 2020.

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.



**J Fletcher**  
Accounting Officer

30 November 2021

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**CHARTERS SCHOOL**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

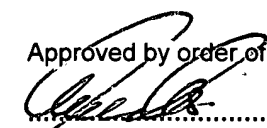
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 30 November 2021 and signed on its behalf by:

  
.....  
**R Evans**  
Chair of Trustees

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

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**Opinion**

We have audited the financial statements of Charters School (the 'academy trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

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

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**Other information**

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

We have nothing to report in this regard.

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

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

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

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

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

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

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**Responsibilities of trustees**

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

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

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

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

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

- Enquiry of management around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

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

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

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

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**Use of our report**

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



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

Date: 15 December 2021

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

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

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In accordance with the terms of our engagement letter dated 22 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Charters School during the year 1 September 2020 to 31 August 2021 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 Charters School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Charters School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Charters School and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Charters School's funding agreement with the Secretary of State for Education dated 20 October 2011 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.



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

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

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**Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

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

**Conclusion**

*In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.*

*MHA MacIntyre Hudson*

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

Date: *15 December 2021*

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>						
Donations and capital grants	3	41,962	29,038	66,850	137,850	217,665
Charitable activities	4	95,417	9,659,703	-	9,755,120	9,182,278
Other trading activities	5	21,520	-	-	21,520	31,831
Investments	6	653	-	-	653	3,156
<b>Total income</b>		<b>159,552</b>	<b>9,688,741</b>	<b>66,850</b>	<b>9,915,143</b>	<b>9,434,930</b>
<b>Expenditure on:</b>						
Charitable activities	7	47,251	9,625,835	947,244	10,620,330	10,100,019
<b>Total expenditure</b>		<b>47,251</b>	<b>9,625,835</b>	<b>947,244</b>	<b>10,620,330</b>	<b>10,100,019</b>
<b>Net income/(expenditure)</b>		<b>112,301</b>	<b>62,906</b>	<b>(880,394)</b>	<b>(705,187)</b>	<b>(665,089)</b>
Transfers between funds	18	(6,247)	(450,847)	457,094	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>106,054</b>	<b>(387,941)</b>	<b>(423,300)</b>	<b>(705,187)</b>	<b>(665,089)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	24	-	(479,000)	-	(479,000)	(951,000)
<b>Net movement in funds</b>		<b>106,054</b>	<b>(866,941)</b>	<b>(423,300)</b>	<b>(1,184,187)</b>	<b>(1,616,089)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		598,754	(5,631,164)	22,851,998	17,819,588	19,435,677
Net movement in funds		106,054	(866,941)	(423,300)	(1,184,187)	(1,616,089)
<b>Total funds carried forward</b>		<b>704,808</b>	<b>(6,498,105)</b>	<b>22,428,698</b>	<b>16,635,401</b>	<b>17,819,588</b>

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

The notes on pages 36 to 64 form part of these financial statements.

**CHARTERS SCHOOL**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08208767**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Tangible assets	13		22,004,154		22,323,195
			<u>22,004,154</u>		<u>22,323,195</u>
<b>Current assets</b>					
Debtors	14	203,482		402,873	
Investments	15	300,000		300,000	
Cash at bank and in hand		1,845,265		1,170,029	
		<u>2,348,747</u>		<u>1,872,902</u>	
Creditors: amounts falling within one year	16	(1,011,102)		(602,312)	
<b>Net current assets</b>			<u>1,337,645</u>		<u>1,270,590</u>
<b>Total assets less current liabilities</b>			<u>23,341,799</u>		<u>23,593,785</u>
Creditors: amounts falling after one year	17		(89,398)		(119,197)
<b>Net assets excluding pension liability</b>			<u>23,252,401</u>		<u>23,474,588</u>
Defined benefit pension scheme liability	24		(6,617,000)		(5,655,000)
<b>Total net assets</b>			<u><u>16,635,401</u></u>		<u><u>17,819,588</u></u>
<b>Funds of the Academy Trust</b>					
<b>Restricted funds:</b>					
Fixed asset funds	18	22,428,698		22,851,998	
Restricted income funds	18	118,895		23,836	
Pension reserve	18	(6,617,000)		(5,655,000)	
<b>Total restricted funds</b>	18		<u>15,930,593</u>		<u>17,220,834</u>
<b>Unrestricted income funds</b>	18		<u>704,808</u>		<u>598,754</u>
<b>Total funds</b>			<u><u>16,635,401</u></u>		<u><u>17,819,588</u></u>

