

Warren Road Primary School
(A company limited by guarantee)

Annual Report and Financial Statements

For the Year Ended 31 August 2022



Warren Road Primary School
(A company limited by guarantee)

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Warren Road Primary School
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Reference and Administrative Details
For the Year Ended 31 August 2022

Members	A Johnson F Musanhu P Reddin R Hulme A Johnson
Trustees	A Johnson (Chair of Trustees until 2 November 2021) M Cooper (Chair of Trustees from 2 November 2021) J Salacinski (Vice Chair of Trustees) N Charles-Lewis (Chair of Finance and Audit Committee) P Reddin (Chair of Teaching, Learning and Assessment Committee) R Hulme (Resigned 12 March 2022) D Williams (resigned 29 March 2022) G Yang K Edwards - appointed 6 June 2022 Amanda Mumford - appointed 6 June 2022 Nicola Cammies - appointed 6 October 2021 Claire McGeehan - appointed 6 October 2021 S Wellard - appointed 4 July 2022 S Bandali - appointed 4 July 2022 A Bocchi - appointed 6 June 2022 J Ellis (Headteacher and Accounting Officer)
Company registered number	07645774
Principal and registered office	Warren Road Primary School Warren Road, Orpington, Kent. BR6 6JF
Senior management team	J Ellis Headteacher and Accounting Officer S Palmer Deputy Headteacher T Fletcher, Deputy Headteacher G Read, SENCo and Assistant Head J Waterman, Deputy Headteacher L White, School Business Manager
Independent auditors	UHY Kent LLP t/a UHY Hacker Young Chartered Accountants, Statutory Auditors Thames House, Roman Square Sittingbourne Kent. ME10 4BJ
Bankers	Lloyds TSB 177-179 High Street Town Centre Orpington, Kent. BR6 0LJ
Solicitors	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol, BS1 5WS

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 academy trust for the year 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 one primary academy in Orpington. It had 837 children on roll at the last census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee and an exempt charity, and its primary governing documents are its memorandum and articles of association. The trustees of Warren Road Primary School are also the directors of the charitable company for the purposes of company law. The academy trust operates as Warren Road Primary School.

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

Members' Liability

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

Trustees' Indemnities

The academy trust maintains trustees' and officers' liability insurance which gives appropriate cover for any legal action brought against its trustees. The academy trust has also granted indemnities to each of its trustees and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the trustees or other officers may incur to third parties in the course of acting as trustees or officers of the academy trust.

Details of the insurance cover are provided in note 12 to the financial statements.

Method of Recruitment and Appointment or Election of Trustees

Under the terms of its Articles, the academy trust shall have the following trustees:

- Up to eight trustees appointed by the members;
- Any Staff Trustees, appointed through such process as the members may determine, provided the total number does not exceed one third of the total number of trustees;
- Up to one Local Authority Trustee appointed by the Local Authority;
- Minimum of four Parent Trustees elected by parents of registered pupils at Warren Road Primary School;
- Up to three Co-opted Trustees may be appointed by the trustees who have not themselves been co-opted; and
- The Headteacher;

A trustees' term of office is four years (excluding the Headteacher), but a trustee is eligible for re-election or re-appointment at the end of their term.

Appropriate training is provided to all new trustees, as required.

Policies and procedures adopted for the induction and training of trustees

Following their appointment, all new trustees receive an introduction to their role from the Chair and are allocated a mentor from the Governing Body. Training is provided by Octavo, or other accredited providers, who have taken over the role formerly provided by the local authority. All new trustees are actively encouraged to take advantage of this resource in order to gain a better understanding of their role and responsibilities. In addition, trustees with specific roles within the Governing Body are strongly encouraged to undertake specific training. As a member of the National Governor Association all trustees receive regular newsletters and have access to information, updates and advice on the NGA website.

Organisational Structure

The organisational structure consists of three levels: the trustees, the Senior Leadership Team and Middle Management. The aim of the management structure is to devolve responsibility and encourage involvement in the decision making at all levels.

The trustees are responsible for the strategic management of the academy trust, making decisions about key aspects including strategic

Trustees' Report
For the Year Ended 31 August 2022

direction, annual budgets and targets, capital expenditure, senior staff appointments and policy changes. A number of these roles and responsibilities have been delegated to a small number of committees whilst the full trustees retain responsibility for certain aspects.

The Senior Leadership Team comprises the Headteacher, three Deputy Headteachers and one assistant head, together with the Business Manager. These managers control the academy trust at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group, the Senior Leadership Team is responsible for the authorisation of spending within agreed budgets and the appointment of staff, through appointment boards. For posts in the Senior Leadership Team the appointment board will always contain a trustee.

The Middle Management Team includes Subject Leaders and Year Group Leaders. Along with the Senior Leadership Team, these managers are responsible for the day to day operation of the academy trust, in particular organising the teaching staff, facilities and pupils.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the academy trust comprise the trustees and senior leadership team as disclosed on page 1.

The Pay Committee decides the pay of the leadership team based on their performance management and overall performance. Pay is set against the leadership scales and criteria detailed in the STPCD. Performance management of the leadership team is managed by the Headteacher with targets set, monitored and reviewed. The performance management and remuneration of the Headteacher is decided by the Pay Committee, remuneration is decided against the leadership scale and criteria in the STPCD.

Total remuneration paid to senior management personnel is set out in note [10] (e).

Related Parties and other Connected Charities and Organisations

There is a Parent Teacher Association, Warren Road School PTA, established as a separately registered charity, registration number 1087164, which organises various fundraising events to provide additional resources for the pupils.

OBJECTIVES, STRATEGIES AND ACTIVITIES

Objects and Aims

The principal object of the academy trust is the operation of Warren Road Primary School to provide education for pupils between the ages of 4 and 11.

Objectives, Strategies and Activities

The academy trust's main strategy is encompassed in its school vision which is:

"Excellence for All" with the following values:

- Inspiring creative minds and an enthusiasm for discovery;
- Encouraging persistence, independence and high expectations;
- Instilling respect and an understanding of social and moral responsibility;
- Promoting a strong sense of community where everyone is valued as an individual;
- Ensuring all can learn within a safe, stimulating and supportive environment;
- Building the courage to embrace risk and continually question;
- Equipping all with the skills to adapt to the future;
- Valuing, encouraging and celebrating achievement in all its forms;
- Providing opportunity and challenge within and beyond the curriculum;
- Appreciating the environment and committing to sustainability;
- Fostering spiritual and cultural awareness; and
- Making learning fun.

