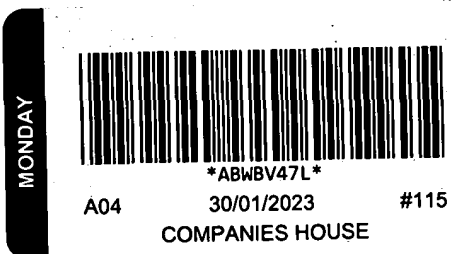


Cottesbrooke Infant and Nursery School

(A Company Limited by Guarantee)

**Annual Report and Financial Statements
Year ended 31 August 2022**

Company Registration Number
08936173 (England and Wales)



**Feltons
Chartered Accountants**

**Birmingham
B1 3JR**

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

**Report and Financial Statements
Year ended 31 August 2022**

Contents	Page
Reference and Administrative Details	1
Trustees' Report	2
Governance Statement	9
Statement on Regularity, Propriety and Compliance	13
Statement of Trustees' Responsibilities	14
Independent Auditor's Report on the Financial Statements	15
Independent Reporting Accountant's Report on Regularity	19
Statement of Financial Activities incorporating Income & Expenditure Account	21
Balance Sheet	22
Statement of Cash Flows	23
Notes forming part of the Financial Statements, incorporating	
Statement of Accounting Policies	24
Other Notes to the Financial Statements	29

Cottesbrooke Infant and Nursery School (A Company Limited by Guarantee)

Reference and Administrative Details

Members	Keith Fenwick	(community trustee, chairperson, reappointed 08/10/22)
	Keith Jones	(community trustee, appointed 12/03/14)
	Phil Halford	(community trustee, appointed 12/03/14)
	Sheila Halford	(community trustee, appointed 19/05/16)
	Amanda Millward	(community trustee, reappointed 01/04/22)
	John O'Shea	(community trustee, reappointed 01/04/22)
Trustees	Suzanne Coles	(staff trustee, re-appointed 31/03/22)
	Keith Fenwick*	(community trustee, reappointed 08/10/22)
	Sally Jones	(community trustee, reappointed 03/10/18)
	Irfan Khan*	(community trustee, appointed 01/04/14)
	William Loughlin*	(staff trustee, appointed 12/03/14)
	Amanda Millward*	(community trustee, reappointed 31/03/22)
	John O'Shea*	(community trustee, reappointed 31/03/22)
	Faisal Ahmed	(staff trustee, appointed 02/10/19)
	Neil Thomsett*	(parent trustee, appointed 11/05/20)
	Laura Mace	(parent trustee, appointed 04/03/22)
	Greg Miller	(community trustee, appointed 01/01/22, resigned 11/09/22)
	Gurjit Samrai	(parent trustee, reappointed 06/10/21)
	Charlotte Zaide	(parent trustee, appointed 24/04/19, resigned 16/05/22)
		*members of finance committee
Senior Management Team		
• Head Teacher	William Loughlin	
• Deputy Head Teacher	Faisal Ahmed	
Company name	Cottesbrooke Infant and Nursery School	
Principal and registered office	Yardley Road Acocks Green Birmingham B27 6LG	
Company registration no.	08936173	
Independent auditor	Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR	
Bankers	Lloyds Bank Plc 114-116 Colmore Row Birmingham B3 3BD	

Cottesbrooke Infant and Nursery School (A Company Limited by Guarantee)

Trustees' report for the year ended 31 August 2022

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The academy trust operates an academy for pupils aged three to seven serving a catchment area in Acocks Green and South Yardley. It has a pupil capacity of 270 and 39 full time equivalent nursery class places and had a roll of 258 in the school census on 6 October 2022.

Structure, Governance and Management

Constitution

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

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

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the academy has purchased insurance through the Risk Protection Arrangement (RPA) to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim.

Method of recruitment and appointment or election of Trustees

Parent trustees are elected by the parents of registered pupils at the academy. A parent trustee must be a parent of a pupil at the academy at the time when she/he is elected.

Community Trustees may be appointed by the Governing Body provided that the person who is appointed as a Community Trustee is:

- a person who lives or works in the community served by the Academy; or
- a person who, in the opinion of the Governing Body, is committed to the governance and success of the Academy.

Staff Trustees are elected by employees of the Academy Trust. At least one Staff Trustee will be a qualified teacher and at least one will be a member of the support staff. Staff are invited to apply to become a Trustee when a vacancy becomes available or at the end of the Trustee's term of office (four years).

Staff Trustee positions are advertised internally and if there is more than one candidate there is a vote.

Cottesbrooke Infant and Nursery School (A Company Limited by Guarantee)

Trustees' report for the year ended 31 August 2022 (continued)

Policies and Procedures Adopted for the Induction and Training of Trustees

The Governing Body has a Service Level Agreement with the Trustee Support department of Birmingham City Council to provide training, advice and support to the Governing Body.

Newly elected Trustees attend Induction Training for new Trustees, and in addition select specific training provided by Governor Support in accordance with their needs.

One of the Trustees is appointed as Link Trustee, attends relevant training and provides information to Trustees following such training.

The Deputy Head Teacher is the Leader for Professional Development in school, and ensures that Trustees are provided with opportunities to receive training in accordance with their role, and the school's Training Plan.

Organisational structure

The Governing Body has established committees and appoints Trustees to serve on each of the committees annually. The committees for the period of the report were:

- Finance, Staffing and Audit
- Premises
- Curriculum
- Head Teacher Performance Management
- Appeals
- Disciplinary and Complaints
- Redundancy

The written terms of reference of the committees include the monitoring of the preparation and management of the academy's budget and implementation of the academy's financial management policies, including risk assessment.

The board of trustees also appoints a responsible officer and this role has been fully implemented in accordance with the academy trust's financial procedures.

Decisions relating to Head Teacher Performance Management are reserved for the board of trustees.

Arrangements for setting pay and remuneration of key management personnel

Head Teacher performance management committee decide upon the pay and remuneration of the Head Teacher. Other key management personnel have performance management targets set and meetings with the Head Teacher and his recommendations are approved by the Finance & Staffing committee.

