

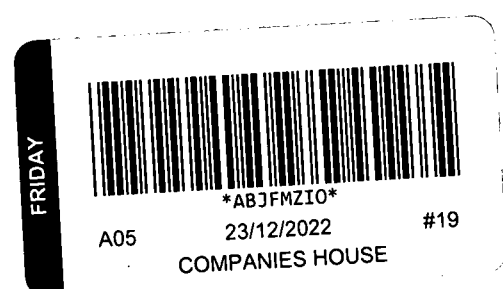
Registered number: 07901900

Redhill Academy

Trustees' Report and Financial Statements

For the Year Ended 31 August 2022

DAINS
ACCOUNTANTS



Redhill Academy
(A Company Limited by Guarantee)

Contents

| | Page |
|---------------------------------------------------------------------------------------|---------|
| Reference and Administrative Details | 1 - 2 |
| Trustees' Report | 3 - 8 |
| Governance Statement | 9 - 12 |
| Statement on Regularity, Propriety and Compliance | 13 |
| Statement of Trustees' Responsibilities | 14 |
| Independent Auditors' Report on the Financial Statements | 15 - 18 |
| Independent Reporting Accountant's Report on Regularity | 19 - 20 |
| Statement of Financial Activities Incorporating Income and Expenditure Account | 21 |
| Balance Sheet | 22 - 23 |
| Statement of Cash Flows | 23 |
| Notes to the Financial Statements | 24 - 49 |

Redhill Academy
(A Company Limited by Guarantee)

Reference and Administrative Details

| | |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Members | David Frankish Nigel Perkins Glenys Crooks |
| Trustees | David Frankish, Chair Nicola Millar, Head Teacher Beverley Malysz, Vice Chair Rachael Dean David Mills Helen Berry (resigned 31 January 2022) Matthew Bromley Peter Nicholson Sarah Buck Kathy Yoxall (resigned 2 May 2022) Craig Bemment (appointed 16 March 2022) Katherine Coggan (appointed 16 March 2022) |
| Company registered number | 07901900 |
| Company name | Redhill Academy |
| Principal and registered office | The Ridings Ockbrook Derby Derbyshire DE72 3SF |
| Headteacher and Accounting Officer | Nicola Millar |
| Senior management team | Nicola Millar, Head Teacher Anthony Cicinski, Deputy Head Teacher Andrew Wright, Assistant Head Teacher |

Redhill Academy
(A Company Limited by Guarantee)

Reference and Administrative Details (continued)
For the Year Ended 31 August 2022

| | |
|----------------------------|-----------------------------------------------------------------------------------|
| Independent auditor | Dains Audit Limited 15 Colmore Row Birmingham B3 2BH |
| Bankers | Royal Bank of Scotland Plc 41 Cornmarket Derby DE1 2DG |
| Solicitors | Langleys Solicitors LLP Olympic House Doddington Road Lincoln LN6 3SE |

Redhill Academy
(A Company Limited by Guarantee)

Trustees' Report
For the Year Ended 31 August 2022

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

Since the Academy Trust qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not required.

Structure, governance and management

a. Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity. The charitable company's Memorandum of Association is the primary governing document of the Academy Trust. The Trustees of Redhill Academy are also the directors of the charitable company for the purposes of company law.

The charitable company operates as Redhill Primary School.

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

b. Members' liability

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

c. Trustees' indemnities

Since the incorporation of the charitable company on 9 January 2012, the Trustees (Directors) have been indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. The trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

d. Method of recruitment and appointment or election of Trustees

The Academy's Governing Body comprises the Head Teacher, a minimum of two parent Trustees and up to twelve other Trustees appointed by the members of the charitable company.

Parent Trustees are elected by the parents of current pupils at the Academy and formally appointed by the current Trustees. Staff Trustees are elected by the staff currently employed by the Academy Trust and formally appointed by the current Members. With regard to the appointment of other Trustees, the members of the charitable company will give consideration to the skills mix of the Trustees in order to ensure that the Governing Body has the necessary skills to contribute fully to the Academy's development.

Full details of the methods of recruitment and appointment of Trustees are detailed in sections 50-59 of the Redhill Articles of Association.

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

All new Trustees attend induction training courses and are issued with a welcome pack giving a wide range of information and guidance relating to the governance of the Academy. New Trustees are offered an experienced mentor from the Governing body.