The main objectives of the academy trust during the year end 31 August 2022 are summarised below:

Trustees' Report
For the Year Ended 31 August 2022

Priorities – 2021 / 2022

1. Improve the consistency of teaching and learning to maximise pupil progress
2. Improve the consistency of the provision for SEND children through broad and balanced curriculum that is accessible to all
3. Ensure opportunities are provided for all staff to develop professionally and be prepared for the next stage in their career
4. Consolidate and build the school's place and impact in the local and wider community.

Key Performance Indicators:

- Observations, discussions and surveys highlight positive working relations between children, parents and staff with outstanding standards of behaviour and attitudes to learning.
- Staff responses indicate high quality CPD has an impact on raising the quality of teaching and learning across the curriculum
- The overall quality of teaching and learning is consistently good and a significant proportion outstanding across the curriculum.
- Provision and progress for children with SEND is consistently good.
- Pupil progress measures and attainment are sustained at levels above Bromley and national averages including for the SEND, EAL and Disadvantaged groups.
- EYFS provision and achievement is outstanding performance at GLD exceeding Bromley benchmarks.
- The majority of feedback from external CPD including TFW training is evaluated as excellent.
- A balanced budget is sustained, with additional income streams grown and agreed reserve levels sustained.
- The school continues to provide extended services that meet the needs of its community

Public Benefit

Warren Road Primary School is a state funded primary school, which provides and strives to promote and support the advancement of education to primary school aged children within the wider Orpington area. In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission's strategic framework, but, wherever possible, the school also aims to contribute to the benefit of the wider public through the provision of incidental educational and other activities. Over the year the contributions that benefited the local community included the following:

- use of the school for adult education and community groups;
- Provide high quality CPD opportunities for teachers in local schools;
- STEM club opportunities with various secondary schools;
- donations of food and money to the Orpington Food Bank;
- the work of our Junior Road Safety Officers improving safe access to school;
- participation in the Young Eco Engineers project as part of the Medway Business Partnership;
- leading Bromley Primary Schools' Cross-Country Association;
- fund raising for National charities: Jeans for Genes, NSPCC, Children in Need and Water Aid;
- coffee mornings for local residents to provide information about the school and develop community links;
- provide work experience for students from local secondary schools;
- Provide training for ITT students and training teachers.

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

STRATEGIC REPORT

Achievement and Performance

The impact of high quality teaching and learning and the consistent implementation of core teaching strategies has been clear to see.

The trustees were delighted with the key academic markers, which can be summarised, as follows, for children reaching age related expectations at the end of KS2:

Trustees' Report
For the Year Ended 31 August 2022

	EXP	
	NAT	WR
Reading	74%	92%
Writing	69%	87%
Maths	71%	89%
SPAG	72%	92%
Combined	59%	84%

The average scaled score across tested subjects showed that children were scoring higher than their peers nationally:

	NAT	WR
Reading	104.8	109.5
Maths	103.8	109.5
SPAG	105.1	111.4

The progress measure from KS1 to KS2 show that children's progress is significantly above national averages.

	NAT	WR
Reading	0.1	3.39
Maths	0.1	2.7
SPAG	0.1	4.48

Progress and attainment at the end of KS2 was in the top 20% of school nationally in all subjects assessed.

The school continues to provide excellent all round provision with the exciting and wide-ranging curriculum including an extensive extra-curricular programme. Subject leaders are passionate and dedicated to continuing to develop and evaluate their subjects so that the highest standards of education are met.

Key Performance Indicators

The trustees consider that the following are key performance indicators for the academy trust:

- Deliver a balanced budget;
- Distribute expenditure, excluding salaries, evenly throughout the year;

Trustees' Report
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- Actual expenditure to closely correlate with budgeted expenditure;
- Minimise expenditure through smarter procurement;
- Generate additional income through school lettings and Beyond;
- To keep teaching costs and support staff costs to about 80% of the budget;
- To improve the ICT across the school by increasing ICT expenditure;
- Reduce energy usage and costs.

Going Concern

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

Financial review

Most of the academy trust's recurrent income is obtained from the ESFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities ("SOFA"). Core grant income has been supplemented by capital funding, and also other income such as donations and hire of the facilities.

Total income for the year was £4.59m, an increase on £4.12m in the previous year. Most of the increase was due to a rise in grant funding for educational operations, and related income, as detailed on note 6. In particular core General Annual Grant (GAG) funding rose by £355k, although this was partly since GAG consumed the Teachers' Pay and Pension Grants that had been paid separately in 2020/21. Non-grant income, for example from the academy trust's 'BEYOND' before and school club provision and lettings, also increased.

Expenditure for the year totalled £4.9m, resulting in net expenditure for the year of £260k (2021: £373k), as shown on the SOFA. The overall net movement in funds, after actuarial gains on the Local Government defined benefit pension scheme ("LGPS"), was an increase of £1.5m (2021: reduction of £111k).

The table below reconciles from the overall movement in funds to the more meaningful movement in revenue funds, a deficit of £42k (2021: £119k), and then to the operational result arising from the day-to-day running of the academy prior to revenue to capital contributions:

	2022 (£000s)	2021 (£000s)
Overall net movement in funds for the year per SOFA	1,506	(111)
Decrease / (increase) attributable to fixed asset fund	(61)	43
LGPS actuarial (gain)/loss	(1,766)	(262)
LGPS service and interest costs	279	211
Movement in revenue income funds during the year	(42)	(119)
Add: Transfers from revenue to capital to fund fixed asset additions	190	65
Operational surplus /(deficit) on revenue funds before transfers to capital	148	(54)

An active decision was taken during the year to invest £190k of revenue funding into capital equipment, and this transfer is reflected in the final movement in revenue funds for the year. Prior to this transfer the outturn for the year would have been an operational surplus of £148k.

At 31 August 2022, the net book value of fixed assets was £10.1m and movements in tangible fixed assets are shown in notes 13 and 14 to the financial statements. During the year the assets were used almost exclusively for providing education and the associated support services to the pupils of the academies, the only exceptions to this being letting of the premises to local community groups and other affiliated organisations.