Related parties and other Connected Charities and Organisations

Trustees' related parties and other connected charities and organisations are all documented on their pecuniary interest forms which are reviewed to ensure sound governance and transparency. The Academy publishes its relevant business and pecuniary interest of local governors on its website.

Objectives and activities

Objects and aims

The strategic goal of Cottesbrooke Infant & Nursery School is to provide a broad and balanced curriculum to all pupils in accordance with the funding agreement between the academy trust and the Department for Education.

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Trustees' report for the year ended 31 August 2022 (continued)

Objectives, strategies and activities

The main objectives for the year are:

- To further develop a recovery curriculum to ensure progression and good outcomes for all learners
- To encourage wellbeing, personal development, positive behaviours and attitudes
- To strengthen leadership and management at all levels throughout the school

The strategies adopted for achieving these objectives are covered in detail in the school development plan which can be found on the school website.

Public benefit

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Cottesbrooke Infant and Nursery School is an equal opportunity employer, and strives to give full and fair consideration to all applicants for employment, training and promotions, irrespective of disability, gender, race, colour or sexual orientation.

Strategic Report

Achievements and Performance

Since becoming an academy, Cottesbrooke Infant and Nursery School has taken a wide range of steps to ensure that the education standards for all its children have continued to improve. The school has focused on improvement linked to the school development plan to ensure a positive impact on outcomes for children. Nationally, all schools were closed to the majority of pupils on 16th March 2021 which impacted on the progress that the school was making against its objectives. The government also suspended all data collections until this year.

Progress against the 2021/22 objectives;

Whole School Aim	Priority development	Success Criteria	Outcomes
To further develop a recovery curriculum to ensure progression and good outcomes for all learners	<ul style="list-style-type: none">• Progress of all children: maintain/improve progress of all learners particularly the lowest 20%• Phonics: ensure good outcomes for all children• Reading: Continue to improve reading provision, engagement and outcomes throughout the school• Maths: ensure teaching and outcomes are good• Curriculum: Ensure that the planned curriculum has the intended breadth and balance• EYFS: Ensure good progress	<ul style="list-style-type: none">• Work provided challenges and extends all learners• Lowest 20% make accelerated progress from starting points• improved outcomes for the 2021/22 phonics screening check• Outcomes for children closer to national figures• Curriculum intent is right for the needs of our children• Children know key knowledge and skills	<ul style="list-style-type: none">• Results of year 1 phonics screening check were above national figure• End of KS1 data shows improvement since 2019• Excellent progress from starting points in Reception• Better than expected progress in KS1• Ofsted (Feb 22) was very impressed with the curriculum and children's acquisition of key knowledge and skills

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Trustees' report for the year ended 31 August 2022 (continued)

<p>To encourage wellbeing, personal development, positive behaviours and attitudes</p>	<ul style="list-style-type: none"> • Wellbeing and mental health: Ensure that mental health and wellbeing of staff and children are a school focus • Behaviour: Ensure that the behaviour management policy is used effectively and consistently • Physical activity: promote and improve physicality and health education • Attendance: improve attendance rates • Workload: ensure that staff have a suitable work/ life balance • Safeguarding: continue effective procedures 	<ul style="list-style-type: none"> • Staff and children feel supported with mental health • Behaviour throughout school is good and well managed with very few behaviour issues • Opportunities delivered to promote physicality and recognise its importance • Attendance at 96% • Workload is considered, reviewed and changes made e.g. maths books, marking • Children say that they feel safe 	<ul style="list-style-type: none"> • Ofsted (Feb 22) found that behaviour and safeguarding were good • Staff report that they are happy and feel that wellbeing is high • Pastoral Manager is signposting parents to local initiatives/ groups • Children are beginning to talk about keeping healthy • Number of persistent absentees is reducing • Staff are aware of safeguarding procedures • DSL are up to date with training, children are discussed and actions are checked on – no child missed • Pupil voice tells us that children know who keeps them safe • Staff have appreciated workload review and measures put in place to reduce/ manage it
<p>To strengthen leadership and management at all levels throughout the school</p>	<ul style="list-style-type: none"> • Development of skills: staff gain skills and knowledge to effectively support colleagues • Subject leaders: ensure that monitoring and feedback brings about positive change • Information sharing: ensure that information is shared effectively by all stakeholders • Governance: deepen understanding of the school and challenge effectively 	<ul style="list-style-type: none"> • Staff have good knowledge of subjects and leaders oversee their curriculum areas to ensure consistency • Performance targets have been met • Governors are pro-active in their roles and challenge leaders effectively • Improvements are shown in all key areas. Standards are raised • Monitoring is effective and identifies both strengths and areas for development (school/personal level) • Stakeholders say they are informed 	<ul style="list-style-type: none"> • Successful Ofsted February 2022 • A number of staff are completing National Professional Qualifications - achievement will support leadership skills • Subject Leaders have developed their leadership skills through meetings, leading training, having time out of class to complete their role fully and having sources of reading and pedagogical (teaching) theory • Staff feel more confident in their monitoring roles • Staff have upskilled their subject knowledge and can talk about it • Staff have been involved with SMT monitoring to improve skills • Parents are engaged with the school and know about school events, achievements and can access training including safeguarding/ online safety training • Governors are aware of their role and up to date information • Governors are better able to challenge leaders

Cottesbrooke Infant and Nursery School (A Company Limited by Guarantee)

Trustees' report for the year ended 31 August 2022 (continued)

Key Performance Indicators

- Ofsted rating: Good (February 2022)
- Direct costs as a percentage of total costs were 62% (2021 : 64%)
- Support costs as a percentage of total costs were 38% (2021 : 36%)
- Total payroll costs as a percentage of recurring income were 86% (2021 : 88%)

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

The financial results of Cottesbrooke Infant and Nursery School are detailed in the following pages. It is considered that the finances are sound and well established. The principal financial management policies adopted are laid down by the Finance Handbook for Academies published by the ESFA and requirements as laid down by the Academy's Financial Handbook.

The principal funding source is grant income from the ESFA. All expenditure of this grant income is planned to fulfil the objectives and strategies of the Academy.