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**CHARTERS SCHOOL**

**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08208767**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2021**

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The financial statements on pages 32 to 64 were approved by the Trustees, and authorised for issue on 30 November 2021 and are signed on their behalf, by:

  
.....  
**R. Evans**  
Chair of Trustees

The notes on pages 36 to 64 form part of these financial statements.

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

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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	<b>Note</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<b>1,255,104</b>	383,693
<b>Cash flows from investing activities</b>	21	<b>(579,868)</b>	4,496
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		<b>675,236</b>	388,189
Cash and cash equivalents at the beginning of the year		<b>1,170,029</b>	781,840
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	22, 23	<b>1,845,265</b>	1,170,029
		<hr/>	<hr/>

The notes on pages 28 to 56 form part of these financial statements

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

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

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

**1.2 Fund accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Trustees.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.3 Income**

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

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

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

**1.4 Expenditure**

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.4 Expenditure (continued)**

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Going concern**

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

**1.6 Tangible fixed assets**

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long leasehold buildings	- 50 years on cost
Fixtures, fittings and equipment	- 3 - 10 years on cost
Computer equipment	- 3 - 10 years on cost
Motor vehicles	- 5 years on cost

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



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.7 Leased assets**

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

**1.8 Taxation**

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

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

**1.9 Debtors**

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

**1.10 Cash at bank and in hand**

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

**1.11 Liabilities and provisions**

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

Provisions are recognised when the Academy Trust pension obligation at the reporting date as a result of a past event which it is probable will result where transfer of economic benefits and the obligation can be estimated reliably.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. Accounting policies (continued)**

**1.12 Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.13 Pensions**

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Donations	41,962	29,038	-	71,000
Capital grants	-	-	34,926	34,926
LA capital grants	-	-	11,540	11,540
Donated assets	-	-	20,384	20,384
	<u>41,962</u>	<u>29,038</u>	<u>66,850</u>	<u>137,850</u>

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Donations	53,683	150	-	53,833
Capital grants	-	-	163,832	163,832
	<u>53,683</u>	<u>150</u>	<u>163,832</u>	<u>217,665</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	-	8,589,543	8,589,543
Other DfE/ESFA grants			
Pupil premium	-	151,546	151,546
Teachers pension	-	346,831	346,831
Teachers pay	-	122,737	122,737
Others	-	53,936	53,936
	-	9,264,593	9,264,593
<b>Other Government grants</b>			
Local authority SEN income	-	152,586	152,586
Other Local Authority income	3,327	60,989	64,316
	3,327	213,575	216,902
<b>Other income from the Academy Trust's educational operations</b>	92,090	17,235	109,325
<b>COVID-19 additional funding (DfE/ESFA)</b>			
Catch-up premium	-	110,480	110,480
Other DfE/ESFA COVID-19 funding	-	16,680	16,680
	-	127,160	127,160
<b>COVID-19 additional funding (non-DfE/ESFA)</b>			
Other COVID-19 funding	-	37,140	37,140
	-	37,140	37,140
	<b>95,417</b>	<b>9,659,703</b>	<b>9,755,120</b>

The academy received £110,480 of funding for catch-up premium and costs incurred in respect of this funding totalled £99,127, with the remaining £11,353 to be spent in 2021/22.