Trustees' Report
For the Year Ended 31 August 2022

Financial position

The trust held fund balances at 31 August 2022 of £10.15m (2021: £8.65m). These funds included restricted fixed asset funds of £10.11m (2021: £10.05m) and revenue reserves of £350k (2021: £392k) split across restricted and unrestricted funds as shown in note 17.

The only fund in deficit was the LGPS pension reserve of £350k (2021: £1.85m). The deficit has reduced significantly during the year as a result of a change in assumptions, detailed in note 2 explain critical accounting judgements and pension commitment note 24.

The deficit is not a concern and does not mean that an immediate liability crystallises. It can be described as an accounting deficit which has no direct effect on the employer contribution rate paid by the school, which is determined using longer-term funding assumptions. These contribution rates are reviewed every three years in consultation with the scheme's administrators, and current employer contributions due by the multi-academy trust have been set until 1 April 2023. Further details explaining the pension deficit and movement on this during the year are provided in note 24.

Reserves Policy

The trustees review the reserve levels of the trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees will always try to match income with expenditure in the current year (set and manage a balanced budget), will only carry forward reserves that it considers necessary and will have a clear plan for how it will be used to benefit the pupils.

The trustees have determined that the appropriate level of revenue reserves should amount to approximately £250,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grant income and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or long term sickness where unforeseen costs are incurred.

The trust had sufficient reserves as at 31 August 2022 to meet this target. Most of the restricted funds relate to core General Annual Grant funding which will be used for the main educational operations.

The trustees will continue to monitor the level of reserves to ensure that they are maintained at the required level. In the event that they are partly used the trust will strive to rebuild free reserves up to the level needed.

Investment Policy

The academy trust uses various financial instruments including cash and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the academy trust's operations.

The existence of these financial instruments exposes the academy trust to a number of financial risks which are described in more detail below. The main risks arising from the trust's financial instruments are liquidity risk, cash flow and interest rate risk.

- *Liquidity risk* - the trust manages its cash resources, including sufficient working capital, so that all its operating needs are met without the need for short-term borrowing. Surplus cash is invested so as to maximise interest.
- *Interest rate risk* - the trust earns interest on cash deposits and with interest rates currently low, the trustees will take appropriate action to ensure they maximise the income from these deposits.
- *Credit risk* - is managed through regular contact with funders. Liquidity and cash flow risks are managed through the appropriate and carefully managed use of financial instruments with our principal bankers.

Principal Risks and Uncertainties

The main risks that the academy trust is exposed to are summarised below. For each of these risks the probability, impact and seriousness have been considered together with appropriate action and avoidance plans:

- *Strategic and Reputational* - This covers unfavourable Ofsted reports, risk of uncontrollable events and insufficient demand for academy service. Competition from other schools with similar objects and little scope for differentiation can have an effect. It also includes the capacity of existing buildings to deliver teaching and learning to pupils.
- *Finance Risk* - The risk of the academy trust not operating within its budget and running a deficit. Risks linked to income not increasing at the same rate of inflation over the coming years. There are risks also in connection with the deficit on the Local Government Pension Scheme ("LGPS") although the trustees are comfortable with the current level of employer contributions the academy trust is required to pay. Levels of contributions are being closely monitored.

Trustees' Report
For the Year Ended 31 August 2022

FUNDRAISING

The Academy is proactive in securing additional income through the letting of its school halls during the lunch break and after school, together with the Evening Class programme. The school runs Beyond, its own before and after school and holiday provision which has generated valuable additional revenue as well as catering for increasing demand from parents.

The PTA is very supportive in funding specific projects that benefit all our pupils, and has this year contributed £28,348 towards playground improvements.

WRTA offers a range of high quality CPD opportunities for teachers and leaders in local schools, including subject leader forums. The school continues to work closely with the new regional hub to continue to provide high quality CPD to other schools. The TalkforWriting training has expanded significantly with schools across London and SE England being supported. We have also continued to support the Bromley SEND training collaborative which includes the Bromley Schools' Collegiate and local authority representatives.

STREAMLINED ENERGY AND CARBON REPORTING

As the trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

PLANS FOR FUTURE PERIODS

The trust has the following areas of focus in the future:

- Continuing to provide high quality child care provision for families through Beyond
- Continue to offer high quality CPD to local schools that work in conjunction with the offer provided by regional teaching school hubs
- Maintain strong relationships with local schools in order to remain at the forefront of education and support other schools in their development
- Invest in the professional development of staff at all levels

AUDITORS


In so far as the trustees are aware:

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

We have reappointed our current auditors.

This trustees' report was approved by order of the board of trustees, as the company directors and signed on the board's behalf by:


M Cooper
Chair of Trustees


J Ellis
Headteacher and Accounting Officer

Date: 12 December 2022

Governance Statement
For the Year Ended 31 August 2022

Scope of Responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Warren Road Primary 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 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

CATEGORY	NAME	FULL BOARD		SUB-COMMITTEES (see below table for details)			
		MEETINGS ATTENDED	OUT OF A POSSIBLE	T,L&A	S&CD	F,A&R	AGM
Parent	Natasha Charles-Lewis	4	5	-	-	6/6	-
Parent	Milena Cooper	5	5	2/3	2/3	5/6	1/1
Parent	Joanne Salacinski	5	5	1/1	3/3	-	-
Parent	Guang Yang	4	5	-	-	5/6	-
Parent	Sara Bandali	0	1	-	-	-	-
Parent	Shereen Wellard	1	1	-	-	-	-
Appointed	Richard Hulme	1	2	2/2	1/1	3/3	-
Appointed	Antony Johnson	5	5	2/3	-	4/6	1/1
Appointed	Paula Reddin	5	5	3/3	2/3	-	1/1
Co-opted	Dave Williams	1	3	2/2	-	-	1/1
Co-opted	Andy Bocchi	1	1	1/1	-	-	-
Co-opted	Kirsty Edwardes	1	1	-	-	-	-
Co-opted	Amanda Mumford	1	1	-	1/1	-	-
Staff	Nicola Cammies	5	5	-	3/3	-	-

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Governance Statement
For the Year Ended 31 August 2022

CATEGORY	NAME	FULL BOARD		SUB-COMMITTEES (see below table for details)			
		MEETINGS ATTENDED	OUT OF A POSSIBLE	T,L&A	S&CD	F,A&R	AGM
Staff	Claire McGeehan	5	5	3/3	-	-	-
Member	Fadzayi Musanhu	-	-	-	-	-	1/1
Member	Haibin Yu	-	-	-	-	-	0/1
Headteacher	James Ellis	5	5	2/3	2/3	5/6	1/1
Deputy Headteacher	Sarah Palmer	-	-	1/1	1/1	1/1	-

Sub-Committees included in the table above are:

T,L&A: Teaching, Learning and Achievement
S&CD: School & Community Development Committee
F, A & R: Finance, Audit and Risk
AGM: Annual General Meeting

Conflicts of Interest

Conflicts of Interest are checked regularly by way of an annual statement from each trustee as well as confirmation at each Full Board and Committee meeting. Were there to be any conflict of interest declared the individual would not be able to take part in the agenda item discussion or voting. This would be documented by the Clerk to Trustees.