Details of Trustee training available are circulated regularly, the following training has been undertaken recently by one or more Trustees:

- | | |
|----------------------------------------------------|---------------------------------|
| - GDPR | - Safer recruitment |
| - Safeguarding, including the Prevent duty and FGM | - E-Safety and cyber security |
| - SEND | - Interpreting performance data |
| - Exclusions | - Health & Safety |
| - Finance | - Preparing for Ofsted |

f. Organisational structure

The Governing Body normally meets once each academic term. The Governing Body establishes an overall framework for the governance of the Academy and agrees membership of committees. The Governing Body committees consist of:

- Finance Personnel Audit and Risk Committee who prepare and consider each year's School Improvement Plan and Annual Budget Plan, monitor systems of internal control and receive auditors' reports;
- Teaching and Learning Committee who review the Academy's teaching and learning and curriculum related policies in line with the agreed cycle and make recommendations for change;
- Facilities Committee who are responsible for the upkeep of premises and grounds along with authorising any appropriate maintenance that may be required; ;
- Admissions Committee who ensure the admission of pupils to the Academy is in accordance with the adopted policies.

The Governing Body receives reports, and in particular policy documents from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings. It also establishes the terms of reference for its committees.

The Governing Body is responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Head Teacher has responsibility for the day to day management of the Academy, the management of the Academy's financial position at a strategic and operational level and management of effective systems of internal control. The Head Teacher is the accounting officer as required by the funding agreement with the Department for Education.

g. Arrangements for setting pay and remuneration of key management personnel

Pay for key management personnel is set in line with the School Teachers' Review Body National Pay and Conditions document. Any incremental pay progression is dependent upon successfully meeting individual performance management targets, which are always linked to school improvement priorities and pupil performance.

Objectives and activities

a. Objects and aims

The principal object of the charitable company is to advance, for the public benefit, education in the United Kingdom, in particular (but without prejudice to the generality of the foregoing) by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. As well as to promote for the benefit of the inhabitants of Ockbrook, Derby and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of the life of the said inhabitants.

b. Objectives, strategies and activities

In partnership with parents, the Academy aims to develop all pupils to the maximum of their abilities. The principal objectives are:

- To offer a broad, balanced and enriched curriculum that inspires and enthuses our children and prepares them fully for life in modern Britain.
- To develop the love of learning.
- To build happy memories for all our children and develop quality relationships with them.
- To pursue excellence in all areas of school life, achieving beyond expectations.
- To nurture a culture of positivity and challenge in a supportive environment where children can learn without limits, not be afraid to take risks and realise their full potential.
- Enable people to work together, in order to achieve more than we could on our own.
- Be proud of our community, our school, our achievements and our peers.

Key objectives for the year ended 31 August 2022 were:

- to ensure that outcomes at the end of Key Stage 2 at both expected and greater depth remain significantly above the national average for reading, writing and mathematics;;
- to continue to develop the impact of subject leaders on the delivery of their subjects and support professional development for all members of the school community.

c. Public benefit

The Trustees have given consideration to the guidance on public benefit published by the Charity Commission.

The key public benefit delivered by Redhill Academy is the maintenance and development of a quality education by the school. It is the Trustees aim to deliver outstanding learning to all its students during the journey of improvement towards excellence.

Redhill Academy
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 August 2022

Strategic report

Achievements and performance

a. Key performance indicators

The Academy aims to ensure that total staff costs (excluding any pension costs resulting from the FRS102 calculation but including agency staff costs) are within the range of 70% - 80% of total income. The ratio for the period 1 September 2021 to 31 August 2022 was 83% (2021 - 84%).

The Academy also aims to maintain a minimum of £20,000 in revenue reserves (excluding fixed assets reserve and pension liabilities). The revenue reserves held as at 31st August 2021 was £105,806 (2021 - £77,235). The higher level of reserve held is part of the Academy's medium term financial strategy and is anticipated to reduce over the term of the strategy.

b. Going concern

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

c. Review of activities

The Academy held fund balances at 31st August 2022 of £1,156,510 comprising an amount of £24,302 in respect of restricted revenue funds, (£330,000) in respect of restricted funds relating to the LGPS pension deficit, £1,380,704 in respect of restricted fixed asset funds and £81,504 in respect of unrestricted funds.