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

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	-	7,809,615	7,809,615
Other DfE/ESFA grants			
Pupil premium	-	153,080	153,080
Teachers pension	-	337,563	337,563
Teachers pay	-	119,465	119,465
Others	-	84,253	84,253
	-	8,503,976	8,503,976
<b>Other Government grants</b>			
Local Authority SEN income	-	138,625	138,625
Other Local Authority income	1,516	70,967	72,483
	1,516	209,592	211,108
<b>Other income from the Academy Trust's educational operations</b>	467,194	-	467,194
	<u>468,710</u>	<u>8,713,568</u>	<u>9,182,278</u>

**5. Income from other trading activities**

	Unrestricted funds 2021 £	Total funds 2021 £
Lettings and rental income	11,920	11,920
Other income	9,600	9,600
	<u>21,520</u>	<u>21,520</u>

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**5. Income from other trading activities (continued)**

	Unrestricted funds 2020 £	Total funds 2020 £
Lettings and rental income	17,266	17,266
Other income	14,565	14,565
	<u>31,831</u>	<u>31,831</u>

**6. Investment income**

	Unrestricted funds 2021 £	Total funds 2021 £
Bank interest receivable	<u>653</u>	<u>653</u>

	Unrestricted funds 2020 £	Total funds 2020 £
Bank interest receivable	<u>3,156</u>	<u>3,156</u>

**7. Expenditure**

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Academy's educational operations:				
Direct costs	6,419,688	-	386,722	6,806,410
Allocated support costs	1,685,935	654,971	1,473,014	3,813,920
	<u>8,105,623</u>	<u>654,971</u>	<u>1,859,736</u>	<u>10,620,330</u>

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**7. Expenditure (continued)**

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Academy's educational operations:				
Direct costs	6,055,730	-	639,089	6,694,819
Allocated support costs	1,446,983	593,457	1,364,760	3,405,200
	<u>7,502,713</u>	<u>593,457</u>	<u>2,003,849</u>	<u>10,100,019</u>

**8. Analysis of expenditure by activities**

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Academy's educational operations	<u>6,806,410</u>	<u>3,813,920</u>	<u>10,620,330</u>

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Academy's educational operations	<u>6,694,819</u>	<u>3,405,200</u>	<u>10,100,019</u>



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

**Analysis of direct costs**

	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Pension finance costs	20,846	20,794
Teaching educational support staff costs	6,419,688	6,055,730
Educational supplies	173,084	136,045
Examination fees	104,569	151,781
Educational consultancy	36,445	3,918
Other staff costs	41,661	41,885
Other direct costs	10,117	284,666
	<b>6,806,410</b>	<b>6,694,819</b>

**Analysis of support costs**

	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Pension finance costs	68,154	57,206
Support staff costs	1,685,935	1,446,983
Depreciation	946,028	926,080
Technology costs	129,003	109,818
Premises costs	677,075	613,182
Other support costs	289,753	238,442
Governance costs	17,972	13,489
	<b>3,813,920</b>	<b>3,405,200</b>

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

Net income/(expenditure) for the year includes:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Operating lease rentals	<b>14,993</b>	6,841
Depreciation of tangible fixed assets - owned by charity	<b>946,028</b>	926,080
Gain on disposal of fixed assets	-	(4,000)
Fees paid to auditors for:		
- audit	<b>9,750</b>	9,750
- other services	<b>6,015</b>	3,700
	<b><u>976,786</u></b>	<b><u>940,371</u></b>

**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>5,841,567</b>	5,475,569
Social security costs	<b>573,810</b>	530,297
Pension costs	<b>1,674,462</b>	1,471,263
	<b><u>8,089,839</u></b>	<b><u>7,477,129</u></b>
Agency staff costs	<b>15,784</b>	25,584
	<b><u>8,105,623</u></b>	<b><u>7,502,713</u></b>

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**10. Staff (continued)**

**b. Staff numbers**

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

	<b>2021</b> <b>No.</b>	<b>2020</b> <b>No.</b>
Teaching	<b>110</b>	108
Administration and support	<b>83</b>	80
Management	<b>2</b>	2
	<b>195</b>	<b>190</b>