Review of value for money

As Accounting Officer, the Headteacher has responsibility for ensuring that the academy 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's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by:

- Providing high quality professional development for all staff to ensure we strive to provide the highest quality education for all children.
- Strengthening collaboration with primary and secondary schools including multi-academy trusts.
- Continuing to expand the use of the premises after school and at weekends so adult education and other groups can rent the school's facilities and increase revenue for the school as well as provide more opportunities within the local community.
- Continuing to review all contracts the school has with outside providers to ensure any work undertaken is completed to a high standard and rates charged are competitive against other providers.

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 ongoing process designed to identify and prioritise the risks to the achievement of academy 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 Warren Road Primary School for the year 1 September 2021 to 31 August 2022 and up to the date of the approval of the annual report and financial statements.

Governance Statement
For the Year Ended 31 August 2022

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 year 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 for the year ended 31 August adopted a mixed approach:

1. A trustee, N Charles-Lewis, conducted a review in January 2022 focused on the process of staff recruitment during the period to 31 December 2021, together with progress on action points from the previous internal audit report. A review on the overall monthly reconciliation of the nominal ledger accounts was also undertaken.
2. Azets, a firm of Chartered Accountants, were appointed as internal auditors from June 2022. They conducted a review during August 2022 which covered the following areas:
 - Risk register
 - Financial accounting records & systems
 - Whistle blowing
 - School development plan
 - Year-end procedures
 - Compliance

Narrative reports were issued to the Finance, Audit and Risk Committee after each review. No material control issues have arisen from the internal audit checks conducted throughout 2021/22, and action is being taken to address any identified weaknesses and recommendations.

During the year ended 31 August 2022 the risks to internal control have been fully delivered in line with the requirements of the Education Skills & Funding Agency.

Review of Effectiveness

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

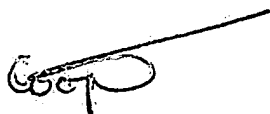
- the work of the internal auditors;
- the work of the senior leadership team within the academy trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the external auditor.

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

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Governance Statement
For the Year Ended 31 August 2022

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



M Cooper
Chair of Trustees



J Ellis
Headteacher and Accounting Officer

Date: 12 December 2022

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Statement on Regularity, Propriety and Compliance

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

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

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



J. Ellis
Accounting Officer

Date: 12 December 2022

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

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

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

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

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



M. Cooper
(Chair of Trustees)

Date: 12 December 2022

Independent Auditors' Report on the financial statements to the Members of Warren Road Primary School

Opinion

We have audited the financial statements of Warren Road Primary School (the 'academy trust') for the year ended 31 August 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Independent Auditors' Report on the financial statements to the Members of Warren Road Primary School (continued)

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the academy trust through discussions with management, and from our commercial knowledge and experience of the academy and wider education sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the academy trust, including the Academy Trust Handbook, Annual Accounts Direction, Charity SORP and the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Independent Auditors' Report on the financial statements to the Members of Warren Road Primary School (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

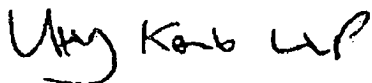
- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

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

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

Use of our report

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



Allan Hickie BSc FCA (Senior statutory auditor)
for and on behalf of
UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 16 December 2022

Independent Reporting Accountant's Assurance Report on Regularity to Warren Road Primary School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 13 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Warren Road Primary School during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Warren Road Primary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Warren Road Primary School's funding agreement with the Secretary of State for Education dated 30 June 2011 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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.

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants in England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to arrive at our conclusion. Other than those procedures undertaken for the purposes of our audit of the financial statements of Warren Road Primary School for the year ended 31 August 2022 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

The work undertaken to draw to our conclusion included:

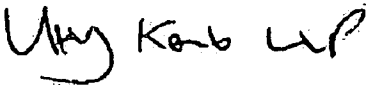
- an assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Warren Road Primary School
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Warren Road Primary School and the Education & Skills Funding Agency (continued)

Conclusion

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



UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 16 December 2022

Warren Road Primary School
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	34,959	-	28,343	63,302	51,269
Other trading activities	4	490,360	-	-	490,360	283,821
Investments	5	106	-	-	106	84
Funding for educational operations	6	120,516	3,921,608	-	4,042,124	3,718,570
Teaching schools	28	-	-	-	-	63,139
Total income		645,941	3,921,608	28,343	4,595,892	4,116,883
Expenditure on:						
Raising funds	7	223,238	-	-	223,238	220,054
Charitable activities	7	118,100	4,356,835	157,687	4,632,622	4,202,684
Teaching schools	28	-	-	-	-	67,469
Total expenditure		341,338	4,356,835	157,687	4,855,860	4,490,207
Net income/(expenditure)		304,603	(435,227)	(129,344)	(259,968)	(373,324)
Transfers between funds	17	(411,186)	220,858	190,328	-	-
Net movement in funds before other recognised gains		(106,583)	(214,369)	60,984	(259,968)	(373,324)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	24	-	1,766,000	-	1,766,000	262,000
Net movement in funds		(106,583)	1,551,631	60,984	1,506,032	(111,324)
Reconciliation of funds:						
Total funds brought forward		388,783	(1,796,122)	10,052,417	8,645,078	8,756,402
Net movement in funds		(106,583)	1,551,631	60,984	1,506,032	(111,324)
Total funds carried forward	17	282,200	(244,491)	10,113,401	10,151,110	8,645,078

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


The notes on pages 23 to 46 form part of these financial statements.

