

St John's Church of England Primary School Maidstone
(A company limited by guarantee)

Annual report and financial statements

For the year ended 31 August 2022



St John's Church of England Primary School Maidstone
(A company limited by guarantee)

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Reference and Administrative Details of the Academy Trust, its trustees and Advisers for the Year Ended 31 August 2022

Members The Diocese of Canterbury Academies Company Ltd
G. P. Munson (on behalf of Parochial Church Council of Boxley (Canterbury Diocese))
Rev. Canon J. Corbyn (on behalf of Archdeacon of Maidstone)
A. Parker-Bruce, Chair of Trustees (terminated 4 October 2022)
S. E. Willmott (appointed 4 October 2022)

Trustees A. Parker-Bruce, Chair of Trustees (terminated 4 October 2022) ¹
S. E. Willmott, Vice Chair of Trustees and Chair of Finance ^{1 2}
M. Parkes ²
G. Bibby (on behalf of Archdeacon of Maidstone)
S. Eaton (terminated 16 March 2022) ³
W. Butler (terminated 11 July 2022)
D. J. D. Smith, Headteacher and Accounting Officer ¹
J. Finch Deputy Headteacher
H. M. Downey Staff Trustee (terminated 19 September 2022)
H. L. Griffiths Staff Trustee (appointed 24 September 2020)
S. A. Brindle Parent Trustee ¹
E. M. Munro Parent Trustee
F.A. Brako (terminated 30 September 2022) ³
E.K. Agyei-Fokuo (appointed 10 January 2022) ^{1 2}

- ¹ Members of the Finance Committee
- ² On behalf of Parochial Church Council of Boxley (Canterbury Diocese)
- ³ On behalf of The Diocese of Canterbury Academies Company

Company registered number 07807291

Company name St John's Church of England Primary School Maidstone

Principal and registered office St John's Church of England Primary School
Provender Way
Weaving
Maidstone
Kent
ME14 5TZ

Senior management team D. J. D. Smith, Headteacher
J. Finch, Deputy Headteacher
H. M. Downey, Chief Financial Officer

Independent auditors UHY Kent LLP t/a UHY Hacker Young
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Bankers National Westminster Bank
3 High Street Maidstone
Kent
ME14 1HJ

St John's Church of England Primary School Maidstone
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Trustees' Report
For the Year Ended 31 August 2022

The trustees present their annual report together with the financial statements and auditor's reports of the Academy Trust for the year 1 September 2021 to 31 August 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity, and its Memorandum and Articles of Association are the primary governing documents of the Trust.

The trustees of St John's Church of England Primary School Maidstone are also the directors of the Trust for the purposes of company law and are sometimes also referred to as governors since this is the common term used in educational institutions. 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 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.

Trustees' Indemnities

The Trust maintains trustees' and officers' liability insurance which gives appropriate cover for any legal action brought against its trustees. The 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 Trust.

Details of the insurance cover are provided in note 15 to the financial statements.

Principal Activities

The Trust took over the operation of St John's Church of England Primary School Maidstone on the school's conversion to academy status on 1 November 2011. Since then, the Trust's principal object and activity has been to manage the school's provision of education to pupils between the ages of 4 and 11, serving a catchment area of Grove Green, Weaving and Bearsted Park, Maidstone. It has a pupil capacity of 436 and had a roll of 438 (2021 – 438) in the school census on 7 October 2021.

Method of Recruitment and Appointment or Election of Trustees

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

- Parent trustees - Appointment by nomination and, as appropriate, election through a ballot
- Staff trustees - Appointment by nomination and, as appropriate, election through a ballot
- Parochial Church Council, Archdeacon's appointment and Diocese of Canterbury Academies Company Governors – By nomination
- Other trustees (Headteacher and Priest in Charge, Boxley Parish - as incumbent where in role)
- Additional trustees – These may be appointed by either the Secretary of State for Education or the Diocese should they see fit to do so and in consultation with the Trust.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new trustees depends on their previous experience. All new trustees are given a tour of the school and the chance to meet with staff and pupils. All trustees are also provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role. The trustees utilise the services of Kent County Council for Governor Training and the National Governor Association and all trustees have access to a full programme of courses which they will choose to attend, based on their role and experience.

Organisational Structure

The organisational structure consists of two levels: the trustees and the Senior Management Team (including the extended Senior Leadership Team, which includes senior staff). The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. During the year under review the full board met five times and there were eight Finance Committee meetings.

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Organisational Structure (continued)

The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments. The majority of roles and responsibilities have been delegated to a small number of committees. The full board has retained responsibility for certain key aspects.

The Senior Leadership Team comprises the Headteacher, Deputy Headteacher, the Finance and Administration Manager, together with Key-Stage leaders, subject leaders and the Special Educational Needs Coordinator. These managers control the 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 are responsible for the authorisation of spending up to a level delegated to them within agreed budgets and the appointment of staff, although appointment boards for posts in the Senior Leadership Team always contain a trustee.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the Academy Trust comprise the trustees and Senior Management Team as disclosed on page 1.

The remuneration policy, setting the terms and conditions for the key management personnel, was developed and approved by the board of trustees, after taking advice from the Headteacher and following guidance from the relevant professional pay review bodies. Naturally, the Headteacher was not involved in setting his own remuneration package.

Only staff trustees, including the Headteacher, are remunerated, and these individuals only receive remuneration in respect of services they provide under their contracts of employment, and not in respect of their role as trustees. Specific disclosures concerning staff trustees' remuneration are included in note 14.

The day to day running of the remuneration policy is delegated to the Headteacher and monitored by the personnel and finance committees. All details for setting pay and remuneration of key management personnel are set out in the pay policy and appraisal policy which are reviewed annually by the board of trustees.

Remuneration of key management personnel is set at an individual level, and where possible the trustees have taken external professional advice which includes benchmarking, market trends and advice on structuring of incentives. Senior management salaries are linked closely to pay spines, helping trustees conclude that each individual's remuneration is at an appropriate level. As such salaries are linked to factors such as length of service, experience and level of responsibility. Total remuneration packages include employer pension contribution rates at specific approved rates.