The Covid outbreak in the period and reduction of the number of pupils in school resulted in a change to the pattern of income and expenditure with additional expenditure on staffing, cleaning and medical supplies.

The principal source of funding was government grant income.

Financial review

a. Reserves policy

The Governing Body have considered the risk to the school's budget and future funding and have decided to maintain a minimum of £20,000 in general revenue reserves as a contingency. The reserves policy excludes fixed asset reserves and pension liabilities. At the end of the period under review the balance in this fund was £105,806 (2021 - £77,235).

The Governing Body review the reserves policy annually.

Total funds available at 31 August 2022 amounted to £1,156,510, including £1,075,006 restricted funds not available for the general purposes of the academy.

b. Investment policy

The Academy seeks to maximise returns whilst minimising risk. Cash balances are held in interest bearing accounts. Bank accounts are selected from the main clearing banks. No other investments are held by the Academy.

c. Principal risks and uncertainties

Trustees have assessed the major risks to which the Academy will be exposed and considered how the risks can be managed and mitigated.

The significant risks facing the Academy are:

- Inadequate student achievement. This is managed through ongoing monitoring of individual pupil progress and rigorous self evaluation with input from the local authority. Trustees receive regular school performance updates, in addition the school improvement plan identifies appropriate priorities and is regularly reviewed by the Governing Body.
- Child protection and safeguarding risk. This is managed through having clear child protection and health and safety policies; adherence to statutory recruitment procedures including DBS checks; child protection training for all staff; external health and safety advice is purchased and followed.

d. Financial risk management objectives and policies

Given the nature of the Academy's operations and financing the financial risks faced by the Academy are limited. The Academy manages such risks as exist by ensuring an adequate level of reserves is maintained to deal with unexpected events. The Academy also carefully monitors and manages cash flow through the year including working capital requirements.

Fundraising

During the year, the Academy has received donations from the school PTFA and has raised funds by receiving a percentage of the sales of pupil designed Christmas cards to parents. During the year, the school also raised funds for defibrillators and training, holding a number of fund-raising events and receiving donations from individuals and a local company.

Future developments

The school remains focused on learning and the excellent teaching that promotes it. School improvement priorities for the 2022/2023 academic year include:

- To ensure that outcomes at the end of Key Stage 2 at both expected and greater depth remain significantly above the national average in writing, reading and mathematics
- To ensure that the progress and achievement of disadvantaged children or those from other vulnerable groups identified locally or nationally continue to be in line with or better than their peers
- To continue to embed and develop teaching of the foundation curriculum with a particular focus on subject-specific ways of thinking, vocabulary and domains of knowledge
- To continue to develop the impact of subject leaders on the delivery of their subjects and to support professional development for all members of the school community
- To further develop the Senior Mental Health lead role in school

Redhill Academy
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 August 2022

Strategies for achieving the objectives included:

- Refining and embedding the planning and teaching cycle for writing
- Embedding a culture of reading for information and developing children's understanding of the importance of reading as a way to engage with and understand the world around them
- Further developing the delivery of effective pre-teaching and same-day interventions to support children working towards key maths objectives across Key Stage 1 and Key Stage 2
- Delivering CPD and providing opportunities for staff to meet and share good practice, also ensuring that subject leaders continue to develop professionally and have a strategic impact on school development
- Continuing to develop the school library, embedding the use of the library as a resource used by all classes
- Use of additional funding to provide in-class and tutoring support to disadvantaged children or those from other vulnerable groups
- Provision of time and resources to enable the raising of the profile of mental health in school, to ensure that children and staff understand what mental health is, and where they can find help and resources

Funds held as custodian

The Academy holds no funds on behalf of others as a custodian Trustee.