During the year ended 31 August 2022 total resources expended were £1,851,317 and the deficit of income over expenditure was £168,499 which included depreciation of £62,704.

Reserves Policy

The trustees continually monitor the reserves of the charitable company. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and nature of reserves.

It is the board of trustees' general policy to continue to build reserves which can be used for future educational purposes.

The academy had total funds at 31 August 2022 of £1,987,957 which included £124,289 restricted funds not available for general purposes of the academy trust, £251,631 of free reserves defined as unrestricted funds available for general purposes and £2,323,037 which can only be realised by the disposal of tangible fixed assets.

The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was a surplus of £375,920.

In addition, the deficit on the restricted pension fund of £711,000 arises from an actuarial deficit on the local government pension scheme which will be dealt with as advised by the actuary. This will result in a cash flow effect for the academy trust in the form of an increase in employers' pension contributions over a period of years.

The trustees regularly review the level of reserves and aim to maintain them at a minimum of one months of expenditure. Budgeted expenditure for 2022/23 is £1,605,140 and hence the minimum target is £133,762. Unrestricted reserves at 31 August 2022 therefore represent 1.9 months.

Cottesbrooke Infant and Nursery School (A Company Limited by Guarantee)

Trustees' report for the year ended 31 August 2022 (continued)

Investment Policy

Some surplus funds were invested within savings accounts covered by the FSCS limit of £85,000. These investments are carried out in accordance with the powers vested in the Governing Body and the academy's Treasury Management Policy.

Principal Risks and Uncertainties

The trustees have considered the major risks and uncertainties facing the charitable company which include changes in legislation and regulations and cash flow management and have put in place procedures to deal with these matters.

Attention has also been focussed on non-financial risks arising from fire, health and safety. These risks are managed by ensuring accreditation is up to date, having robust policies in place, and regular awareness training for staff working in these operational areas. The trustees ensure good oversight of the school's Risk Register with it being a standing item at both full governing body meetings and finance, staffing and audit committee meetings.

Fundraising

There are a group of volunteers known as Cottesbrooke Infant School Supporters who hold events to raise money for the school. During the academic year 2021/22 they held a Summer Fair which raised £799.19. This income is recognised as miscellaneous income in the school's accounts when it is transferred over.

The children take part in various fundraising events throughout the year to raise money for charities including Children in Need, Comic Relief, Marie Curie, MacMillan Cancer Support, Poppy Appeal, Red Cross and Red Crescent, Save the Children.

We feel that there is also a need locally for support so we are a dropping off point for the Acocks Green Foodbank. The collection point is in the main school entrance. We also donate harvest assembly contributions to Acocks Green Foodbank and Birmingham City Mission, which provides food for the homeless. We have opened our own food pantry as many of our parents are struggling with the cost of living and affording food. We have staged non-uniform days to request contributions.

Plans for Future Periods

Priorities	What will this look like?
All children are safe, healthy and come to school every day that they can	<ul style="list-style-type: none">• Maintain and improve robust safeguarding procedures• Attendance is high and prioritised by the school community. The school will support families with poor attendance but will not tolerate it• Ongoing cycle of training relating to all areas of safeguarding• Pupils wellbeing and physical and mental health is a priority
The quality of teaching meets the needs of all learners	<ul style="list-style-type: none">• Engaged learners who thrive and attain• Learners who are challenged• Staff feel confident in sharing practice and are self-reflective• Robust performance management• The school meets the objectives as laid out in the 2022 White Paper
To ensure children achieve to the best of their abilities	<ul style="list-style-type: none">• All groups of children achieve including most able children, special educational needs/ disability, children with a first language other than English• Disadvantaged children perform as well as their peers• Assessment data is regularly monitored and evaluated to check that all pupils make rapid and sustained progress
School is well led and managed with all levels of leadership being effective including strong governance and financial management	<ul style="list-style-type: none">• Develop efficient and effective processes for the governing body to support and monitor the Leadership Team.• School leaders at all levels are confident in leading, monitoring and challenging• Planned succession of governors and leadership

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Trustees' report for the year ended 31 August 2022 (continued)

	<ul style="list-style-type: none">• Oversee, monitor and implement strong financial control• Ensure robust strategies are in place that mitigate potential financial difficulties
Provide a broad and balanced curriculum that is relevant to our children	<ul style="list-style-type: none">• Staff are relentless in ensuring that the intention and implementation of school curriculum has the impact of children who know and remember more• Spiritual, moral, social, cultural virtues and values throughout the curriculum support social skills and a positive attitude to learning
Continue to be an employer of choice	<ul style="list-style-type: none">• Wellbeing is prioritised• Strong commitment to personal and professional development through personalised training• Strong commitment to the health, welfare and safeguarding of our staff• Commitment to favourable terms and conditions
Investigate and implement ways for the school to be more sustainable	<ul style="list-style-type: none">• Reduce the school's carbon footprint• Market the school effectively in order to attract families to the school• Be openminded regarding the Government's desire for all schools to be part of strong Multi Academy Trusts by 2030
Strengthen involvement between the school, parents and community	<ul style="list-style-type: none">• Develop opportunities to engage with parents• Listen, respond and inform with timely and effective means of communication• Strengthen engagement between the school and other local settings

Auditor

Insofar as the Trustees are aware :

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 5 December 2022 and signed on the board's behalf by:

.....*Keith Fenwick*..... Keith Fenwick - Chair of Trustees

Cottesbrooke Infant and Nursery School (A Company Limited by Guarantee)

Governance statement for the year ended 31 August 2022

Scope of Responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the head Teacher, 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 Cottesbrooke Infant and Nursery School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The **board of trustees** has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meeting attended	Out of a possible
Suzanne Coles	6	6
Gurjit Samrai	4	6
Keith Fenwick (chair)	6	6
Sally Jones	6	6
Irfan Khan	5	6
William Loughlin (accounting officer)	6	6
Amanda Millward	6	6
John O'Shea	5	6
Laura Mace (resigned 04/03/22)	1	3
Faisal Ahmed	6	6
Neil Thomsett	4	6
Greg Miller (appointed 01/01/22, resigned 11/09/22)	3	4
Charlotte Zaide	0	1

Conflicts of interest

The school maintains an up-to-date and complete register of interests that the office staff have knowledge of to help safeguard the trust against conflicts of interest when it comes to ordering goods and services.