The board always bear in mind the charitable status of the Academy Trust and recognise the fact the Trust receives funding under a funding agreement with the Secretary of State for Education, and therefore ensure the remuneration paid to senior management personnel never exceeds a reasonable amount that provides value for money to the Trust. The performance of senior management personnel is reviewed on a regular basis to ensure continuing value for money.

Total remuneration paid to senior management personnel is set out in note 13d.

Risk Management

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

Trade union facility time

The average number of full -time equivalent employees in the financial year was 53. There are no appointed union officials and thus no time nor cost spent on facility time.

Connected Organisations, including Related Party Relationships

The school enjoys a very positive relationship with the bodies that appoint the members and the majority of trustees; the Diocese of Canterbury Academies Company Ltd and Boxley Parochial Church Council. Material changes to the school are formally and informally consulted such that these "sponsors" views are clearly represented. Less formally, the school maintains open channels of communication with both organisations.

The school also benefits from an active parent led group, The Friends of St John's, who raise money on the behalf of the school.

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OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Trust is the operation of the Academy, and it is to provide education for pupils between the ages of 4 and 11. Our aim is to educate children to a high standard whilst maintaining our core Christian values. See below

Objectives, Strategies and Activities

The Trust was set up to advance, for the public benefit, education in the local area.

As a Church of England school, we attain high standards in a Christian Ethos of care and respect. Our objective is to ensure that all children achieve their potential both academically and socially. We have made overt our Vision and core Christian values of Friendship, Forgiveness, Trust and Compassion. In doing this the Governing Body seeks to maintain and indeed strengthen the school's high standards of achievement and its core values, whilst continuing to work to fulfil the Academy's development plans.

Public Benefit

St John's Church of England Primary School Maidstone is an Academy converter catering for children aged 4 to 11 and strives to promote and support the advancement of education within the local area. The school provides an extensive programme of educational and recreational activity - all designed to contribute to the overall education of its pupils in areas such as academic distinction, music, the arts and sport.

The school was awarded an Outstanding grading from Ofsted following inspection in July 2015, with particular emphasis on Leadership and Management, Behaviour and Safety, Quality of Teaching, Achievement of Pupils and Early Years Provision.

As a Church of England School, we work tirelessly to maintain and strengthen our Christian caring ethos and have embedded our core values of Friendship, Forgiveness, Trust and Compassion across the school. Our vision is as under

Our school is a place of sanctuary, strength and high achievement where all are heard, respected, encouraged and nurtured. Ever outward looking and rooted in the teachings of Jesus; as stewards of God's creation we aim to grow beyond all we can imagine.

In June 2019 the school was one of the first to be inspected under the new framework for the Statutory Inspection of Anglican and Methodist Schools (SIAMS) and we remain very proud to be rated Good following a very rigorous review. The implementation of our vision was a key focus for the inspector.

In December 2019 the school underwent an Ofsted Section 8 "Deep-dive" Subject (History) Inspection, which does not affect our overall Current (Section 5) Ofsted Report (2015) but which highlighted the good progress being made in delivering the new curriculum. Both formal inspections provided very positive parent feedback through OFSTED'S online parent questionnaire.

Wherever possible the school also aims to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities. For example:

- The Church of St John's
- Boxley Parish Council
- The Choral Society
- Local children's football clubs and karate club
- Various sports clubs, for example circuit training, dance and Beginners2Runners

After considerable research and due diligence, from April 2018, we accepted a company, EnergyKidz, a provider of out of school childcare with breakfast, after school and holiday clubs, to operate from our premises. This company contracts directly with parents/carers and provides revenue to the school for the use of the hall and grounds throughout the year. The service continues to be well used and held in high regard.

In addition, pupils normally go out into and support the community, albeit some have been curtailed due to Coronavirus and as examples;

- The choir perform externally
- Pupils undertake litter picking in the local area
- Food received during our Harvest festival is donated to a local charity

On a wider basis the children regularly become involved in charity activities, the school council and eco council deciding which charities to support and focussing especially on those involving disadvantaged children and the environment.

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In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The trustees believe that the Trust's aims, together with the activities outlined above, are demonstrably to the public benefit.

STRATEGIC REPORT

Achievements and Performance

Following inspection in July 2015 the Academy achieved an OFSTED Grading of Outstanding in all areas (Leadership and Management, Behaviour and Safety, Quality of Teaching, Achievement of Pupils and Early Years Provision). We are alive to the requirements of the new Ofsted Framework and are working to ensure an Outstanding Grade under these new criteria.

St John's Church of England Primary School is committed to:

Raising pupil attainment and improving progress

Although the school was open throughout the academic year, due to the continued underlying Coronavirus infection in the country both the number of staff and pupils lost days due to illness or the need to isolate was significant at times during the year and indeed Covid 19 related absences continue in the current academic year 2022/23. Where necessary, and indeed for the first time, supply teachers had to be used to cover staff absence. Our teachers and particularly our teaching assistants worked flexibly and often taking on more responsibility to cover colleagues' absences to minimise the impact on pupils' learning and well-being.

The school continued to support those who were at home when ill or isolating using our well-established home learning through 'Seesaw' a remote learning facility. The use of online methods of communication developed due to the pandemic have provided benefits that remain in use.

The curriculum in line with the current Ofsted Framework for a wider curriculum is published on our website and is fully embedded in the school.

The Academy tracks the progress of all children, providing data that celebrates strengths and highlights to staff underachievement. This triggers a range of interventions designed to accelerate progress and attainment. As a result of this system of identifying children at risk of underachieving at the earliest juncture, St John's Church of England Primary School maintains its commitment to strive for the highest standards across the curriculum for all our children.

Both within our school and recognised nationally the adverse impact of the pandemic on learning has been greatest in younger children, entering Year R in September 2020 and 2021 and those already in year R and KS1. The investment last academic year in our Year 1 outdoor areas to complement that already in place for Year R has enabled a continuous provision for children from year R to Year 1 and has provided a wider range of activities to aid learning and progress which has had a positive impact on learning this year.