Disclosure of information to auditors

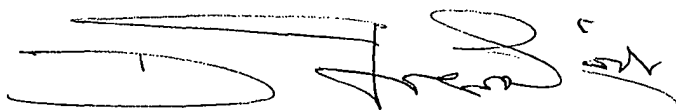
Insofar as the Trustees are aware:

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

Auditors

The trustees, having been notified of the cessation of the partnership known as Dains LLP, resolved that Dains Audit Limited be appointed as successor auditor with effect from 31 August 2022. The designated trustees will propose a motion reappointing Dains Audit Limited at a meeting of the trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 29 November 2022 and signed on its behalf by:



David Frankish
Chair of Trustees

Redhill Academy
(A Company Limited by Guarantee)

Governance Statement

Scope of responsibility

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

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

The board of Trustees has delegated the day-to-day responsibility to the Head Teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Redhill Academy 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:

| Trustee | Meetings attended | Out of a possible |
|-----------------------------|-------------------|-------------------|
| David Frankish, Chair | 4 | 5 |
| Nicola Millar, Head Teacher | 5 | 5 |
| Beverley Malysz, Vice Chair | 4 | 5 |
| Rachael Dean | 3 | 5 |
| David Mills | 2 | 5 |
| Helen Berry | 2 | 3 |
| Matthew Bromley | 5 | 5 |
| Peter Nicholson | 4 | 5 |
| Sarah Buck | 3 | 5 |
| Kathy Yoxall | 3 | 3 |
| Craig Bemment | 2 | 2 |
| Katherine Coggan | 2 | 2 |

The Finance Personnel Audit and Risk Committee is a sub committee of the main Board of Trustees. Its purpose is to prepare and consider each year's School Improvement Plan and Annual Budget Plan and assess options for consideration and approval by the Governing Body, to monitor the effectiveness of systems of internal control, and to receive auditors' reports.

Attendance during the year at meetings was as follows:

| Trustee | Meetings attended | Out of a possible |
|--------------------|-------------------|-------------------|
| David Frankish | 4 | 4 |
| Matthew Bromley | 4 | 4 |
| Rachael Dean | 2 | 4 |
| Beverley Malysz | 3 | 4 |
| David Mills, Chair | 2 | 4 |
| Peter Nicholson | 4 | 4 |
| Nicola Millar | 4 | 4 |
| Kathy Yoxall | 2 | 3 |

Governance Statement (continued)

Governance (continued)

During the period under review the Board of Trustees conducted a self evaluation, concluding that the Board has no significant areas of weakness. HR and facilities management experience were again identified as priorities for governor recruitment, however the school continues to receive professional advice in both areas. SEND was identified as an area for training for less experienced Trustees. Trustees intend to conduct self evaluations on an annual basis.

The Board of Trustees met 5 times in the period, maintaining effective oversight of funds by considering the most recent financial reports at each meeting. Financial reports and cash flows were prepared on a monthly basis and reviewed by the Head and Chair of Governors. Financial reports and cash flows were circulated to the Board six times per year.

Review of value for money

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

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

- Robust governance and oversight of the Academy Trust's finances.

The Governing Body review and approve the annual budget of the Academy Trust and a 3 year budget, facilitating future stability. Members of the Governing Body are from a range of backgrounds and have a variety of qualifications and experience. They include a qualified accountant and a solicitor. The Finance and Personnel Committee meet quarterly to review the budget monitoring reports, approve larger expenditure items and monitor compliance with the Academy Trust's tender arrangements. The Governing Body also receive and approve the annual financial statements and external and internal auditors' reports and take action on any recommendations.

- Ensuring the Academy Trust demonstrates value for money and efficient and effective use of resources.

The Academy Trust seeks to achieve the best value for money for all purchases. Competitive tendering procedures are in place for purchases over the annual tender limit and the purchase is approved in advance at a meeting of the Full Governing Body. Governors will take into account the benefits expected from the purchase and the relative costs and benefits of alternatives to the purchase. For purchases with a value of more than £2,000 but less than the tender limit, 3 written quotations are required.

This year the school has continued to invest in LED lighting, reducing annual maintenance costs and improving energy efficiency. The school has again purchased a set of pupil laptops and charging equipment. Procurement includes use of Government Frameworks to procure goods and services. The school continues to look at ways of reducing costs in all areas.

The most recent financial benchmarking showed that despite comparatively low income levels, costs were well below national averages and the school is succeeding in directing a higher percentage of expenditure than average towards pupils in terms of teaching costs and educational supplies.

- Maximising income generation.

The Academy Trust explores opportunities to generate income through hire of academy facilities and fundraising together with the parents and the school PTFA. The school has a policy of regularly applying for grants to improve the fabric of its buildings and this will continue. During the year additional income has been generated by offering teacher training placements and letting of premises.