Balance Sheet
As at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	13	5,099	-
Tangible assets	14	10,108,302	10,043,126
		<u>10,113,401</u>	<u>10,043,126</u>
Current assets			
Debtors	15	79,951	76,677
Cash at bank and in hand	21	588,532	605,839
		<u>668,483</u>	<u>682,516</u>
Creditors: amounts falling due within one year	16	(318,774)	(281,564)
Net current assets		<u>349,709</u>	<u>400,952</u>
Total assets less current liabilities		<u>10,463,110</u>	<u>10,444,078</u>
Defined benefit pension scheme liability	24	(312,000)	(1,799,000)
Total net assets		<u><u>10,151,110</u></u>	<u><u>8,645,078</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	17	10,113,401	10,052,417
Restricted income funds	17	67,509	2,878
		<u>10,180,910</u>	<u>10,055,295</u>
Restricted funds excluding pension liability	17	10,180,910	10,055,295
Pension reserve	17	(312,000)	(1,799,000)
Total restricted funds	17	<u>9,868,910</u>	<u>8,256,295</u>
Unrestricted income funds	17	<u>282,200</u>	<u>388,783</u>
Total funds		<u><u>10,151,110</u></u>	<u><u>8,645,078</u></u>

The financial statements on pages 20 to 46 were approved and authorised for issue by the Trustees and are signed on their behalf, by:


M. Cooper
(Chair of Trustees)


J. Ellis
(Accounting Officer)

Date: 12 December 2022

The notes on pages 23 to 46 form part of these financial statements.

Warren Road Primary School
(A company limited by guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	19	174,739	12,541
Cash flows from investing activities	20	(192,046)	(64,062)
Change in cash and cash equivalents in the year		(17,307)	(51,521)
Cash and cash equivalents at the beginning of the year		605,839	657,360
Cash and cash equivalents at the end of the year	21, 22	<u>588,532</u>	<u>605,839</u>

The notes on pages 23 to 46 form part of these financial statements

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), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

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

Warren Road Primary School meets the definition of a public benefit entity under FRS 102.

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 academy trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

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

• **Grants**

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

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

Capital grants are recognised in full when there is 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.

• **Other income**

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

1.4 Expenditure

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

Notes to the Financial Statements
For the Year Ended 31 August 2022

1. Accounting policies (continued)

1.4 Expenditure (continued)

• **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.

Expenditure is shown inclusive of any irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 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. No tax charge has arisen during the year.

1.7 Intangible assets

Intangible assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Computer software	10 years
-------------------	----------

1.8 Tangible fixed assets

All individual and group assets costing more than £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Groups of assets are where the assets are purchased as part of one original order or capital grant.

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.

Notes to the Financial Statements
For the Year Ended 31 August 2022

1. Accounting policies (continued)

1.8 Tangible fixed assets (continued)

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

Depreciation is provided on the following bases:

Long-term leasehold property	- over remaining lease term
Short-term leasehold property	-
Furniture and equipment	- 25%
Computer equipment	- 33.33%
Leasehold improvements	- 4% - 20%

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.

Revaluation of tangible fixed assets

The academy has adopted the revaluation model to revalue items of long-term leasehold property whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. The fair value of items of plant and machinery is usually their market value determined by appraisal.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity.

The academy has adopted the cost model whereby items of furniture and equipment, computer equipment and other fixed assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

1.9 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.

1.10 Cash at bank and in hand

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

1.11 Liabilities

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.

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Notes to the Financial Statements
For the Year Ended 31 August 2022

1. Accounting policies (continued)

1.12 Financial instruments (continued)

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment.

1.13 Pensions

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus 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.

1.14 Fund accounting

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

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

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

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

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

Notes to the Financial Statements
For the Year Ended 31 August 2022

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme (LGPS) defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The ultimate responsibility for setting the assumptions is that of the academy trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The academy trust has, in practice with most employers, adopted the recommended actuarial assumptions following further consultation with its auditors to ensure these assumptions are reasonable and in line with those adopted by other academy trusts.

The key assumption is the discount rate, which is the estimated rate of long-term investment returns. This year the discount rate used of 4.3% is considerably higher than the rate of 1.7% used in 2021. Since a higher discount rate means assets will grow more rapidly in the future, this results in lower current liabilities. This is the key driver for the reduction in the carried LGPS deficit from £1.8m to £312k during the year.

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	34,959	15,000	49,959	37,825
Capital grants	-	13,343	13,343	13,444
	<u>34,959</u>	<u>28,343</u>	<u>63,302</u>	<u>51,269</u>
<i>Analysis of 2021 total by fund</i>	<u>37,825</u>	<u>13,444</u>	<u>51,269</u>	

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For the Year Ended 31 August 2022

4. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Before and after school club provision	431,859	431,859	251,059
Lettings	48,501	48,501	15,051
Catering profit share	10,000	10,000	16,500
Supply teacher insurance claims	-	-	1,211
	<u>490,360</u>	<u>490,360</u>	<u>283,821</u>
<i>Analysis of 2021 total by fund</i>	<u>283,821</u>	<u>283,821</u>	

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	106	106	84
	<u>84</u>	<u>84</u>	
<i>Analysis of 2021 total by fund</i>	<u>84</u>	<u>84</u>	

Notes to the Financial Statements
For the Year Ended 31 August 2022

6. Funding for educational operations

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	3,490,300	3,490,300	3,135,000
Other DfE/ESFA grants				
Rates reclaim	-	20,003	20,003	20,004
Pupil Premium	-	42,976	42,976	47,394
Universal infant free school meals	-	147,422	147,422	134,614
PE and Sports Grant	-	23,110	23,110	23,200
Teachers' pay grant	-	-	-	43,216
Teachers' pension grant	-	-	-	122,098
School supplementary grant	-	39,012	39,012	-
Others	-	5,468	5,468	-
	-	3,768,291	3,768,291	3,525,526
Other Government grants				
Local authority - special educational needs	-	102,634	102,634	35,648
Other local authority revenue grants	-	41,950	41,950	39,883
	-	144,584	144,584	75,531
Other income from the academy trust's educational operations	120,516	-	120,516	32,702
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	-	-	66,760
Other DfE/ESFA COVID-19 funding	-	8,733	8,733	8,050
	-	8,733	8,733	74,810
COVID-19 additional funding (non-DfE/ESFA)				
Coronavirus Job Retention Scheme grant	-	-	-	10,001
	-	-	-	10,001
	120,516	3,921,608	4,042,124	3,718,570
Analysis of 2021 total by fund	32,702	3,685,868	3,718,570	

The academy received £66,760 of funding in the prior year for catch-up premium to support children and young people to catch up on missed learning caused by coronavirus (Covid-19). £2,878 was unspent at 31 August 2021 and this has now been fully spent in 2021/22. Costs incurred in respect of this funding are included within note 8 below.