The school had been unable to implement all the planned interventions covered by high needs funding and pupil premium monies received since March 2020. Funds brought forward in reserves and received in the year have been expended appropriately to support the affected children. The impact of the interventions is carefully tracked allowing adjustments where needed. Covid grants received have been expended on staffing to support learning which has allowed individual classes to work in smaller groups for extended periods and has enabled targeted support and challenge for all pupils.

Significant investments have been made to provide an enhanced provision in the year and for future to add to those undertaken in 2020/21 (the library was converted to an intervention space and resourced with two whiteboards, creating two teaching areas, together with i-pads for use there-in and elsewhere; outdoor space and the pond area was developed into a focussed teaching facility including a sensory area, for wellbeing, and with our wireless network extended so that the children can use the i-pads as effectively outside as they can in the classrooms).

In 2021/2022 we have updated our ICT provision by replacing desktop computers with laptops that can be used throughout the school. This has not only allowed greater use of ICT equipment but also released the ICT suite, which was becoming under-utilised, there being greater need for ICT in classrooms, to form a fully provisioned intervention/ small group workspace. We also upgraded a smaller room, previously used for music, to provide flexible teaching space when not required for music.

The Academy compares itself to other schools nationally and monitors teaching and learning; it is committed to closing the achievement gap with all groups of children without compromising the highest achievers. It also works closely with other local schools in a consortium to enable this Academy, as with others, to identify and implement improvements and ensure best practice.

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The Academy's ethos is one of continuous improvement and seeking to improve its quality of teaching and learning provision in its mission to strive for excellence. We work closely with our External School Improvement Advisor to ensure the school is focussed accordingly.

The national curriculum assessments were held in summer 2022, including tests, teacher assessments and the phonics screening check.

The results for the academic year 2018/2019 are reproduced below against which we would otherwise have reported the results for 2019/20 and the results for 2020/21.

At the end of the 2021/22 academic year test results at the end of Key Stage 2 were significantly above the government's floor targets both for progress and attainment.

Key Stage 2:

2018/19

- 84.4% achieved at the "expected" standard + in Reading, Writing and Maths, the national average being 65%
- 23.4% achieved at a higher standard in Reading Writing and Maths, the national average being 10%.

2021/22

- 75.0% achieved at the "expected" standard + in Reading, Writing and Maths, the national average being 59%
- 15.6% achieved at a higher standard in Reading Writing and Maths, the national average is not yet available.

Key Stage 1:

2018/19

- 87% achieved the "expected" standard + in Reading, the national average being 75%
- 82% achieved the "expected" standard + in Writing, the national average being 69%
- 85% achieved the "expected" standard + in Maths, the national average being 76%

2021/22

- 83% achieved the "expected" standard + in Reading, the national average being 67%
- 68% achieved the "expected" standard + in Writing, the national average being 58%
- 77% achieved the "expected" standard + in Maths, the national average being 68%

Early Years Foundation Stage:

2018/19

- 85% achieved a good level of development, the national average being 72%

2021/22

- 56% achieved a good level of development, the national average is not yet available.
- Year 1 Phonics Testing and Statutory Assessments Pass 88% (National 2022 75%)

In addition to academic achievement the Sports Premium is carefully managed to ensure all children benefit and the school has a wide range of clubs to enable pupils to further broaden their learning. The cumulative Sports Premium in reserves and received in 2021/22 has been fully utilised by the replacement of and extension to our outdoor play area which will benefit children in all year groups.

The Academy has achieved and/or maintained

- A Silver Mark for our provision of sport and physical education.
- We have been recognised by Eco schools as a Green Flag, the highest accolade achievable currently

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- A Green school by The Woodland Trust and we are working towards Platinum standard.

Key Financial Performance Indicators

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

- The school remained oversubscribed as a school of first choice with a waiting list of children placed elsewhere;
- It achieved an "Outstanding" rating by Ofsted in 2015, Good rating for SIAMS in June 2019 and a positive Section 8 review in December 2019;
- It operates within budget which is set to ensure revenue expenditure broadly matches income;
- Income per pupil was £5,594 (2021: £5,202); and
- 80% (2021 82%) of Income received from the ESFA and KCC, excluding Universal Infant Free School Meals, is spent on staff costs (including pension costs incurred excluding provision for notional pension liability).

The trustees have been pleased that expectations for all key performance indicators listed have been successfully met during the period.

The use of EnergyKidz, wrap around care continues to be a very popular and is a highly thought of provision, which is also providing income to the Academy.

In addition to investments that directly impact pupils' learning described above we have utilised surplus income from our Universal Free School Meal grant to redesign and renew the canteen, to more easily accommodate twice the number pupils that it was originally designed for thereby improving pupils' lunchtime experience. We have also refurbished the Year 1 toilet areas.

We are very aware of the need to ensure the wellbeing of our staff not only for their benefit, but also to ensure outstanding performance individually and as a team and to maintain our high levels of staff retention. The senior leadership team monitor staff workloads carefully including *inter alia* by ensuring that those staff working 1:1 with pupils with the significant challenges rotate, we have dedicated Planning Preparation and Assessment (PPA) space and enable home working as an alternative to onsite PPA time where appropriate. We have set up a Wellbeing staff group which has representatives from across staff groups, led by a staff member who obtained a relevant qualification with a clear support structure included on a Wellbeing Board in the staff room. A counselling service is available for teachers through our insurance.

The Academy retains the services of an external Data Protection Officer, provided by Cantium Business Solutions, a wholly owned subsidiary of Kent County Council.

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 various other self-generated income streams.

Total income for the year was £2.45m up compared to £2.28m in the previous year. Most of this increase was due to a rise on funding for education operations, as detailed in note 4. This shows that DfE/ESFA funding, excluding specific Covid-19 funding, increased by £159k to £2.03m. Local Authority grants increased slightly to £303k from £296k.

Total expenditure for the year amounted to £2.60m (2021: £2.31m), leaving net expenditure over income of £154k (2021: £26k).

The overall net movement in funds, after actuarial movements on the Local Government defined benefit pension scheme ("LGPS"), was an increase in funds of £1.09m (2021: reduction in funds of £96k).

The large actuarial gain this year arises due a changes in the assumptions used by the actuary when compiling the valuation report, which have resulted in a significant reduction in the pension deficit carried on the academy trust's Balance Sheet. These assumptions are explained further in notes 2 and 25 to the financial statements.