Governance Statement (continued)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an 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 Redhill Academy 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. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance Personnel Audit and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to employ MLG Education Services Limited as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems:

- Testing of payroll systems
- Testing of purchase systems
- Testing of expense claims
- Testing of control accounts and bank reconciliations
- Testing of fixed asset additions and disposals

Twice yearly, MLG Education, the internal auditor, reports to the Board of Trustees through the Finance Personnel Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a summary report outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. The internal auditor has delivered their schedule of work as planned and there were no material control issues.

Redhill Academy
(A Company Limited by Guarantee)

Governance Statement (continued)

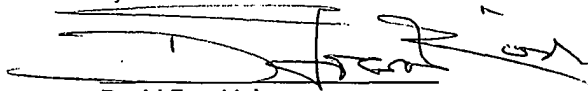
Review of effectiveness

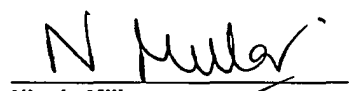
As accounting officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the Finance Personnel Audit and Risk Committee is a sub committee of the main Board of Trustees. Its purpose is to prepare and consider each year's School Improvement Plan and annual budget and options for consideration and approval by the Governing Body.
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance Personnel Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 29 November 2022 and signed on their behalf by:


David Frankish
Chair of Trustees


Nicola Millar
Accounting Officer

Redhill Academy
(A Company Limited by Guarantee)

Statement on Regularity, Propriety and Compliance

As accounting officer of Redhill Academy I have considered my responsibility to notify the Academy Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial 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 Academies Financial 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.



Nicola Millar
Head Teacher and Accounting Officer
Date: 29 November 2022

Redhill Academy
(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:

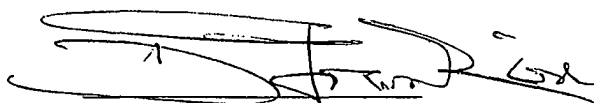
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the Board of Trustees on 29 November 2022 and signed on its behalf by:



David Frankish
Chair of Trustees

Redhill Academy
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Redhill Academy

Opinion

We have audited the financial statements of Redhill Academy (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.

Redhill Academy
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Redhill Academy
(continued)

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.

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.

Independent Auditors' Report on the financial statements to the Members of Redhill Academy
(continued)

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:

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:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements 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;

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 Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions;

Redhill Academy
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Redhill Academy
(continued)

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 the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors;

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.

Dains Audit Limited

Mark Gurney FCCA (Senior Statutory Auditor)

for and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

29 November 2022

Redhill Academy
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Redhill Academy and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 12 August 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Redhill Academy 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 Redhill Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Redhill Academy 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 Redhill Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Redhill Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Redhill Academy's funding agreement with the Secretary of State for Education dated 28 February 2012 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.

Redhill Academy
(A Company Limited by Guarantee)

**Independent Reporting Accountant's Assurance Report on Regularity to Redhill Academy 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.

Dains Audit Limited

Dains Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

Date: 29 November 2022

Redhill Academy
(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 | 4 | 7,256 | 16,455 | 9,050 | 32,761 | 17,190 |
| Other trading activities | 6 | 19,475 | - | - | 19,475 | 8,945 |
| Investments | 7 | 20 | - | - | 20 | - |
| Charitable activities: Funding for the academy trust's educational operations | 5 | - | 1,079,840 | - | 1,079,840 | 1,000,812 |
| Total income | | 26,751 | 1,096,295 | 9,050 | 1,132,096 | 1,026,947 |
| Expenditure on: | | | | | | |
| Charitable activities: Academy trust's educational operations | | 275 | 1,167,904 | 39,326 | 1,207,505 | 1,080,431 |
| Total expenditure | | 275 | 1,167,904 | 39,326 | 1,207,505 | 1,080,431 |
| Net income/ (expenditure) | | 26,476 | (71,609) | (30,276) | (75,409) | (53,484) |
| Transfers between funds | 18 | (7,296) | - | 7,296 | - | - |
| Net movement in funds before other recognised gains/(losses) | | 19,180 | (71,609) | (22,980) | (75,409) | (53,484) |
| Other recognised gains/(losses): | | | | | | |
| Actuarial gains/(losses) on defined benefit pension schemes | 24 | - | 512,000 | - | 512,000 | (105,000) |
| Net movement in funds | | 19,180 | 440,391 | (22,980) | 436,591 | (158,484) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 62,324 | (746,089) | 1,403,684 | 719,919 | 878,403 |
| Net movement in funds | | 19,180 | 440,391 | (22,980) | 436,591 | (158,484) |
| Total funds carried forward | | 81,504 | (305,698) | 1,380,704 | 1,156,510 | 719,919 |

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

The notes on pages 24 to 49 form part of these financial statements.