Other DfE/ESFA Covid-19 funding relates to funding received in the year for School Led Tutoring and Recovery Premium. These grants have been fully spent in the year and costs incurred are included within note 8 below.

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Notes to the Financial Statements
For the Year Ended 31 August 2022

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Expenditure on fundraising trading activities:					
Direct costs	218,728	-	4,510	223,238	220,054
Educational operations:					
Direct costs	2,960,449	107,472	259,195	3,327,116	3,108,930
Allocated support costs	816,361	183,937	305,208	1,305,506	1,093,754
Teaching school	-	-	-	-	67,469
	<u>3,995,538</u>	<u>291,409</u>	<u>568,913</u>	<u>4,855,860</u>	<u>4,490,207</u>
<i>Analysis of 2021 total</i>	<u>3,807,152</u>	<u>236,314</u>	<u>446,741</u>	<u>4,490,207</u>	

8. Analysis of expenditure by activities

	Direct costs 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations	3,327,116	1,305,506	4,632,622	4,202,684
<i>Analysis of 2021 total</i>	<u>3,108,930</u>	<u>1,093,754</u>	<u>4,202,684</u>	

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Notes to the Financial Statements
For the Year Ended 31 August 2022

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	816,361	700,416
Technology costs	20,054	6,853
Premises costs	183,937	146,376
Governance costs	18,237	14,805
Other support costs	266,917	225,304
	1,305,506	1,093,754

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	16,761	-
Depreciation of tangible fixed assets	146,384	121,474
Loss on disposal of fixed assets	3,836	-
Fees paid to auditors for:		
- audit	8,415	8,130
- other services	2,640	2,540

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Notes to the Financial Statements
For the Year Ended 31 August 2022

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022	2021
	£	£
Wages and salaries	2,797,059	2,712,622
Social security costs	257,781	244,078
Pension costs	900,463	820,182
	<u>3,955,303</u>	<u>3,776,882</u>
Agency staff costs	40,235	15,270
Staff restructuring costs	-	15,000
	<u>3,995,538</u>	<u>3,807,152</u>

b. Staff numbers

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

	2022	2021
	No.	No.
Teachers	36	41
Support Staff	80	83
Management	8	6
	<u>124</u>	<u>130</u>

The average headcount expressed as full-time equivalents was:

	2022	2021
	No.	No.
Teachers	29	33
Support staff	47	45
Management	7	5
	<u>83</u>	<u>83</u>

Notes to the Financial Statements
For the Year Ended 31 August 2022

10. Staff (continued)

c. Higher paid staff

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

	2022	2021
	No.	No.
In the band £70,001 - £80,000	2	2
In the band £80,001 - £90,000	1	-

d. Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £629,384 (2021 - £503,869). The increase compared to the prior year is predominantly as a result of the two new staff trustees appointed during 2021/22, together with general inflationary rises.

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Accounting Officer and other staff Trustees only receive remuneration in respect of services under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2022	2021
		£	£
J. Ellis, Headteacher and Accounting Officer	Remuneration	80,000 - 85,000	55,000 - 60,000
	Pension contributions paid	15,000 - 20,000	10,000 - 15,000
N. Cammies, Staff Trustee - appointed 06.10.21	Remuneration	35,000 - 40,000	-
	Pension contributions paid	5,000 - 10,000	-
C. McGeehan, Staff Trustee - appointed 06.10.21	Remuneration	35,000 - 40,000	-
	Pension contributions paid	-	-
S. Palmer, Headteacher until 31.12.20, resigned 06.07.21	Remuneration	-	60,000 - 65,000
	Pension contributions paid	-	10,000 - 15,000

During the year ended 31 August 2022, expenses totalling £56 were reimbursed or paid directly to 1 Trustee (2021 - £NIL) for personal money used while on a school trip.

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £170 (2021 - £161). The cost of this insurance is included in the total insurance cost.

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Notes to the Financial Statements
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13. Intangible assets

	Computer software £
Cost	
Additions	5,099
At 31 August 2022	<u>5,099</u>
Net book value	
At 31 August 2022	<u>5,099</u>
At 31 August 2021	<u>-</u>

14. Tangible fixed assets

	Long-term leasehold property £	Leasehold improvements £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2021	9,781,749	861,452	198,895	324,945	11,167,041
Additions	-	166,563	28,871	19,962	215,396
Disposals	-	(12,868)	(61,493)	(115,498)	(189,859)
At 31 August 2022	<u>9,781,749</u>	<u>1,015,147</u>	<u>166,273</u>	<u>229,409</u>	<u>11,192,578</u>
Depreciation					
At 1 September 2021	459,098	192,071	182,701	290,045	1,123,915
Charge for the year	43,159	64,313	11,968	26,944	146,384
On disposals	-	(9,032)	(61,493)	(115,498)	(186,023)
At 31 August 2022	<u>502,257</u>	<u>247,352</u>	<u>133,176</u>	<u>201,491</u>	<u>1,084,276</u>
Net book value					
At 31 August 2022	<u>9,279,492</u>	<u>767,795</u>	<u>33,097</u>	<u>27,918</u>	<u>10,108,302</u>
At 31 August 2021	<u>9,322,651</u>	<u>669,381</u>	<u>16,194</u>	<u>34,900</u>	<u>10,043,126</u>

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Notes to the Financial Statements
For the Year Ended 31 August 2022

14. Tangible fixed assets (continued)

The academy trust has adopted a policy of revaluation for tangible fixed assets. Had these assets been measured at historic cost, the carrying values would have been as follows:

	2022 £	2021 £
Long-term leasehold property	7,766,381	7,808,503

Leasehold property includes land at valuation of £3,865,000 (2021 - £3,865,000) which is not depreciated.