**c. Higher paid staff**

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

	<b>2021</b> <b>No.</b>	<b>2020</b> <b>No.</b>
In the band £60,001 - £70,000	<b>4</b>	3
In the band £70,001 - £80,000	<b>3</b>	3
In the band £100,001 - £110,000	<b>1</b>	-
In the band £130,001 - £140,000	<b>-</b>	1

**d. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £919,870 (2020 - £886,256).

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**11. Related Party Transactions – Trustees' remuneration and expenses**

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

		2021 £	2020 £
J Goodley - appointed 05/02/2021, resigned 31/08/2021	Remuneration	25,000 - 30,000	
	Pension contributions paid	5,000 - 10,000	
N Morgan, resigned 10/10/2020	Remuneration	0 - 5,000	45,000 - 50,000
	Pension contributions paid	0 - 5,000	10,000 - 15,000
J Dean	Remuneration	10,000 - 15,000	10,000 - 15,000
	Pension contributions paid	0 - 5,000	0 - 5,000
J Fletcher, appointed 01/09/2020	Remuneration	105,000 - 110,000	
	Pension contributions paid	25,000 - 30,000	

Details for Trustees resigning before 1 September 2020 are not shown.

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

**12. Trustees' and Officers' insurance**

The Academy Trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

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**13. Tangible fixed assets**

	Long leasehold land and buildings £	Fixtures, fittings and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 September 2020	26,768,153	688,075	793,816	21,275	28,271,319
Additions	371,528	148,711	106,748	-	626,987
At 31 August 2021	<u>27,139,681</u>	<u>836,786</u>	<u>900,564</u>	<u>21,275</u>	<u>28,898,306</u>
<b>Depreciation</b>					
At 1 September 2020	5,100,535	181,897	644,417	21,275	5,948,124
Charge for the year	760,277	91,362	94,389	-	946,028
At 31 August 2021	<u>5,860,812</u>	<u>273,259</u>	<u>738,806</u>	<u>21,275</u>	<u>6,894,152</u>
<b>Net book value</b>					
At 31 August 2021	<u>21,278,869</u>	<u>563,527</u>	<u>161,758</u>	<u>-</u>	<u>22,004,154</u>
At 31 August 2020	<u>21,667,618</u>	<u>506,178</u>	<u>149,399</u>	<u>-</u>	<u>22,323,195</u>

Included within long leasehold land and buildings is leasehold land at valuation of £2,515,448 (2020 - £2,515,448), which is not depreciated.

**14. Debtors**

	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	1,444	3,857
Other debtors	349	31,361
Prepayments and accrued income	159,003	241,879
VAT recoverable	42,686	125,776
	<u>203,482</u>	<u>402,873</u>

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**15. Current asset investments**

	2021 £	2020 £
Bank deposit accounts	<u>300,000</u>	<u>300,000</u>

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

	2021 £	2020 £
Salix Loan	29,799	29,799
Trade creditors	142,901	60,049
Other taxation and social security	145,808	132,519
Other creditors	180,940	164,938
Accruals and deferred income	511,654	215,007
	<u>1,011,102</u>	<u>602,312</u>

	2021 £	2020 £
Deferred income at 1 September 2020	60,978	161,257
Resources deferred during the year	181,645	60,978
Amounts released from previous periods	(60,342)	(161,257)
	<u>182,281</u>	<u>60,978</u>

At the Balance Sheet date the Academy Trust was holding funds received in advance for school trips. There was also an amount relating to rates relief received in Jun-21 for the period Sep-21 to Mar-22.

The SALIX loan is from the ESFA which is provided interest free and repayments will be made through a reduction in revenue payments.