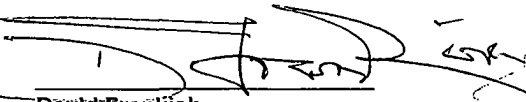
Redhill Academy
(A Company Limited by Guarantee)
Registered number: 07901900

Balance Sheet
As at 31 August 2022

| | Note | 2022 £ | 2021 £ |
|------------------------------------------------|------|-------------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | 14 | 1,371,993 | 1,400,495 |
| Current assets | | | |
| Stocks | 15 | - | 33 |
| Debtors | 16 | 40,928 | 39,966 |
| Cash at bank and in hand | | 193,457 | 149,258 |
| | | <u>234,385</u> | <u>189,257</u> |
| Creditors: amounts falling due within one year | 17 | (119,868) | (108,833) |
| Net current assets | | <u>114,517</u> | <u>80,424</u> |
| Net assets excluding pension liability | | <u>1,486,510</u> | <u>1,480,919</u> |
| Defined benefit pension scheme liability | 24 | (330,000) | (761,000) |
| Total net assets | | <u><u>1,156,510</u></u> | <u><u>719,919</u></u> |
| Funds of the Academy Trust | | | |
| Restricted funds: | | | |
| Fixed asset funds | 18 | 1,380,704 | 1,403,684 |
| Restricted income funds | 18 | 24,302 | 14,911 |
| | | <u>1,405,006</u> | <u>1,418,595</u> |
| Restricted funds excluding pension liability | 18 | 1,405,006 | 1,418,595 |
| Pension reserve | 18 | (330,000) | (761,000) |
| Total restricted funds | 18 | <u>1,075,006</u> | <u>657,595</u> |
| Unrestricted income funds | 18 | <u>81,504</u> | <u>62,324</u> |
| Total funds | | <u><u>1,156,510</u></u> | <u><u>719,919</u></u> |

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 21 to 49 were approved by the Trustees, and authorised for issue on 29 November 2022 and are signed on their behalf, by:


David Frankish
Chair of Trustees

Redhill Academy
(A Company Limited by Guarantee)
Registered number: 07901900

Balance Sheet (continued)
As at 31 August 2022

The notes on pages 24 to 49 form part of these financial statements.

| | Note | 2022 £ | 2021 £ |
|---------------------------------------------------------|-------------|-------------------|-------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 20 | 48,517 | 9,408 |
| Cash flows from investing activities | 21 | (4,318) | (383) |
| Change in cash and cash equivalents in the year | | 44,199 | 9,025 |
| Cash and cash equivalents at the beginning of the year | | 149,258 | 140,233 |
| Cash and cash equivalents at the end of the year | 22, 23 | 193,457 | 149,258 |

The notes on pages 24 to 49 from part of these financial statements

Redhill Academy
(A Company Limited by Guarantee)

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

1. General information

Redhill Academy is a company limited by guarantee and incorporated in England and Wales. The registered number of the company is 07901900 and its registered office is Redhill Primary School, The Ridings, Ockbrook, Derby, Derbyshire, DE72 3SF. The principal activity of the trust is given in the Trustees report.

2. Accounting policies

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

2.1 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.

2.2 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.

2. Accounting policies (continued)

2.3 Income

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

- **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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.

- **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other income**

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

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in 'Stocks' and 'Income from Other Trading Activities'. Upon sale, the value of the stock is charged against 'Income from Other Trading Activities' and the proceeds are recognised as 'Income from Other Trading Activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from Other Trading Activities'.

2. Accounting policies (continued)

2.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 Interest receivable

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

2.6 Taxation

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

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

2. Accounting policies (continued)

2.7 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

| | |
|-------------------------|---------------|
| Freehold property | - 50 years |
| Improvement to property | - 10-20 years |
| Furniture and equipment | - 4 years |
| Computer equipment | - 4-10 years |

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.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Liabilities

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

2. Accounting policies (continued)

2.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.13 Pensions

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

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

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

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

2. Accounting policies (continued)

2.14 Fund accounting

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

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.