Since this total movement in funds includes income and expenditure through the restricted fixed asset fund relating to capital items, and also movements on the LGPS deficit, it does not reflect an operational result. The table that follows has therefore been included to reconcile from the movement in funds shown on the SoFA to the increase in revenue income funds for the year, an increase of £113k (2021: £151k):

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	2022 (£000s)	2021 (£000s)
Overall net movement in funds for the year per SoFA	1,090	(96)
<u>Add:</u>		
Decrease / (increase) attributable to fixed asset fund	6	(5)
LGPS actuarial loss shown on face of SoFA	(1,243)	70
Other LGPS charges - service and interest costs	260	182
Total movement in year on revenue funds	113	151
Revenue to capital transfers	28	38
Operational surplus on revenue funds	141	189

A decision was taken during the year to invest some revenue funding in capital equipment, and this is accounted for by way of a revenue to capital transfer into the restricted fixed asset fund as shown on the SoFA. Prior to the transfer of £28k (2021: £38k) the operational result for the year was a surplus of £141k (2021: £189k).

At 31 August 2022, the net book value of fixed assets was £104k and movements in tangible fixed assets are shown in note 16 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 trust's academy, the only exceptions to this being limited letting of the premises to local community groups.

Financial position

Unlike non-church academies, the school land and buildings are not recognised as assets in the financial statements, and subsequently in recent years the academy trust's Balance Sheet has shown an overall net liabilities position due to the LGPS deficit. This year, following the reduction in the carried deficit, the academy trust had net assets or funds of £526k at 31 August 2022. This total is split between the following types of fund:

- Revenue income funds of £656k (2021: £543k), which relate to the core funding and the day-to-day running of the academy. These funds comprise restricted revenue funds of £334k (2021: £261k) and unrestricted or 'free' reserves of £322k (2021: £282k).
- Restricted fixed asset funds of £104k (2021: £110k) which represent the net book value of fixed assets. These funds would also include any unspent capital grant money but all such funding had been spent at the end of both years.
- The pension reserve deficit of £234k (2021: £1.22m). This relates to the LGPS, a funded multi-employer defined benefit scheme, and in accordance with accounting requirements, as explained in accounting policy 1.11, actuarial valuations are obtained at each Balance Sheet date. The remaining deficit is not a concern because it does not mean that an immediate liability crystallises; it is an accounting deficit with no direct effect on the employer contribution rate paid by the school, which is determined using longer-term funding assumptions. Employer contributions are reviewed every three years in consultation with the scheme's administrators, and employer contributions are currently 22.5% from 1 April 2022. As noted under the financial review section the significant decrease in the carried pension deficit relates to changes in the underlying actuarial assumptions.

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the 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 note 1.2.

Reserves Policy

The trustees review the reserve levels of the Trust throughout the year. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves.

Financial and Risk Management Objectives and Policies

The Trust operates within a budget. It does not use complex financial instruments but manages its activities using cash and various items such as trade debtors and trade creditors that arise directly from its operations.

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Principal Risks and Uncertainties

The main risks that the 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 management plans:

- *Operational and reputational* - this covers risks to the running of the Academy (including the capacity of staff and buildings to meet the needs of pupils) and its performance in delivering the curriculum.
- *Financial* - covering risks to the Trust's financial position, including revenue streams, cost control and cash management.

The risks to which the Trust is exposed arise both internally and externally. External risks include those in respect of future funding levels, falling pupil numbers, changes to rules and regulations, and the financial position of the staff pension schemes.

Investment Policy

The Academy rarely has large sums suitable for formal investment. It does, however, ensure that any available funds can earn interest whilst remaining available within timescales defined by the intended use of the funds.

FUND RAISING

Under the provisions of the Charities (Protection and Social Investment) Act 2016 the trustees must include information on fundraising practices.

The academy has hitherto had very little identifiable fundraising from the public for its own benefit. Events normally take place in the year (but curtailed in this financial year following restrictions due to Covid 19 risks) to raise money for specific charities. When events are held there is no pressure to support the charity and amounts suggested for children are modest so that parents/carers of all children are able to participate. The charities are chosen by the children to support those that mean something to them. No chosen charity has any political involvement.

We approach reputable bodies locally including e.g., Tesco, the Royal Engineers 36 Engineers Regiment, the Gurkhas and local businesses seeking support, in particular in the provision of labour, to undertake projects within the school that cannot be funded within the budget. In the past, the support received has been of enormous value to the academy and has fitted with the provider's requirement for Social Responsibility. We continue to seek such support for appropriate projects.

There have been no complaints in respect of fundraising.

The Friends of St John's, a separate legal entity, managed by a committee of parents elected by parents, organise events to raise money for the school. The Friends events conform to recognised standards.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Consortium F – £0, now held by another school (2021: £3,939). This balance relates to monies pooled by a group of local schools in order that the costs of training and development on common issues may be shared. The Academy previously acted as treasurer for the consortium and so this balance was reflected as a creditor in these Financial Statements.

PLANS FOR FUTURE PERIODS

The future plans for the school are based on ensuring that the highest standards of education and maximum opportunities are provided for all our pupils.

We maintain School Improvement Plans, agreed between the Headteacher and Governors – Examples of 2022/23 Key Priorities are:

- Wellbeing - of all in relation to 'living and working'
- Learning - taking children on from where they are as individuals and groups (children with special educational needs, those who have free school meals/pupil premium, those who are behind where they need to be).
- Attainment/progress directly linked to standards across the school (based on previous end of year data)
- Longer term view to return to Reading, Writing and Maths SPAG to Expected 85-90% and Greater Depth 25-30+%
- Curriculum - continued implementation of the new curriculum enjoyment, engagement, monitoring, assessment and evidencing excellence. Continued development of phonics and the reading journey for our children.
- Leadership – awareness that all are leaders to some extent

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- Behaviour zones of regulation, general expectations, values, rewards
- To maintain school standards to meet Ofsted requirements for an Outstanding school

Despite the repercussions of the pandemic some of which remain, we look forward to 2022/2023 being a year that every child is able to progress from their individual baseline assessment with staff focused on and working towards what would have been expected had there been no disruption since March 2020 within an environment where pupils and staff can feel secure.

DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the trustees are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the trustees have taken all the steps 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.

AUDITORS

The auditors, UHY Kent LLP have indicated their willingness to continue in office, which will be considered by the Trustees. The designated trustees will propose a motion re-appointing the auditors at a meeting of the trustees.

This report was approved by order of the Board of Trustees and signed on the board's behalf by:



S Willmott
Acting Chair of Trustees



D.J. D. Smith
Accounting Officer

Date: 8 December 2022

St John's Church of England Primary School Maidstone
(A company limited by guarantee)

Governance Statement

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, 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 St John's Church of England Primary School Maidstone 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 5 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
A. Parker-Bruce	4	5
S. E. Willmott	5	5
M. Parkes	5	5
G. Bibby	4	5
D. J. D. Smith	4	5
J. Finch	4	5
H. M. Downey	4	5
S. Eaton	0	3
W. Butler	4	4
S. Brindle	5	5
E. Munro	4	5
H Griffiths	4	5
F Brako	5	5
E. Agyei-Fokuo	2	3

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor, prepare and approve the budget and ensure that sufficient financial controls are in place to safeguard the Academy's assets, provide Value for Money and to protect against financial risks.

The accounting system enables production of timely financial reporting and management information. Trustees and staff continued to ensure that pupils' safety and progress was not compromised whilst budgetary control remained firm.

Attendance at Finance Committee meetings in the year was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
D. J. D Smith	6	8
S. E. Willmott	8	8
A. Parker-Bruce	2	8
S. Brindle	6	8
E. Agyei-Fokuo	3	5

H. M. Downey, in her role as Chief Financial Officer, attended 8 meetings and T Barnaba attended 8 meetings in her capacity as a member of the finance team.

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.

St John's Church of England Primary School Maidstone
(A company limited by guarantee)

Governance Statement (continued)

Review of Value for money

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered continued value for money during the year by:

- Ensuring funds are allocated with precision to ensure benefit for all pupils.
- Accurate use of funds in the employment, deployment and organisation of support staff to work with and support more vulnerable and disadvantaged children educationally, medically and with regard to some children's personal care.
- The Academy reviews and monitors results proactively.
- The Academy continues to closely monitor supplier contracts to ensure value for money is achieved.
- The Academy seeks to improve lettings income, which is almost double that of last year and is gradually returning to levels seen pre-pandemic.

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St John's Church of England Primary School Maidstone for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

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 Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the trustees appointed Kreston Reeves to perform additional checks during the year. As a result of the revised FRC Ethical Standard this role and the external audit are undertaken by separate and unconnected firms.

The auditors' roles include giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On an annual basis, the auditor's and internal auditor's report to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

During the year ended 31 August 2022 the internal audit function was fully delivered in line with the requirements of the Education & Skills Funding Agency, and no material issues were reported to the trustees.

St John's Church of England Primary School Maidstone
(A company limited by guarantee)

Governance Statement (continued)

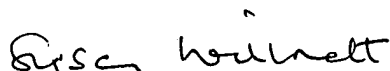
Review of Effectiveness

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 external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control and a plan to ensure continuous improvement of the system is in place.

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



S Willmott, Acting Chair of Trustees

Date: 8 December 2022



D. J. D. Smith, Headteacher and Accounting Officer

St John's Church of England Primary School Maidstone
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

As accounting officer of St John's Church of England Primary School Maidstone 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.



D. J. D. Smith
Accounting Officer

Date: 8 December 2022

St John's Church of England Primary School Maidstone
(A company limited by guarantee)

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:



S. Willmott
Acting Chair of Trustees

Date: 8 December 2022

St John's Church of England Primary School Maidstone
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of St John's Church of England Primary School Maidstone

Opinion

We have audited the financial statements of St John's Church of England Primary School Maidstone (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.

St John's Church of England Primary School Maidstone
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of St John's Church of England Primary School Maidstone (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.

St John's Church of England Primary School Maidstone
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of St John's Church of England Primary School Maidstone (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:

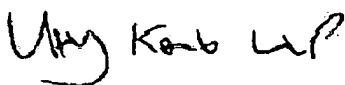
- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

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: 15 December 2022

St John's Church of England Primary School Maidstone
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to St John's Church of England Primary School Maidstone and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 5 October 2020 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 St John's Church of England Primary School Maidstone 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 St John's Church of England Primary School Maidstone and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St John's Church of England Primary School Maidstone 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 St John's Church of England Primary School Maidstone and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St John's Church of England Primary School Maidstone's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St John's Church of England Primary School Maidstone's funding agreement with the Secretary of State for Education dated 1 November 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 St John's Church of England Primary School Maidstone 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.

St John's Church of England Primary School Maidstone
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to St John's Church of England Primary School Maidstone 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

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

Date: 15 December 2022

St John's Church of England Primary School Maidstone
(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	15,636	-	8,950	24,586	14,435
Other trading activities	5	21,080	-	-	21,080	10,587
Investments	6	625	-	-	625	236
Funding for educational operations	4	67,931	2,335,844	-	2,403,775	2,253,279
Total income		105,272	2,335,844	8,950	2,450,066	2,278,537
Expenditure on:						
Raising funds	8	1,056	-	-	1,056	589
Charitable activities	9, 10	63,845	2,495,502	43,480	2,602,827	2,304,057
Total expenditure		64,901	2,495,502	43,480	2,603,883	2,304,646
Net income/(expenditure)		40,371	(159,658)	(34,530)	(153,817)	(26,109)
Transfers between funds	19	-	(28,224)	28,224	-	-
Net movement in funds before other recognised gains/(losses)		40,371	(187,882)	(6,306)	(153,817)	(26,109)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	25	-	1,243,000	-	1,243,000	(70,000)
Net movement in funds		40,371	1,055,118	(6,306)	1,089,183	(96,109)
Reconciliation of funds:						
Total funds brought forward		281,706	(955,512)	110,225	(563,581)	(467,472)
Net movement in funds		40,371	1,055,118	(6,306)	1,089,183	(96,109)
Total funds carried forward	19	322,077	99,606	103,919	525,602	(563,581)

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 24 to 45 form part of these financial statements.