**17. Creditors: Amounts falling due after more than one year**

	2021 £	2020 £
Salix Loan	<u>89,398</u>	<u>119,197</u>

The SALIX loan is from the ESFA and is provided interest free and repayments will be made through a reduction in revenue payments over an 8 year payback.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**18. Statement of funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Project fund	-	-	-	101,000	-	101,000
<b>General funds</b>						
Unrestricted funds	598,754	159,552	(47,251)	(107,247)	-	603,808
<b>Total Unrestricted funds</b>	<b>598,754</b>	<b>159,552</b>	<b>(47,251)</b>	<b>(6,247)</b>	<b>-</b>	<b>704,808</b>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	121,726	8,589,543	(8,051,675)	(464,890)	-	194,704
Other DfE/ESFA revenue grants	43,608	675,050	(684,727)	(15,756)	-	18,175
Other Local Authority Grants	-	213,575	(213,575)	-	-	-
SALIX loan	(148,996)	-	-	29,799	-	(119,197)
Catch-up premium	-	110,480	(99,127)	-	-	11,353
Other DfE/ESFA COVID-19	-	16,680	(16,680)	-	-	-
Other COVID-19 funding	-	37,140	(37,140)	-	-	-
Other income	7,498	46,273	(39,911)	-	-	13,860
Pension reserve	(5,655,000)	-	(483,000)	-	(479,000)	(6,617,000)
	<b>(5,631,164)</b>	<b>9,688,741</b>	<b>(9,625,835)</b>	<b>(450,847)</b>	<b>(479,000)</b>	<b>(6,498,105)</b>

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

**Restricted fixed asset  
funds**

Fixed asset fund	22,323,195	-	(946,028)	626,987	-	22,004,154
Donated assets	-	20,384	-	(20,384)	-	-
ESFA/DfE grants	528,803	34,926	(1,216)	(137,969)	-	424,544
LA capital grants	-	11,540	-	(11,540)	-	-
	<u>22,851,998</u>	<u>66,850</u>	<u>(947,244)</u>	<u>457,094</u>	<u>-</u>	<u>22,428,698</u>
<b>Total Restricted funds</b>	<u>17,220,834</u>	<u>9,755,591</u>	<u>(10,573,079)</u>	<u>6,247</u>	<u>(479,000)</u>	<u>15,930,593</u>
<b>Total funds</b>	<u>17,819,588</u>	<u>9,915,143</u>	<u>(10,620,330)</u>	<u>-</u>	<u>(479,000)</u>	<u>16,635,401</u>



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

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

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

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

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

The SALIX loan fund represents a SALIX loan received for boiler replacement work. Repayments will be made through a reduction in revenue payments over a 8 year payback.

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

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

The restricted fixed asset fund represents the net book value of inherited fixed assets and fixed assets purchased since conversion.

The DfE/ESFA capital grant fund relates to restricted devolved capital income awarded to the Academy and the relevant restricted expenditure recorded against this.

The transfer between unrestricted, restricted funds and restricted fixed asset funds represents amounts capitalised during the period and funded from income reserves.

Due to the unexpected delay in procuring some goods and services the Trustees are designating £101,000 to ensure the following projects are completed in 2022/23: Sixth Form canopy, replace hanging tiles on sixth form block, relocate and replace long jump pit, health and safety works to various paths, masonry repairs.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>						
Unrestricted funds	407,322	557,380	(413,145)	47,197	-	598,754
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	7,809,615	(7,495,598)	(192,291)	-	121,726
Other DfE/ESFA revenue grants	34,951	694,361	(685,704)	-	-	43,608
Other Local Authority Grants	-	70,967	(70,967)	-	-	-
SALIX loan	(178,795)	-	-	29,799	-	(148,996)
Other income	56,445	138,775	(140,525)	(47,197)	-	7,498
Pension reserve	(4,332,000)	-	(372,000)	-	(951,000)	(5,655,000)
	<u>(4,419,399)</u>	<u>8,713,718</u>	<u>(8,764,794)</u>	<u>(209,689)</u>	<u>(951,000)</u>	<u>(5,631,164)</u>
<b>Restricted fixed asset funds</b>						
Fixed asset fund	23,082,783	-	(922,080)	162,492	-	22,323,195
ESFA/DfE grants	364,971	163,832	-	-	-	528,803
	<u>23,447,754</u>	<u>163,832</u>	<u>(922,080)</u>	<u>162,492</u>	<u>-</u>	<u>22,851,998</u>
<b>Total Restricted funds</b>	<u>19,028,355</u>	<u>8,877,550</u>	<u>(9,686,874)</u>	<u>(47,197)</u>	<u>(951,000)</u>	<u>17,220,834</u>
<b>Total funds</b>	<u>19,435,677</u>	<u>9,434,930</u>	<u>(10,100,019)</u>	<u>-</u>	<u>(951,000)</u>	<u>17,819,588</u>