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

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

Critical areas of judgement:

The preparation of the financial statements in conformity with generally accepted accounting principles requires the Trustees to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results in the future could differ from these estimates. In this regard, the Trustees believe that the critical accounting policies where judgement or estimating are necessarily applied are summarised below.

Depreciation and residual values

The trustees have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives and residual values are appropriate.

Redhill Academy
(A Company Limited by Guarantee)

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

4. Income from donations and capital grants

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Restricted fixed asset funds 2022 £ | Total funds 2022 £ |
|----------------|------------------------------------|----------------------------------|-------------------------------------------------|-----------------------------|
| Donations | 7,256 | 16,455 | 2,564 | 26,275 |
| Capital Grants | - | - | 6,486 | 6,486 |
| | <u>7,256</u> | <u>16,455</u> | <u>9,050</u> | <u>32,761</u> |

| | Unrestricted funds 2021 £ | Restricted fixed asset funds 2021 £ | Total funds 2021 £ |
|----------------|------------------------------------|-------------------------------------------------|-----------------------------|
| Donations | 8,487 | 2,250 | 10,737 |
| Capital Grants | - | 6,453 | 6,453 |
| | <u>8,487</u> | <u>8,703</u> | <u>17,190</u> |

Redhill Academy
(A Company Limited by Guarantee)

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

5. Funding for the Academy Trust's educational operations

| | Restricted funds 2022 £ | Total funds 2022 £ |
|---------------------------------------------------------------------|--------------------------------------------|---------------------------------------|
| Educational Operations | | |
| DfE/ESFA grants | | |
| General Annual Grant (GAG) | 923,780 | 923,780 |
| Other DfE/ESFA grants | | |
| Pupil Premium | 23,731 | 23,731 |
| PE & Sports grants | 17,900 | 17,900 |
| Teachers pay and pension grants | 1,800 | 1,800 |
| UFSM | 51,333 | 51,333 |
| Others | 5,998 | 5,998 |
| | <u>1,024,542</u> | <u>1,024,542</u> |
| Other Government grants | | |
| Local authority grants | 51,320 | 51,320 |
| | <u>51,320</u> | <u>51,320</u> |
| Other income from the Academy Trust's educational operations | 1,978 | 1,978 |
| COVID-19 additional funding (DfE/ESFA) | | |
| Catch-up Premium | - | - |
| Recovery Premium | 2,000 | 2,000 |
| | <u>1,079,840</u> | <u>1,079,840</u> |

Redhill Academy
(A Company Limited by Guarantee)

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

5. Funding for the Academy Trusts's educational operations (continued)

| | Restricted funds 2021 £ | Total funds 2021 £ |
|---------------------------------------------------------------------|--------------------------------------------|---------------------------------------|
| Educational Operations | | |
| DfE/ESFA grants | | |
| General Annual Grant (GAG) | 817,500 | 817,500 |
| Other DfE/ESFA grants | | |
| Pupil Premium | 17,968 | 17,968 |
| PE & Sports grants | 18,316 | 18,316 |
| Teachers pay and pension grants | 39,439 | 39,439 |
| UFSM | 40,544 | 40,544 |
| Others | 4,378 | 4,378 |
| | <hr/> 938,145 | <hr/> 938,145 |
| Other Government grants | | |
| Local authority grants | 42,647 | 42,647 |
| | <hr/> 42,647 | <hr/> 42,647 |
| Other income from the Academy Trust's educational operations | 2,340 | 2,340 |
| COVID-19 additional funding (DfE/ESFA) | | |
| Catch-up Premium | 17,680 | 17,680 |
| | <hr/> 1,000,812 | <hr/> 1,000,812 |

During the year, the Academy received £Nil (2021 - £17,680) in relation to COVID-19 catch up premium. Expenditure of this nature totalled £Nil (2021 - £17,680). Also during the year £2,000 (2021 - £Nil) was received in relation to COVID-19 catch up premium, expenditure of this nature totalled £Nil

Redhill Academy
(A Company Limited by Guarantee)