St John's Church of England Primary School Maidstone
(A company limited by guarantee)
Registered number: 07807291

Balance sheet
As at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	103,919	110,225
Current assets			
Debtors	17	58,628	86,307
Cash at bank and in hand		919,574	704,648
		<u>978,202</u>	<u>790,955</u>
Creditors: amounts falling due within one year	18	(322,519)	(247,761)
Net current assets		<u>655,683</u>	<u>543,194</u>
Net assets excluding pension liability		<u>759,602</u>	<u>653,419</u>
Defined benefit pension scheme liability	25	(234,000)	(1,217,000)
Total net assets		<u><u>525,602</u></u>	<u><u>(563,581)</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	103,919	110,225
Restricted income funds	19	333,606	261,488
		<u>437,525</u>	<u>371,713</u>
Restricted funds excluding pension liability	19	437,525	371,713
Pension reserve	19	(234,000)	(1,217,000)
Total restricted funds	19	<u>203,525</u>	<u>(845,287)</u>
Unrestricted income funds	19	<u>322,077</u>	<u>281,706</u>
Total funds		<u><u>525,602</u></u>	<u><u>(563,581)</u></u>

The financial statements on pages 21 to 45 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



S. Willmott
Acting Chair of Trustees



D. J. D Smith
Accounting Officer and Trustee

Date: 8 December 2022

The notes on pages 24 to 45 form part of these financial statements.

St John's Church of England Primary School Maidstone
(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	21	242,526	230,816
Cash flows from investing activities	22	(27,600)	(38,023)
Change in cash and cash equivalents in the year		214,926	192,793
Cash and cash equivalents at the beginning of the year		704,648	511,855
Cash and cash equivalents at the end of the year	23, 24	<u>919,574</u>	<u>704,648</u>

The notes on pages 24 to 45 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.

St John's Church of England Primary School Maidstone 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.

The Academy Trust has revenue reserves of £655,683 across restricted and unrestricted funds, which is more than sufficient to meet operational needs and liabilities as they fall due.

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.

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

1. Accounting policies (continued)

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.

- **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.

- **Grants payable**

These are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Where applicable expenditure is inclusive of irrecoverable VAT.

1.5 Taxation

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

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

1.6 Debtors

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

1.7 Cash at bank and in hand

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

1.8 Liabilities

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

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

1. Accounting policies (continued)

1.9 Tangible fixed assets

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

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

The Academy operates from land and buildings which are owned by two separate freeholders. Part of the freehold is owned by KCC, and the remainder owned by the Diocese of Canterbury. The Academy occupies the property under the terms of a Church Supplemental Agreement with the freehold owners. In considering the accounting treatment for these properties the trustees have considered the provisions of the Academies Accounts Direction (AAD). The AAD has now clarified that where a Supplemental Agreement is in place then the trust does not have full rights or control such that any asset should not be recognised in the Balance Sheet.

Per the AAD the rolling right to occupy the building could be recognised in the financial statements via a notional donation (since it pays no actual rent) with a corresponding notional rental expense for the use of the premises. The value of the donation would be the amount that the Academy Trust would otherwise have had to pay to secure premises, however since the trustees feel that this cannot be reliably measured, and in accordance with the AAD, no donation or rental expense have been recognised.

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

Depreciation is provided on the following basis:

Furniture and equipment	-	10%
Computer equipment	-	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.

1.10 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 17. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. 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.

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

1. Accounting policies (continued)

1.11 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.

1.12 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 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 25, 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 LGPS 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 4.25% is considerably higher than the rate of 1.65% 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 £1.2m to £234k 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	15,636	-	15,636	5,507
Capital grants	-	8,950	8,950	8,928
	<u>15,636</u>	<u>8,950</u>	<u>24,586</u>	<u>14,435</u>
<i>Analysis of 2021 total by fund</i>	<u>5,507</u>	<u>8,928</u>	<u>14,435</u>	

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Notes to the financial statements
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4. 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)	-	1,830,840	1,830,840	1,635,000
Other DfE/ESFA grants				
Pupil premium	-	70,788	70,788	50,975
Universal infant free school meals	-	67,072	67,072	75,235
Teachers' pension grant	-	-	-	58,038
Others	-	63,646	63,646	53,904
	-	2,032,346	2,032,346	1,873,152
Other Government grants				
Other government grants - SEN	-	293,216	293,216	266,350
Other local authority grants	-	10,282	10,282	29,766
	-	303,498	303,498	296,116
Other income from educational operations	67,931	-	67,931	48,971
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	-	-	35,040
	67,931	2,335,844	2,403,775	2,253,279
	67,931	2,335,844	2,403,775	2,253,279
Total 2021	48,971	2,204,308	2,253,279	

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Notes to the financial statements
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5. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Lettings	15,569	15,569	7,812
Uniform sales	411	411	417
Fundraising	100	100	38
Insurance claims	5,000	5,000	2,320
	<u>21,080</u>	<u>21,080</u>	<u>10,587</u>
<i>Analysis of 2021 total by fund</i>	<u>10,587</u>	<u>10,587</u>	

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	625	625	236
	<u>236</u>	<u>236</u>	
<i>Analysis of 2021 total by fund</i>	<u>236</u>	<u>236</u>	

7. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £	Total funds 2021 £
Improvements to diocesan property occupied by the Academy Trust	113,057	113,057	-

The costs represent works completed on the Academy Trust's school buildings during the year. As noted in accounting policy 1.9 the buildings are not reflected on the balance sheet, and so, in accordance with the Academies Accounts Direction, associated improvements are treated as an expense for the year as a grant to the Diocese which owns the building.