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

**Analysis of net assets between funds - current year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	22,004,154	22,004,154
Current assets	704,808	1,219,395	424,544	2,348,747
Creditors due within one year	-	(1,011,102)	-	(1,011,102)
Creditors due in more than one year	-	(89,398)	-	(89,398)
Pension scheme liability	-	(6,617,000)	-	(6,617,000)
<b>Total</b>	<b>704,808</b>	<b>(6,498,105)</b>	<b>22,428,698</b>	<b>16,635,401</b>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	22,323,195	22,323,195
Current assets	598,754	745,345	528,803	1,872,902
Creditors due within one year	-	(602,312)	-	(602,312)
Creditors due in more than one year	-	(119,197)	-	(119,197)
Pension scheme liability	-	(5,655,000)	-	(5,655,000)
<b>Total</b>	<b>598,754</b>	<b>(5,631,164)</b>	<b>22,851,998</b>	<b>17,819,588</b>

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

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(705,187)	(665,089)
<b>Adjustments for:</b>		
Depreciation	946,028	926,080
Capital grants from DfE and other capital income	(46,466)	(163,832)
Decrease/(increase) in debtors	199,391	(85,564)
Increase in creditors	378,991	7,254
Dividends, interest and rents from investments	(653)	(3,156)
Profit on sale of fixed assets	-	(4,000)
Pension adjustments	483,000	372,000
<b>Net cash provided by operating activities</b>	<b>1,255,104</b>	<b>383,693</b>

**21. Cash flows from investing activities**

	2021 £	2020 £
Purchase of tangible fixed assets	(626,987)	(166,492)
Proceeds from the sale of tangible fixed assets	-	4,000
Capital grants from DfE Group	34,926	163,832
Capital funding received from sponsors and others	11,540	-
Investment income	653	3,156
<b>Net cash (used in)/provided by investing activities</b>	<b>(579,868)</b>	<b>4,496</b>

**22. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand and at bank	1,845,265	1,170,029

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**23. Analysis of changes in net debt**

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	1,170,029	675,236	1,845,265
Debt due within 1 year	(29,799)	-	(29,799)
Debt due after 1 year	(119,197)	29,799	(89,398)
Liquid investments	300,000	-	300,000
	<u>1,321,033</u>	<u>705,035</u>	<u>2,026,068</u>

**24. Pension commitments**

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**Teachers' Pension Scheme**

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

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,037,395 (2020 - £945,419).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £332,000 (2020 - £305,000), of which employer's contributions totalled £252,000 (2020 - £231,000) and employees' contributions totalled £ 80,000 (2020 - £74,000). The agreed contribution rates for future years are 21.6% for employers and 5.5% and 12.5% for employees.

As described in note 1.13 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

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**24. Pension commitments (continued)**

**Principal actuarial assumptions**

	<b>2021</b>	<b>2020</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	<b>3.90</b>	3.30
Rate of increase for pensions in payment/inflation	<b>2.90</b>	2.30
Discount rate for scheme liabilities	<b>1.65</b>	1.60
Inflation assumption (CPI)	<b>2.90</b>	2.30
RPI increase	<b>3.25</b>	3.10

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

	<b>2021</b>	<b>2020</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
Males	<b>21.3</b>	21.5
Females	<b>24.0</b>	24.1
Retiring in 20 years		
Males	<b>22.6</b>	22.9
Females	<b>25.4</b>	25.5