Governance review

It was pleasing to receive feedback via the school's OFSTED inspection this year, confirming that the governing body take an interest in staff workload and well-being, that the importance of statutory duties such as safeguarding is understood, and that the use of link partnerships to gain a first-hand view of the quality of education and wellbeing of the school community enables effective challenge of the school leadership team. The governing body undertook its own review during the year, which found that the governing body also continued to demonstrate strengths in terms of their overall conduct and commitment, and good financial management and compliance via the Finance, Staffing and Audit (FSA) Committee.

The main challenges faced in the year were in supporting the school to continue to strive to support cohorts of children to continue to make good progress having lost time in school in previous years due to the COVID-19 pandemic, which continued to cause disruption throughout this year. The continued effect of there being fewer children in the community to take up places at the school, meant that governors were also actively engaged in the management team's efforts to maintain effective financial control and mitigate the risk of a budget deficit this year and in future years.

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Governance statement for the year ended 31 August 2022 (continued)

The Governing Body's own review also identified several areas for improvement: whilst there existed a clear strategy for achieving the school's vision, a review of the strategy statement itself was overdue according to its own stated policy; there was also little provision in place for conducting a review of governor performance, and an opportunity was identified to improve levels of data awareness to analyse the progress being made by children at the school, so that governors may understand the groups that are making better or worse than expected progress.

Subsequently, the following actions were taken:

- A working group met to review the content of the school's strategy statement, a fresh draft of which was presented to the Full Governing Body for approval towards the end of the school year
- The Chair of Governors launched a simple survey to help governors assess their own performance in the year, and to provide a mechanism for them to identify ways in which they might like to develop themselves in future, or to express an interest in other roles within the Governing Body
- Following the engagement of a new School Improvement Partner in the previous year, the Head Teacher's performance management process recommenced, and provided an informed view of the Head Teacher's effectiveness in supporting the school's objectives
- Our School Improvement Partner and Head Teacher also refreshed the format of the termly Head Teacher's report to the Governing Body, to include relevant data to enable more effective challenge by governors
- Governor visits to school and/or video calls between governors and their staff subject leader buddies continued this year; governors used this as an opportunity to check in with their buddies to confirm that the wellbeing provisions made available by the school were publicised and well-understood

The trust intends to conduct its next self-evaluation/external review in January 2023.

The **finance, staffing and audit committee** is a sub-committee of the main board of trustees. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meeting attended	Out of a possible
Keith Fenwick	4	4
Irfan Khan	4	4
William Loughlin (accounting officer)	4	4
Amanda Millward	1	4
John O'Shea (chair)	4	4
Laura Mace (resigned 04/03/22)	0	3
Neil Thomsett	3	4

Review of value for money

As accounting officer the Head Teacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- The Deputy Head Teacher has a class commitment which provides a significant cost-saving.
- The school share a SENDCo with another local school and so do not incur the full-time cost of this role.
- The school switched MIS and went through a thorough tendering process before deciding upon ScholarPack.

Cottesbrooke Infant and Nursery School (A Company Limited by Guarantee)

Governance statement for the year ended 31 August 2022 (continued)

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the academy trust's 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 Cottesbrooke Infant and Nursery School for the year to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The 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 finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Amethyst Advisory to complete the internal control audit for the academy.

Their 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 payroll systems
- testing of purchase systems
- testing of control accounts / bank reconciliations

On an annual basis, the Finance Consultant reports to the board of trustees, through the finance, staffing 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.

The internal reviewer delivered their schedule of work as planned and there were not material control issues that arose as a result of the internal reviewer's work.

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Governance statement for the year ended 31 August 2022 (continued)

Review of Effectiveness

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

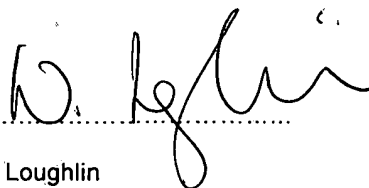
- the work of the internal reviewer
- the work of the external auditor;
- the financial management and governance self-assessment process of the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and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

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

Approved by order of the members of the board of trustees on 5 December 2022 and signed on its behalf by:



Keith Fenwick
Chair of Trustees



William Loughlin
Accounting Officer

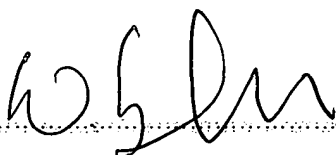
**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

**Statement of regularity, propriety and compliance
for the period ended 31 August 2022**

As accounting officer of Cottesbrooke Infant and Nursery School I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Trust Handbook 2021.

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

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



William Loughlin – Accounting Officer

5 December 2022

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

**Statement of Trustees' responsibilities
for the period ended 31 August 2022**

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

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

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

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

Approved by order of the members of the board of trustees on 5 December 2022 and signed on its behalf by:



Keith Fenwick – Chair of Trustees

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of
Cottesbrooke Infant and Nursery School**

Opinion

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

In our opinion the financial statements :

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

Basis for opinion

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

Conclusions relating to going concern

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

- Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.
- Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of Cottesbrooke Infant and Nursery School
(continued)**

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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 matter prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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
- 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.

Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)

Independent Auditor's Report on the Financial Statements to the Members of Cottesbrooke Infant and Nursery School
(continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 14], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material

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

Auditor's responsibilities for the audit of the financial statements

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

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

- We reviewed the academy's control and risk management procedures and planned our work based on our assessment of those controls and procedures;
- This review included an assessment of the risk of material misstatement due to errors, fraud and management override of controls for all material areas in the financial statements;
- We made enquiries of management and the academy's lawyers regarding any actual or potential litigation and/or claims;
- Financial statements disclosures were reviewed and checked for compliance with applicable laws;
- Detailed testing was conducted on balances and transactions including unusual items and those of individual significance to the financial statements;
- Data analytics were used in order to identify unusual or significant trends;
- Communications with management and those charged with governance regarding relevant matters was undertaken throughout the audit and on completion.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)

Independent Auditor's Report on the Financial Statements to the Members of Cottesbrooke Infant and Nursery School

(continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

Feltons

David W Farnsworth FCA (Senior Statutory Auditor)

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court

8 Graham Street

Birmingham B1 3JR

Date : 13/12/2022

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Independent Reporting Accountant's Assurance Report on Regularity to Cottesbrooke Infant and Nursery School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 22 March 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Cottesbrooke Infant and Nursery School during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Cottesbrooke Infant and Nursery School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Cottesbrooke Infant and Nursery School's funding agreement with the Secretary of State for Education dated 28 March 2014 and the Academies Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the 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 our conclusion includes ;

- Consideration of the applicable legislation and the academy trust's funding agreement
- Review and evaluation of the academy trust's system of internal controls
- Examination and assessment of the Accounting Officer's statement on Regularity, Propriety and Compliance
- Examination, on a test basis, of third party evidence supporting income and expenditure
- Review of exceptional and unusual items

Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Cottesbrooke Infant and Nursery School and the Education and Skills Funding Agency (continued)

Conclusion

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

Feltons

David W Farnsworth FCA (Reporting Accountant)
For and on behalf of Feltons, Statutory Auditor
8 Sovereign Court
8 Graham Street
Birmingham B1 3JR

Date: 13/12/2022

Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)

Statement of financial activities for the year ended 31 August 2022
(including income and expenditure account)

	Notes	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Restricted fixed asset funds £	Total 2021/22 £	Total 2020/21 £
Income from :							
Donations and capital grants	2	-	-	-	6,900	6,900	7,209
Charitable activities :	3						
Funding for the academy trust's educational operations		65,729	-	1,610,142	-	1,675,871	1,665,805
Investments	4	47	-	-	-	47	926
Total		65,776	-	1,610,142	6,900	1,682,818	1,673,940
Expenditure on :							
Charitable activities:							
Academy trust educational operations	6	64,437	177,000	1,547,176	62,704	1,851,317	1,854,439
Total		64,437	177,000	1,547,176	62,704	1,851,317	1,854,439
Net income/(expenditure) before transfers		1,339	(177,000)	62,966	(55,804)	(168,499)	(180,499)
Transfers between funds	13	-	-	(2,234)	2,234	-	-
Net income/(expenditure) after transfers		1,339	(177,000)	60,732	(53,570)	(168,499)	(180,499)
Other recognised gains/(losses)							
Actuarial gains/(losses) on defined benefit pension schemes	13, 22	-	1,602,000	-	-	1,602,000	(28,000)
Net movement in funds		1,339	1,425,000	60,732	(53,570)	1,433,501	(208,499)
Reconciliation of funds							
Total funds brought forward	14	250,292	(2,136,000)	63,557	2,376,607	554,456	762,955
Total funds carried forward		251,631	(711,000)	124,289	2,323,037	1,987,957	554,456

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

Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)

Company number : 08936173

Balance sheet as at 31 August 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	10		2,323,037		2,376,607
Current assets					
Debtors	11	41,654		56,039	
Cash at bank and in hand		<u>903,894</u>		<u>430,623</u>	
		945,548		486,662	
Liabilities					
Creditors: amounts falling due within one year	12	<u>569,628</u>		<u>172,813</u>	
Net current assets			375,920		313,849
Net assets excluding pension liability			<u>2,698,957</u>		<u>2,690,456</u>
Defined benefit pension scheme liability	22		(711,000)		(2,136,000)
Total net assets			<u><u>1,987,957</u></u>		<u><u>554,456</u></u>
Funds of the academy trust :					
Restricted funds					
Fixed asset fund	13	2,323,037		2,376,607	
Restricted income fund	13	124,289		63,557	
Pension reserve	13	<u>(711,000)</u>		<u>(2,136,000)</u>	
Total restricted funds			1,736,326		304,164
Unrestricted income funds	13		251,631		250,292
Total funds			<u><u>1,987,957</u></u>		<u><u>554,456</u></u>

The financial statements on pages 21 to 42 were approved by the trustees, and authorised for issue on 5 December 2022 and are signed on their behalf by:



Keith Fenwick - Chair of Trustees

Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)

Statement of cash flows for the year ended 31 August 2022

	Notes	2021/22 £	2020/21 £
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	17	475,458	(9,382)
Cash flows from investing activities	18	(2,187)	(334)
Change in cash and cash equivalents in the reporting period		<hr/> 473,271	<hr/> (9,716)
Cash and cash equivalents at 1 September 2021		430,623	440,339
Cash and cash equivalents at 31 August 2022	19	<hr/> 903,894	<hr/> 430,623

Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022

1. Accounting policies

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

1.1 Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2022 (continued)

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**
Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.
- **Donated goods, facilities and services**
Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in 'Stocks' and 'Income from Other Trading Activities'. Upon sale, the value of the stock is charged against 'Income from Other Trading Activities' and the proceeds are recognised as 'Income from Other Trading Activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from Other Trading Activities'.
- **Donated fixed assets**
Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

All resources expended are inclusive of irrecoverable VAT.

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2022 (continued)

1. Accounting policies (continued)

1.5 Tangible fixed assets

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

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

Long leasehold buildings	- straight line over 50 years
Furniture and equipment	- 20% straight line
Computer hardware	- 33% straight line

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

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

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 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.

1.8 Liabilities

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

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2022 (continued)

1. Accounting policies (continued)

1.9 Leased assets

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

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. 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.

1.11 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.

1.12 Pension benefits

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

The TPS is an unfunded scheme and contributions are calculated 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.