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Notes to the financial statements
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8. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Expenditure on fundraising trading activities:					
Direct costs	-	-	1,056	1,056	589
Educational operations:					
Direct costs	1,538,091	-	161,534	1,699,625	1,585,911
Allocated support costs	536,022	89,647	164,476	790,145	718,146
	<u>2,074,113</u>	<u>89,647</u>	<u>327,066</u>	<u>2,490,826</u>	<u>2,304,646</u>
<i>Analysis of 2021 total</i>	<u>1,908,178</u>	<u>129,288</u>	<u>267,180</u>	<u>2,304,646</u>	

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Educational operations	<u>63,845</u>	<u>2,538,982</u>	<u>2,602,827</u>	<u>2,304,057</u>
<i>Analysis of 2021 total by fund</i>	<u>38,777</u>	<u>2,265,280</u>	<u>2,304,057</u>	

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10. Analysis of expenditure by activities

	Direct costs	Grants to	Support costs	Total	Total
	2022	institutions	2022	funds	funds
	£	2022	2022	2022	2021
		£	£	£	£
Educational operations	1,699,625	113,057	790,145	2,602,827	2,304,057
<i>Analysis of 2021 total</i>	<i>1,585,911</i>	<i>-</i>	<i>718,146</i>	<i>2,304,057</i>	

Analysis of support costs

	Total	Total
	funds	funds
	2022	2021
	£	£
Staff costs	536,022	446,699
Premises costs	89,647	129,288
Technology costs	22,731	20,614
Other support costs	128,989	106,376
Governance costs	12,756	15,169
	790,145	718,146

11. Analysis of specific expenses

Included within expenditure are the following transactions:

	Total	Individual items above £5,000	
	£	Amount	Reason
		£	
Gifts made by the Academy Trust	603	-	No individual gifts more than £5k

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

12. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	1,332	2,400
Depreciation of tangible fixed assets	43,374	41,394
Fees paid to auditors for:		
- audit	7,690	7,480
- other services	1,920	1,850
	<u> </u>	<u> </u>

13. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	1,368,749	1,337,051
Social security costs	112,021	99,680
Pension costs	576,654	471,447
	<u> </u>	<u> </u>
	2,057,424	1,908,178
Agency staff costs	16,689	-
	<u> </u>	<u> </u>
	2,074,113	1,908,178
	<u> </u>	<u> </u>

b. Staff numbers

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

	2022 No.	2021 No.
Teachers	18	18
Administration and support	49	46
Management	3	3
	<u> </u>	<u> </u>
	70	67
	<u> </u>	<u> </u>

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Notes to the financial statements
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13. Staff (continued)

b. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2022 No.	2021 No.
Teachers	15	15
Administration and support	35	31
Management	3	3
	<u>53</u>	<u>49</u>

c. Higher paid staff

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	<u>1</u>	<u>1</u>

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £267,778 (2021 - £253,396).

14. Trustees' remuneration and expenses

Some Trustees have been paid remuneration and received pension benefits as a result of their employment with the Academy Trust. The Headteacher and other Trustees only receive remuneration in respect of services they provide undertaking their roles under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2022 £	2021 £
Daniel Smith, Headteacher and Accounting Officer	Remuneration	65,000 - 70,000	60,000 - 65,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000
Julia Finch	Remuneration	50,000 - 55,000	50,000 - 55,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000
Heidi Downey	Remuneration	35,000 - 40,000	30,000 - 35,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
Hannah Griffiths	Remuneration	40,000 - 45,000	40,000 - 45,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

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Notes to the financial statements
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15. 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 £75 (2021 - £75). The cost of this insurance is included in the total insurance cost.

16. Tangible fixed assets

	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 September 2021	218,293	155,406	373,699
Additions	8,163	29,012	37,175
Disposals	(3,098)	(33,490)	(36,588)
At 31 August 2022	223,358	150,928	374,286
Depreciation			
At 1 September 2021	156,588	106,886	263,474
Charge for the year	21,343	22,031	43,374
On disposals	(2,991)	(33,490)	(36,481)
At 31 August 2022	174,940	95,427	270,367
Net book value			
At 31 August 2022	48,418	55,501	103,919
At 31 August 2021	61,705	48,520	110,225

17. Debtors

	2022 £	2021 £
Trade debtors	-	9,125
Recoverable VAT	19,956	9,117
Prepayments and accrued income	38,672	68,065
	58,628	86,307

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Notes to the financial statements
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18. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	129,122	66,649
Other taxation and social security	24,358	33,780
Other creditors	41,060	28,403
Accruals and deferred income	127,979	118,929
	<u>322,519</u>	<u>247,761</u>
	2022 £	2021 £
Deferred income at 1 September 2021	47,402	53,014
Resources deferred during the year	43,468	44,817
Amounts released from previous periods	(47,402)	(50,429)
	<u>43,468</u>	<u>47,402</u>

At the balance sheet date the Academy Trust was holding funds received in advance of the 2022/23 academic year, including ESFA UIFSM grant.

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Notes to the financial statements
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19. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General fund	281,706	105,272	(64,901)	-	-	322,077
Restricted general funds						
General Annual Grant (GAG)	17,556	1,830,840	(1,664,608)	(23,692)	-	160,096
Other DfE/ESFA grants	170,307	208,242	(260,092)	(4,532)	-	113,925
Other government	73,625	296,762	(310,802)	-	-	59,585
Pension reserve	(1,217,000)	-	(260,000)	-	1,243,000	(234,000)
	(955,512)	2,335,844	(2,495,502)	(28,224)	1,243,000	99,606
Restricted fixed asset funds						
Fixed assets	110,225	-	(43,480)	37,174	-	103,919
DfE/ESFA capital	-	8,950	-	(8,950)	-	-
	110,225	8,950	(43,480)	28,224	-	103,919
Total Restricted funds	(845,287)	2,344,794	(2,538,982)	-	1,243,000	203,525
Total funds	(563,581)	2,450,066	(2,603,883)	-	1,243,000	525,602

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 other DfE/ESFA grants fund is used to track non-GAG grants received from the ESFA, the DfE or other executive agencies of the DfE and corresponding expenditure. This fund includes Pupil Premium, Universal Infant Free School Meals, and Sports Premium grants, and also Teachers' Pay and Teachers' Pension grant funding.

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 government departments such as Local Authorities.

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

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

19. Statement of funds (continued)

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 transfer in of £28,224 represents capital expenditure met by restricted revenue funds.