15. Debtors

	2022 £	2021 £
Trade debtors	16,328	11,330
Recoverable VAT	34,065	22,939
Prepayments and accrued income	29,558	42,408
	<u>79,951</u>	<u>76,677</u>

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	14,496	3,722
Other taxation and social security	61,741	57,281
Other creditors	71,088	68,714
Accruals and deferred income	171,449	151,847
	<u>318,774</u>	<u>281,564</u>

	2022 £	2021 £
Deferred income at 1 September 2021	121,415	100,487
Resources deferred during the year	110,408	121,415
Amounts released from previous periods	(121,415)	(100,487)
	<u>110,408</u>	<u>121,415</u>

At the balance sheet date the academy trust was holding funds received in advance of 2022/23 for ESFA UIFSM funding, ESFA rates grant, and school trips/events.

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Notes to the Financial Statements
For the Year Ended 31 August 2022

17. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Designated funds						
ICT fund	-	-	-	25,000	-	25,000
Building fund	-	-	-	25,000	-	25,000
	-	-	-	50,000	-	50,000
General funds						
General funds	388,783	645,941	(341,338)	(461,186)	-	232,200
Total Unrestricted funds	388,783	645,941	(341,338)	(411,186)	-	282,200
Restricted general funds						
General Annual Grant (GAG)	-	3,490,300	(3,766,111)	275,811	-	-
Other DfE/ESFA	-	286,724	(254,668)	10,582	-	42,638
Other government	-	144,584	(54,178)	(65,535)	-	24,871
Catch-up premium	2,878	-	(2,878)	-	-	-
Pension reserve	(1,799,000)	-	(279,000)	-	1,766,000	(312,000)
	(1,796,122)	3,921,608	(4,356,835)	220,858	1,766,000	(244,491)
Restricted fixed asset funds						
Fixed assets	10,043,126	-	(150,220)	220,495	-	10,113,401
DfE/ESFA capital grants	9,291	13,343	(7,467)	(15,167)	-	-
Capital donation	-	15,000	-	(15,000)	-	-
	10,052,417	28,343	(157,687)	190,328	-	10,113,401
Total Restricted funds	8,256,295	3,949,951	(4,514,522)	411,186	1,766,000	9,868,910
Total funds	8,645,078	4,595,892	(4,855,860)	-	1,766,000	10,151,110

Notes to the Financial Statements
For the Year Ended 31 August 2022

17. Statement of funds (continued)

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

General Annual Grant ("GAG") must be used for the normal running costs of the academy trust. The transfer into the GAG fund is from Other DfE/ESFA, other government grants and unrestricted funds and has been made to cover the excess of GAG expenditure over GAG income in the year.

The other DfE/ESFA grants fund is used to track non-GAG grants received from the ESFA, the DfE or executive agencies of the DfE, and primarily includes Pupil Premium and Universal Infant Free School Meals.

Covid Catch-up premium relates to additional funding provided by the DfE to support children and young people to catch up on missed learning caused by coronavirus (Covid-19).

The other government grants fund is used to track grants provided by other government departments.

The pensions reserve is a restricted fund to account for the liability arising under the Local Government Pension Scheme.

The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward and the current fixed assets held. The net transfer of £190,328 into the restricted fixed asset fund reflects capital acquisitions funded by revenue reserves.

During the year the trustees opted to create two designated funds by transferring amounts from the general unrestricted fund. The purposes of these two funds are:

- **ICT fund.** £25,000 has been allocated to ICT to ensure children in every year group have access to chromebooks to support their learning and the continued use of the Google platform. Software and hardware to meet the schools aim of ensuring all children have access to a broad and balanced curriculum.

- **Building fund.** £25,000 has been allocated to building improvements to invest in ensuring all classrooms and communal spaces around the school are fit for purpose. Ensuring children have a safe and stimulating environment to learn in.

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Notes to the Financial Statements
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17. Statement of funds (continued)

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

	<i>Balance at 1 September 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2021</i>
	£	£	£	£	£	£
Unrestricted funds						
General funds	293,034	354,432	(277,690)	19,007	-	388,783
Teaching School	128,793	23,139	(27,509)	(124,423)	-	-
	<u>421,827</u>	<u>377,571</u>	<u>(305,199)</u>	<u>(105,416)</u>	<u>-</u>	<u>388,783</u>
Restricted general funds						
General Annual Grant (GAG)	-	3,135,000	(3,261,666)	126,666	-	-
Other DfE/ESFA	85,123	430,526	(438,104)	(77,545)	-	-
Other government	4,200	75,531	(70,831)	(8,900)	-	-
Catch-up premium	-	66,760	(63,882)	-	-	2,878
Other Covid-19 funding	-	8,050	(8,050)	-	-	-
Coronavirus Job Retention Scheme grant	-	10,001	(10,001)	-	-	-
Pension reserve	(1,850,000)	-	(211,000)	-	262,000	(1,799,000)
	<u>(1,760,677)</u>	<u>3,725,868</u>	<u>(4,063,534)</u>	<u>40,221</u>	<u>262,000</u>	<u>(1,796,122)</u>
	<i>Balance at 1 September 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2021</i>
	£	£	£	£	£	£
Restricted fixed asset funds						
Fixed assets	10,087,010	-	(121,474)	77,590	-	10,043,126
DfE/ESFA capital grants	8,242	13,444	-	(12,395)	-	9,291
	<u>10,095,252</u>	<u>13,444</u>	<u>(121,474)</u>	<u>65,195</u>	<u>-</u>	<u>10,052,417</u>
Total Restricted funds	<u>8,334,575</u>	<u>3,739,312</u>	<u>(4,185,008)</u>	<u>105,416</u>	<u>262,000</u>	<u>8,256,295</u>
Total funds	<u>8,756,402</u>	<u>4,116,883</u>	<u>(4,490,207)</u>	<u>-</u>	<u>262,000</u>	<u>8,645,078</u>

Notes to the Financial Statements
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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	10,108,302	10,108,302
Intangible fixed assets	-	-	5,099	5,099
Current assets	437,991	230,492	-	668,483
Creditors due within one year	(155,791)	(162,983)	-	(318,774)
Provisions for liabilities and charges	-	(312,000)	-	(312,000)
Total	282,200	(244,491)	10,113,401	10,151,110

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	10,043,126	10,043,126
Current assets	423,422	249,803	9,291	682,516
Creditors due within one year	(34,639)	(246,925)	-	(281,564)
Provisions for liabilities and charges	-	(1,799,000)	-	(1,799,000)
Total	388,783	(1,796,122)	10,052,417	8,645,078