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2022 (continued)

1. Accounting policies (continued)

1.12 Pension benefits (continued)

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

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

1.13 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

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

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

1.14 Critical accounting estimates and areas of judgement

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2022 (continued)

2. Donations and capital grants

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2021/22 Total £	2020/21 Total £
Capital grants	-	-	6,900	6,900	7,209
	-	-	6,900	6,900	7,209
2021 total	-	-	7,209	7,209	

3. Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2021/22 Total £	2020/21 Total £
DfE/ESFA grants					
General Annual Grant (GAG)	-	1,139,770	-	1,139,770	1,143,899
Other DfE Group grants					
UIFSM	-	57,394	-	57,394	63,801
Pupil premium	-	111,096	-	111,096	112,420
Teachers pension	-	2,617	-	2,617	39,747
Teachers pay	-	7,396	-	7,396	14,067
Others	-	41,217	-	41,217	20,330
	-	1,359,490	-	1,359,490	1,394,264
Other government grants					
Local authority grants	-	229,372	-	229,372	176,536
	-	229,372	-	229,372	176,536
Other income from the academy trust's educational operations	65,729	-	-	65,729	62,459
Covid-19 additional funding (DfE/ESFA)					
Catch-up premium	-	11,890	-	11,890	18,400
Other DfE/ESFA Covid-19 funding	-	-	-	-	1,166
Covid-19 additional funding (non DfE/ESFA)					
Coronavirus Job Retention Scheme	-	9,390	-	9,390	12,980
	65,729	250,652	-	316,381	271,541
	65,729	1,610,142	-	1,675,871	1,665,805
2021 total	62,459	1,603,346	-	1,665,805	

The academy received £11,890 of funding for catch-up premium and costs incurred in respect of this funding totalled £11,890.

Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022 (continued)

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

The academy furloughed its after school club staff under the government's CJRS. The funding received of £9,390 relates to staff costs in respect of 2 staff which are included within note 7 below.

4. Investment income

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Short term deposits	47	-	47	926
2021 total	926	-	926	

5. Expenditure

	Staff costs £	Non pay expenditure Premises £	Other £	2021/22 Total £	2020/21 Total £
Academy's educational operations					
Direct costs	1,062,065	40,310	37,954	1,140,329	1,195,398
Allocated support costs	392,588	105,965	212,435	710,988	659,041
	<u>1,454,653</u>	<u>146,275</u>	<u>250,389</u>	<u>1,851,317</u>	<u>1,854,439</u>
2021 total	1,473,101	148,662	232,676	1,854,439	

Net income/(expenditure) for the period includes :

		2021/22 £	2020/21 £
Operating leases	- other	-	1,464
Depreciation		62,704	61,829
Fees payable to auditor	- audit	8,100	7,850

6. Charitable activities

	Unrestricted funds £	Restricted pension fund £	Other restricted funds £	2021/22 Total £	2020/21 Total £
Educational operations					
Direct costs					
Educational operations	34,029	-	1,106,300	1,140,329	1,195,398
Support costs					
Educational operations	30,408	177,000	503,580	710,988	659,041
	<u>64,437</u>	<u>177,000</u>	<u>1,609,880</u>	<u>1,851,317</u>	<u>1,854,439</u>
2021 total	50,262	149,000	1,655,177	1,854,439	

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2022 (continued)

6. Charitable activities (continued)

	Teaching school hub £	Educational operations £	2021/22 Total £	2020/21 Total £
Analysis of support costs				
Support staff costs	-	392,588	392,588	347,242
Depreciation		22,394	22,394	30,914
Technology costs		14,715	14,715	15,629
Premises costs		78,525	78,525	82,998
Other support costs	-	194,666	194,666	174,408
Governance costs		8,100	8,100	7,850
Total support costs	-	710,988	710,988	659,041
2021 total	-	659,041	659,041	

7. Staff

a) Staff costs

Staff costs during the period were:

	2021/22 £	2020/21 £
Wages and salaries	885,589	963,667
Social security costs	71,455	68,823
Pension costs	370,750	369,738
	1,327,794	1,402,228
Agency staff costs	126,859	70,873
	1,454,653	1,473,101

b) Staff numbers

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

	2021/22 Number	2020/21 Number
Teachers	10	10
Administration and support	30	18
Management	2	2
	42	30

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2022 (continued)

7. Staff (continued)

c) Higher paid staff

	2021/22 Number	2020/21 Number
The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was :		
£60,001 - £70,000	<u>1</u>	<u>1</u>

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 £313,616 (2021: £412,704).

8. Related Party Transactions - Trustees' remuneration and expenses

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

The value of trustees' remuneration and other benefits was as follows :

William Loughlin (principal and trustee)	
Remuneration	£65,000 - £70,000 (2021 : £65,000 - £70,000)
Employer's pension contributions paid	£15,000 - £20,000 (2021 : £15,000 - £20,000)
Faisal Ahmed (staff trustee)	
Remuneration	£50,000 - £55,000 (2021 : £45,000 - £50,000)
Employer's pension contributions paid	£nil - £5,000 (2021 : £5,000 - £10,000)
Sally Jones (staff trustee)	
Remuneration	£5,000 - £10,000 (2021 : £20,000 - £25,000)
Employer's pension contributions paid	£nil - £5,000 (2021 : £nil - £5,000)
Suzanne Coles (staff trustee)	
Remuneration	£20,000 - £25,000 (2021 : £20,000 - £25,000)
Employer's pension contributions paid	£5,000 - £10,000 (2021 : £nil - £5,000)
Fiona Beardsley (staff trustee - left 31/12/20)	
Remuneration	£nil (2021 : £15,000 - £20,000)
Employer's pension contributions paid	£nil (2021 : £nil - £5,000)

During the year ended 31 August 2022, there were no travel and subsistence expenses reimbursed or paid directly to any trustees (2021 : nil).

Other related party transactions involving the trustees are set out in note 23.

Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022 (continued)

9. Trustees' and officers' insurance

The academy trust has opted into the Department for 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.

10. Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer hardware £	Total £
Cost or valuation				
At 1 September 2021	2,762,538	94,330	41,319	2,898,187
Additions	-	4,274	4,860	9,134
At 31 August 2022	<u>2,762,538</u>	<u>98,604</u>	<u>46,179</u>	<u>2,907,321</u>
Depreciation				
At 1 September 2021	409,229	73,113	39,238	521,580
Charge for the year	55,251	5,099	2,354	62,704
At 31 August 2022	<u>464,480</u>	<u>78,212</u>	<u>41,592</u>	<u>584,284</u>
Net book values				
At 31 August 2022	<u>2,298,058</u>	<u>20,392</u>	<u>4,587</u>	<u>2,323,037</u>
At 31 August 2021	<u>2,353,309</u>	<u>21,217</u>	<u>2,081</u>	<u>2,376,607</u>

Leasehold property was valued at 1 April 2014 by The Valuation Office Agency – DVS and the furniture and equipment and computer hardware were valued as at the same date by the trustees. The basis on which the valuations were made was depreciated replacement cost.

Cost or valuation at 31 August 2022 is represented by :

	Leasehold land and buildings £	Fittings and equipment £	Computer hardware £	Total £
Valuation in 2014	2,758,830	17,354	13,610	2,789,794
Cost	3,708	81,250	32,569	117,527
	<u>2,762,538</u>	<u>98,604</u>	<u>46,179</u>	<u>2,907,321</u>

Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022 (continued)

11. Debtors

	2022 £	2021 £
Debtors from operations	5,499	5,389
VAT recoverable	14,933	15,386
Prepayments and accrued income	21,222	35,264
	<u>41,654</u>	<u>56,039</u>

12. Creditors

	2022 £	2021 £
Amounts falling due within one year :		
Creditors from operations	54,903	13,977
Accruals and deferred income	46,102	54,576
Other creditors	468,623	104,260
	<u>569,628</u>	<u>172,813</u>

Deferred income

Deferred income at 1 September 2021	37,217	43,182
Resources deferred in the year	34,057	37,217
Amounts released from previous years	(37,217)	(43,182)
	<u>34,057</u>	<u>37,217</u>
Deferred income at 31 August 2022	<u>34,057</u>	<u>37,217</u>

At the balance sheet date the academy trust was holding funds received in advance for universal infant free school meals.

Included in other creditors are amounts of £468,623 due to Birmingham City Council for payroll costs which they have not drawn down and the trust held sufficient funds for the payment of these creditors. These have been paid off after the year end.

Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022 (continued)

13. Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	63,557	1,139,770	(1,076,804)	(2,234)	124,289
UIFSM	-	57,394	(57,394)	-	-
Pupil premium	-	111,096	(111,096)	-	-
Recovery premium	-	11,890	(11,890)	-	-
Coronavirus Job Retention Scheme grant	-	9,390	(9,390)	-	-
Other grants	-	280,602	(280,602)	-	-
	<u>63,557</u>	<u>1,610,142</u>	<u>(1,547,176)</u>	<u>(2,234)</u>	<u>124,289</u>
Restricted fixed asset funds					
Transfer on conversion	2,349,600	-	(55,177)	-	2,294,423
DfE Group capital grants	18,205	6,900	(4,967)	2,234	22,372
Capital expenditure from GAG	8,802	-	(2,560)	-	6,242
	<u>2,376,607</u>	<u>6,900</u>	<u>(62,704)</u>	<u>2,234</u>	<u>2,323,037</u>
Pension reserve	<u>(2,136,000)</u>	<u>-</u>	<u>(177,000)</u>	<u>1,602,000</u>	<u>(711,000)</u>
Total restricted funds	<u>304,164</u>	<u>1,617,042</u>	<u>(1,786,880)</u>	<u>1,602,000</u>	<u>1,736,326</u>
Unrestricted funds					
Other income	250,292	65,776	(64,437)	-	251,631
Total unrestricted funds	<u>250,292</u>	<u>65,776</u>	<u>(64,437)</u>	<u>-</u>	<u>251,631</u>
Total funds	<u>554,456</u>	<u>1,682,818</u>	<u>(1,851,317)</u>	<u>1,602,000</u>	<u>1,987,957</u>

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

Restricted general funds

These comprise all restricted funds other than restricted fixed asset funds and include grants from The Education and Skills Funding Agency and Birmingham City Council.

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

Unrestricted funds

These comprise resources that may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds

These comprise resources which are to be applied to specific capital purposes imposed by The Education and Skills Funding Agency and Birmingham City Council where the asset acquired or created is held for a specific purpose.

Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022 (continued)

13. Funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	54,819	1,143,899	(1,133,901)	(1,260)	63,557
UIFSM	-	63,801	(63,801)	-	-
Pupil premium	-	112,420	(112,420)	-	-
Recovery premium	-	18,400	(18,400)	-	-
Other DfE/ESFA Covid-19 funding	-	1,166	(1,166)	-	-
Coronavirus Job Retention Scheme grant	-	12,980	(12,980)	-	-
Other grants	-	250,680	(250,680)	-	-
	<u>54,819</u>	<u>1,603,346</u>	<u>(1,593,348)</u>	<u>(1,260)</u>	<u>63,557</u>
Restricted fixed asset funds					
Transfer on conversion	2,404,777	-	(55,177)	-	2,349,600
DfE Group capital grants	13,911	7,209	(4,175)	1,260	18,205
Capital expenditure from GAG	11,279	-	(2,477)	-	8,802
	<u>2,429,967</u>	<u>7,209</u>	<u>(61,829)</u>	<u>1,260</u>	<u>2,376,607</u>
Pension reserve	<u>(1,959,000)</u>	<u>-</u>	<u>(149,000)</u>	<u>(28,000)</u>	<u>(2,136,000)</u>
Total restricted funds	<u>525,786</u>	<u>1,610,555</u>	<u>(1,804,177)</u>	<u>(28,000)</u>	<u>304,164</u>
Unrestricted funds					
Other income	237,169	63,385	(50,262)	-	250,292
Total unrestricted funds	<u>237,169</u>	<u>63,385</u>	<u>(50,262)</u>	<u>-</u>	<u>250,292</u>
Total funds	<u>762,955</u>	<u>1,673,940</u>	<u>(1,854,439)</u>	<u>(28,000)</u>	<u>554,456</u>

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2022 (continued)

14. Analysis of net assets between funds

Fund balances at 31 August 2022
are represented by:

	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	2,323,037	2,323,037
Current assets	251,631	-	693,917	-	945,548
Current liabilities	-	-	(569,628)	-	(569,628)
	251,631	-	124,289	2,323,037	2,698,957
Creditors due after one year	-	-	-	-	-
Pension scheme liability	-	(711,000)	-	-	(711,000)
Total net assets	251,631	(711,000)	124,289	2,323,037	1,987,957

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

	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	2,376,607	2,376,607
Current assets	250,292	-	236,370	-	486,662
Current liabilities	-	-	(172,813)	-	(172,813)
	250,292	-	63,557	2,376,607	2,690,456
Pension scheme liability	-	(2,136,000)	-	-	(2,136,000)
Total net assets	250,292	(2,136,000)	63,557	2,376,607	554,456

15. Capital commitments

There were no capital commitments contracted for but not provided in the financial statements for 2022 or 2021.