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

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 fund	255,771	65,301	(39,366)	-	-	281,706
Restricted general funds						
General Annual Grant (GAG)	17,987	1,635,000	(1,597,172)	(38,259)	-	17,556
Other DfE/ESFA grants	100,853	238,152	(168,698)	-	-	170,307
Other government	17,577	296,116	(240,068)	-	-	73,625
Catch-up premium	-	35,040	(35,040)	-	-	-
Pension reserve	(965,000)	-	(182,000)	-	(70,000)	(1,217,000)
	<u>(828,583)</u>	<u>2,204,308</u>	<u>(2,222,978)</u>	<u>(38,259)</u>	<u>(70,000)</u>	<u>(955,512)</u>
Restricted fixed asset funds						
Fixed assets	105,340	-	(42,302)	47,187	-	110,225
DfE/ESFA capital	-	8,928	-	(8,928)	-	-
	<u>105,340</u>	<u>8,928</u>	<u>(42,302)</u>	<u>38,259</u>	<u>-</u>	<u>110,225</u>
Total Restricted funds	<u>(723,243)</u>	<u>2,213,236</u>	<u>(2,265,280)</u>	<u>-</u>	<u>(70,000)</u>	<u>(845,287)</u>
Total funds	<u>(467,472)</u>	<u>2,278,537</u>	<u>(2,304,646)</u>	<u>-</u>	<u>(70,000)</u>	<u>(563,581)</u>

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20. 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	-	-	103,919	103,919
Current assets	644,596	333,606	-	978,202
Creditors due within one year	(322,519)	-	-	(322,519)
Provisions for liabilities and charges	-	(234,000)	-	(234,000)
Total	322,077	99,606	103,919	525,602

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	-	-	110,225	110,225
Current assets	285,416	505,539	-	790,955
Creditors due within one year	(3,710)	(244,051)	-	(247,761)
Provisions for liabilities and charges	-	(1,217,000)	-	(1,217,000)
Total	281,706	(955,512)	110,225	(563,581)

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21. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the year (as per Statement of financial activities)	(153,817)	(26,109)
Adjustments for:		
Depreciation	43,374	41,394
Capital grants from DfE and other capital income	(8,950)	(8,928)
Interest receivable	(625)	(236)
Defined benefit pension scheme administration costs	1,000	1,000
Defined benefit pension scheme cost less contributions payable	240,000	167,000
Defined benefit pension scheme finance cost	19,000	14,000
Decrease/(increase) in debtors	27,679	(50,935)
Increase in creditors	74,758	92,722
Loss on disposal of fixed assets	107	908
Net cash provided by operating activities	242,526	230,816

22. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	625	236
Purchase of tangible fixed assets	(37,175)	(47,287)
Proceeds from the sale of tangible fixed assets	-	100
Capital grants from DfE Group	8,950	8,928
Net cash used in investing activities	(27,600)	(38,023)

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	919,574	704,648

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24. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	704,648	214,926	919,574

25. 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 Kent County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £36,068 were payable to the schemes at 31 August 2022 (2021 - £24,464) 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.

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.

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25. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £173,624 (2021 - £174,222).

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 £180,000 (2021 - £144,000), of which employer's contributions totalled £143,000 (2021 - £113,000) and employees' contributions totalled £ 37,000 (2021 - £31,000). The agreed contribution rates for future years are 21 per cent for employers, increasing to 22.5 per cent from 1 April 2022, 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	3.95	3.90
Rate of increase for pensions in payment/inflation	2.95	2.90
Discount rate for scheme liabilities	4.25	1.65

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

	2022 Years	2021 Years
<i>Retiring today</i>		
Males	21.1	21.6
Females	23.5	23.6
<i>Retiring in 20 years</i>		
Males	22.3	22.9
Females	24.9	25.1

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25. Pension commitments (continued)

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	(39)	(59)
Discount rate -0.1%	40	60
Mortality assumption - 1 year increase	50	102
Mortality assumption - 1 year decrease	(48)	(98)
CPI rate +0.1%	39	57
CPI rate -0.1%	(38)	(55)

Share of scheme assets

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

	At 31 August	At 31 August
	2022	2021
	£	£
Equities	974,000	876,000
Gilts	9,000	7,000
Corporate bonds	197,000	186,000
Property	175,000	137,000
Cash and other liquid assets	25,000	38,000
Other	107,000	93,000
Total market value of assets	1,487,000	1,337,000

The actual return on scheme assets was a return of £(18,000) (2021 - £161,000).

The amounts recognised in the Statement of financial activities are as follows:

	2022	2021
	£	£
Current service cost	(383,000)	(280,000)
Interest income	23,000	18,000
Interest cost	(42,000)	(32,000)
Administrative expenses	(1,000)	(1,000)
Total amount recognised in the Statement of financial activities	(403,000)	(295,000)

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25. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	2,554,000	2,027,000
Current service cost	383,000	280,000
Interest cost	42,000	32,000
Employee contributions	37,000	31,000
Actuarial (gains)/losses	(1,284,000)	213,000
Benefits paid	(11,000)	(29,000)
At 31 August	1,721,000	2,554,000

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

	2022 £	2021 £
At 1 September	1,337,000	1,062,000
Interest income	23,000	18,000
Actuarial (losses)/gains	(41,000)	143,000
Employer contributions	143,000	113,000
Employee contributions	37,000	31,000
Benefits paid	(11,000)	(29,000)
Administration expenses	(1,000)	(1,000)
At 31 August	1,487,000	1,337,000

26. 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	1,232	1,232
Later than 1 year and not later than 5 years	2,771	4,003
	4,003	5,235

27. 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.

Notes to the financial statements
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28. 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 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.

Miss M Downey, daughter of Mrs H Downey (School Business Manager), has been employed by the school on a zero hours contract since 30 November 2020. A normal job advertisement took place, in which she had no involvement in and salary is based on the normal Kent pay scales.

During the year, there were gifts amounting to £40 given to two trustee's who left during the year. There was also trustees' remuneration paid under employment contracts, as disclosed in note 13.

29. Controlling party

The Academy Trust is run by the senior management team on a day to day basis. Strategic decisions are made by the Trustees. There is no ultimate controlling party.