**Sensitivity analysis**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Discount rate +0.1%	<b>10,642</b>	9,026
Discount rate -0.1%	<b>11,115</b>	9,427
Mortality assumption - 1 year increase	<b>11,327</b>	9,579
Mortality assumption - 1 year decrease	<b>10,443</b>	8,883
CPI rate +0.1%	<b>11,087</b>	9,403
CPI rate -0.1%	<b>10,669</b>	9,049

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

**Share of scheme assets**

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

	2021 £	2020 £
Equities	2,600,000	2,084,000
Corporate bonds	759,000	468,000
Property	502,000	507,000
Cash and other liquid assets	88,000	338,000
Alternative assets and other	310,000	172,000
<b>Total market value of assets</b>	<b>4,259,000</b>	<b>3,569,000</b>

The actual return on scheme assets was £444,300 (2020 - £147,000).

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

	2021 £	2020 £
Current service cost	(643,000)	(522,000)
Interest cost	(89,000)	(78,000)
Administrative expenses	(3,000)	(3,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(735,000)</b>	<b>(603,000)</b>

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

	2021 £	2020 £
Opening defined benefit obligation	9,224,000	7,685,000
Current service cost	643,000	522,000
Interest cost	148,000	142,000
Employee contributions	80,000	74,000
Actuarial losses	863,000	916,000
Benefits paid	(82,000)	(115,000)
<b>Closing defined benefit obligation</b>	<b>10,876,000</b>	<b>9,224,000</b>



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**24. Pension commitments (continued)**

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

	2021 £	2020 £
<b>Opening fair value of scheme assets</b>	<b>3,569,000</b>	<b>3,353,000</b>
Interest on assets	59,000	64,000
Actuarial gains/(losses)	384,000	(35,000)
Employee contributions	80,000	74,000
Benefits paid	(82,000)	(115,000)
Employer contributions	252,000	231,000
Administrative expenses	(3,000)	(3,000)
<b>Closing fair value of scheme assets</b>	<b>4,259,000</b>	<b>3,569,000</b>

The amount shown in the Statement of Financial Activities is:

	2021 £	2020 £
Changes in financial assumptions	(1,032,000)	(437,000)
Return on assets excluding amounts included in net interest	384,000	83,000
Other actuarial gains/(losses)	-	(118,000)
Experience loss/(gain) on defined benefit obligation	169,000	(479,000)
<b>Actuarial gains/(losses) on defined benefit pension schemes</b>	<b>(479,000)</b>	<b>(951,000)</b>

The amount shown in the Balance Sheet is:

	2021 £	2020 £
Present value of defined benefit obligation	(10,876,000)	(9,224,000)
Fair value of scheme assets	4,259,000	3,569,000
<b>Net pension liability</b>	<b>(6,617,000)</b>	<b>(5,655,000)</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**25. Operating lease commitments**

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	33,324	8,192
Later than 1 year and not later than 5 years	48,957	7,471
	<u>82,281</u>	<u>15,663</u>

**26. Members' liability**

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

**27. Related party transactions**

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

The following related party transactions took place in the period with Tirabad Residential Educational Trust, a charitable trust in which J Fletcher (2020 - R Pilgrim) is a Trustee by virtue of his position as head master of Charters School.

Tirabad Residential Educational Trust invoiced the Academy Trust £Nil (2020: £58,011) in relation to students visiting the site. This cost was primarily met through parental contributions. Members of Charters School staff assist with the administration of the Tirabad Residential Educational Trust. The total cost relating to this support was £9,495, (2020: £9,153), which is reimbursed by the Tirabad Residential Educational Trust in full. At the year end Tirabad Residential Educational Trust owed the Academy Trust £Nil (2020: £Nil).

Work Wise Wellness Ltd, a private limited company in which L McKay is sole director and shareholder and also a trustee of the academy trust invoiced the Academy Trust £Nil (2020: £104)

No other related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 12.