Notes to the Financial Statements
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19. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the year (as per Statement of financial activities)	(259,968)	(373,324)
Adjustments for:		
Depreciation	146,384	121,474
Capital grants from DfE and other capital income	(28,343)	(13,444)
Interest receivable	(106)	(84)
Defined benefit pension scheme cost less contributions payable	252,000	179,000
Defined benefit pension scheme finance cost	27,000	32,000
(Increase)/decrease in debtors	(3,274)	22,031
Increase in creditors	37,210	44,888
Loss on disposal of fixed assets	3,836	-
Net cash provided by operating activities	174,739	12,541

20. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	106	84
Purchase of intangible assets	(5,099)	-
Purchase of tangible fixed assets	(215,396)	(77,590)
Capital grants from DfE Group	13,343	13,444
Capital funding received from sponsors and others	15,000	-
Net cash used in investing activities	(192,046)	(64,062)

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	538,532	555,839
Notice deposits (less than 3 months)	50,000	50,000
Total cash and cash equivalents	588,532	605,839

Notes to the Financial Statements
For the Year Ended 31 August 2022

22. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	605,839	(17,307)	588,532

23. Capital commitments

	2022 £	2021 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	161,175

24. Pension commitments

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

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

Contributions amounting to £71,048 were payable to the schemes at 31 August 2022 (2021 - £68,674) and are included within creditors.

Teachers' Pension Scheme

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

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

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24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £380,000 (2021 - £385,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £338,000 (2021 - £285,000), of which employer's contributions totalled £262,000 (2021 - £228,000) and employees' contributions totalled £ 76,000 (2021 - £57,000). The agreed contribution rates for future years are 23.7 per cent for employers and 5.5 to 12.5 per cent for employees.

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

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

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	4.40	4.20
Rate of increase for pensions in payment/inflation	3.00	2.80
Discount rate for scheme liabilities	4.30	1.70
Inflation assumption (CPI)	2.90	2.70

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

Notes to the Financial Statements
For the Year Ended 31 August 2022

24. Pension commitments (continued)

	2022 Years	2021 Years
<i>Retiring today</i>		
Males	22.8	22.9
Females	25.3	25.3
<i>Retiring in 20 years</i>		
Males	24.6	24.8
Females	27.2	27.3

Sensitivity analysis

	2022 £000	2021 £000
Discount rate +0.1%	(85)	(116)
Discount rate -0.1%	87	118
Mortality assumption - 1 year increase	93	197
Mortality assumption - 1 year decrease	(91)	(191)
CPI rate +0.1%	87	118
CPI rate -0.1%	(85)	(116)

Share of scheme assets

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

	At 31 August 2022 £	At 31 August 2021 £
Equities	2,773,000	2,921,000
Gilts	94,000	129,000
Corporate bonds	326,000	350,000
Property	305,000	217,000
Cash and other liquid assets	69,000	40,000
Other	726,000	776,000
Total market value of assets	4,293,000	4,433,000

The actual return on scheme assets was a negative £432,000 (2021 - £+682,000).

Notes to the Financial Statements
For the Year Ended 31 August 2022

24. Pension commitments (continued)

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

	2022	2021
	£	£
Current service cost	(506,000)	(400,000)
Interest income	78,000	65,000
Interest cost	(105,000)	(97,000)
Administrative expenses	(8,000)	(7,000)
Total amount recognised in the Statement of Financial Activities	(541,000)	(439,000)

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

	2022	2021
	£	£
At 1 September	6,232,000	5,347,000
Current service cost	506,000	400,000
Interest cost	105,000	97,000
Employee contributions	76,000	57,000
Actuarial (gains)/losses	(2,275,000)	355,000
Benefits paid	(39,000)	(24,000)
At 31 August	4,605,000	6,232,000

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

	2022	2021
	£	£
At 1 September	4,433,000	3,497,000
Interest income	78,000	65,000
Actuarial (losses)/gains	(509,000)	617,000
Employer contributions	262,000	228,000
Employee contributions	76,000	57,000
Benefits paid	(39,000)	(24,000)
Administrative expenses	(8,000)	(7,000)
At 31 August	4,293,000	4,433,000

Notes to the Financial Statements
For the Year Ended 31 August 2022

25. Operating lease commitments

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

	2022 £	2021 £
Not later than 1 year	23,337	11,518
Later than 1 year and not later than 5 years	50,575	46,074
	<u>73,912</u>	<u>57,592</u>

26. Members' liability

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

27. Related party transactions

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

The following related party transactions took place during the year:

Income related party transactions:

Donations received by the academy trust during the year included £28,348 (2021 - £26,146) from the School Parent Teacher Association.

During the year the trust received lettings income of £1,364 (2021 - £Nil) from the Orpington Chinese Language School. The school is run by the wife of a trustee of the academy trust. The letting is charged at a standard letting price.

Expenditure related party transactions:

The school paid £650 (2021 - £850) to Pure Glass Cleaning Company. The company is run by the husband of a Linda White, a member of the executive and senior leadership team. Comparative prices are sought and the contract is regularly re-tendered. £nil was payable to Pure Glass Cleaning Company at 31 August 2022.

The spouse of Tamara Fletcher, a member of the schools executive and senior leadership team, is employed by the academy trust as a teacher. The appointment was made in open competition and Tamara was not involved in the decision making process regarding appointment. They are paid within the normal pay scale for their role and receives no special treatment as a result of their relationship to a member of the senior leadership team.

Warren Road Primary School
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2022

28. Teaching school trading account

	2022	2022	2021	2021
	£	£	£	£
Income				
Direct income				
DfE/ESFA grants	-		40,000	
Other income				
Courses	-		21,325	
Consultancy	-		1,200	
Bank interest	-		14	
Other	-		600	
Total other income			23,139	
Total income				63,139
Expenditure				
Direct expenditure				
Direct staff costs	-		25,266	
Other staff costs	-		5,480	
External training fees	-		5,674	
Total direct expenditure			36,420	
Other expenditure				
Support staff costs	-		21,910	
Premises and equipment	-		1,563	
Legal and professional	-		6,900	
Other support costs	-		676	
Total other expenditure			31,049	
Total expenditure				67,469
Transfers between funds excluding depreciation				(128,277)
Surplus/(deficit) from all sources				(132,607)
Teaching school balances at 1 September 2021				132,607
Teaching school balances at 31 August 2022				