16. Commitments under operating leases

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

	Total 2022 £	Total 2021 £
Amounts due within one year	1,919	1,919
Amounts due between one and five years	5,276	7,195
	7,195	9,114

Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022 (continued)

17. Reconciliation of net income/(expenditure) to net cash flow from operating activities	2021/22	2020/21
	Total	Total
	£	£
Net income/(expenditure) for reporting period (as per the SoFA)	(168,499)	(180,499)
Adjusted for :		
Depreciation (note 10)	62,704	61,829
Capital grants from DfE and other capital income	(6,900)	(7,209)
Interest receivable (note 4)	(47)	(926)
Defined benefit pension scheme cost less contributions payable (note 22)	141,000	118,000
Defined benefit pension scheme finance cost/(income) (note 22)	36,000	31,000
Decrease / (increase) in debtors	14,385	(5,687)
Increase / (decrease) in creditors	396,815	(25,890)
Net cash provided by / (used in) operating activities	475,458	(9,382)

18. Cash flows from investing activities	2021/22	2020/21
	Total	Total
	£	£
Interest received	47	926
Purchase of tangible fixed assets	(9,134)	(8,469)
Capital grants from DfE Group	6,900	7,209
Net cash provided by / (used in) investing activities	(2,187)	(334)

19. Analysis of cash and cash equivalents	At	At
	31 August	31 August
	2022	2021
	£	£
Cash at bank and in hand	903,894	430,623
	<u>903,894</u>	<u>430,623</u>

20. Analysis of changes in net debt	At	Cash	Other	At
	31 August	flows	non-cash	31 August
	2021	£	changes	2022
	£		£	£
Cash at bank and in hand	430,623	473,271	-	903,894
	<u>430,623</u>	<u>473,271</u>	<u>-</u>	<u>903,894</u>

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2022 (continued)

21. 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.

22. Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Midlands Pension Fund. 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

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in 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.

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 four 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% employer administration charge)
- 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%.

Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2022 (continued)

22. Pension and similar obligations (continued)

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

The employer's pension costs paid to TPS in the year amounted to £97,138 (2021 : £115,877).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £121,000 (2021 : £130,000), of which employer's contributions totalled £97,000 (2021 : £104,000) and employees' contributions totalled £24,000 (2021 : £26,000). The agreed contribution rates for future years are 23.7% for employers and between 5.5% and 10.5% for employees.

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

The trustees have agreed that the trust will make additional contributions in addition to normal funding levels over the next 21 years.

Principal actuarial assumptions

	At 31 August 2022	At 31 August 2021
Rate of increase in salaries	4.20%	3.90%
Rate of increase for pensions in payment / inflation	3.20%	2.90%
Discount rate for scheme liabilities	4.25%	1.65%
Inflation assumption (CPI)	3.20%	2.90%
Commutation of pensions to lump sums	50.00%	50.00%

Sensitivity analysis

	At 31 August 2022 £'000s	At 31 August 2021 £'000s
Discount rate +0.1%	(58)	(92)
Discount rate -0.1%	58	94
Mortality assumption 1 year increase	123	195
Mortality assumption 1 year decrease	(123)	(187)
CPI rate +0.1%	50	81
CPI rate -0.1%	(50)	(79)

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

	At 31 August 2022	At 31 August 2021
Retiring today		
Males	21.2	21.6
Females	23.6	24.0
Retiring in 20 years		
Males	22.9	23.4
Females	25.4	25.8

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2022 (continued)

22. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	31 August 2022 £	31 August 2021 £
Equities	1,583,000	1,443,000
Bonds	496,000	341,000
Property	189,000	166,000
Cash and other liquid assets	94,000	87,000
Other	-	332,000
Total market value of assets	2,362,000	2,369,000

The actual negative return on scheme assets was 3% (2021 : £346,000):

	2021/22 £	2020/21 £
Amount recognised in the statement of financial activities		
Current service cost	241,000	222,000
Interest income	(40,000)	(31,000)
Interest cost	76,000	62,000
Total amount recognised in the SoFA	277,000	253,000

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

	2021/22 £	2020/21 £
At 1 September 2021	4,505,000	3,867,000
Current service cost	241,000	222,000
Interest cost	76,000	62,000
Employee contributions	25,000	26,000
Actuarial gains/(losses) - financial assumptions	(1,705,000)	455,000
Actuarial gains/(losses) - demographic assumptions	(16,000)	(58,000)
Actuarial gains/(losses) - experience gains/losses	5,000	(54,000)
Benefits paid	(58,000)	(15,000)
At 31 August 2022	3,073,000	4,505,000

**Cottesbrooke Infant and Nursery School
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2022 (continued)

22. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

**Changes in the fair value of academy's share of scheme
assets were as follows :**

	2021/22	2020/21
	£	£
At 1 September 2021	2,369,000	1,908,000
Interest income	40,000	31,000
Return on assets less interest	(114,000)	315,000
Employer contributions	100,000	104,000
Employee contributions	25,000	26,000
Benefits paid net of transfers in	(58,000)	(15,000)
At 31 August 2022	2,362,000	2,369,000
Net pension scheme liability	(711,000)	(2,136,000)

23. 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.

No related party transactions took place in the period of account other than certain trustees' remuneration and expenses already disclosed in note 8.