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

6. Income from other trading activities

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|-----------------|------------------------------------|-----------------------------|
| Lettings Income | 16,880 | 16,880 |
| Catering Income | 2,562 | 2,562 |
| Other Income | 33 | 33 |
| | <u>19,475</u> | <u>19,475</u> |
| | | |
| | Unrestricted funds 2021 £ | Total funds 2021 £ |
| Lettings Income | 7,464 | 7,464 |
| Catering Income | 1,467 | 1,467 |
| Other Income | 14 | 14 |
| | <u>8,945</u> | <u>8,945</u> |

7. Investment income

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---------------|------------------------------------|-----------------------------|-----------------------------|
| Bank interest | <u>20</u> | <u>20</u> | <u>-</u> |

Redhill Academy
(A Company Limited by Guarantee)

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

8. Expenditure

| | Staff Costs 2022 £ | Premises 2022 £ | Other 2022 £ | Total 2022 £ |
|-------------------------|----------------------------------------|-------------------------------------|----------------------------------|----------------------------------|
| Educational Operations: | | | | |
| Direct costs | 807,555 | - | 85,064 | 892,619 |
| Allocated support costs | 130,427 | 85,300 | 99,159 | 314,886 |
| | <u>937,982</u> | <u>85,300</u> | <u>184,223</u> | <u>1,207,505</u> |
| | | | | |
| | Staff Costs 2021 £ | Premises 2021 £ | Other 2021 £ | Total 2021 £ |
| Educational Operations: | | | | |
| Direct costs | 740,474 | - | 61,256 | 801,730 |
| Allocated support costs | 122,767 | 73,435 | 82,499 | 278,701 |
| | <u>863,241</u> | <u>73,435</u> | <u>143,755</u> | <u>1,080,431</u> |

9. Analysis of expenditure by activities

| | Activities undertaken directly 2022 £ | Support costs 2022 £ | Total funds 2022 £ |
|------------------------|-------------------------------------------------------------------------------|----------------------------------------------------|--------------------------------------------------|
| Educational Operations | <u>892,619</u> | <u>314,886</u> | <u>1,207,505</u> |
| | | | |
| | Activities undertaken directly 2021 £ | Support costs 2021 £ | Total funds 2021 £ |
| Educational Operations | <u>801,730</u> | <u>278,701</u> | <u>1,080,431</u> |

Redhill Academy
(A Company Limited by Guarantee)

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

9. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Total funds 2022 £ | Total funds 2021 £ |
|-------------------------|---------------------------------------|---------------------------------------|
| Staff costs | 130,427 | 122,767 |
| Depreciation | 39,326 | 40,581 |
| Maintenance of premises | 16,633 | 6,195 |
| Special facilities | 6,175 | (1,780) |
| Cleaning and caretaking | 3,060 | 3,697 |
| Rates | 4,378 | 4,378 |
| Energy | 15,744 | 11,226 |
| Security | 811 | 649 |
| Catering | 37,704 | 39,256 |
| Technology costs | 9,783 | 10,326 |
| Other premises costs | 17,178 | 14,359 |
| Legal & professional | 8,219 | 9,581 |
| Governance costs | 15,691 | 8,839 |
| Other support costs | 9,757 | 8,627 |
| | <u>314,886</u> | <u>278,701</u> |

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

| | 2022 £ | 2021 £ |
|---------------------------------------|-------------------|-------------------|
| Operating lease rentals | 868 | 932 |
| Depreciation of tangible fixed assets | 39,326 | 40,581 |
| Fees paid to auditors for: | | |
| - audit | 6,500 | 6,000 |
| - other services | 8,285 | 1,450 |
| | <u>44,979</u> | <u>48,963</u> |

Redhill Academy
(A Company Limited by Guarantee)

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

11. Staff

a. Staff costs

Staff costs during the year were as follows:

| | 2022 £ | 2021 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 677,639 | 648,063 |
| Social security costs | 53,286 | 48,126 |
| Pension costs | 207,057 | 167,052 |
| | <u>937,982</u> | <u>863,241</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 | 9 | 9 |
| Administration and Support | 25 | 22 |
| Management | 1 | 1 |
| | <u>35</u> | <u>32</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 £224,887 (2021 - £229,468).

Redhill Academy
(A Company Limited by Guarantee)

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

12. Trustees' remuneration and expenses

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

| | | 2022 £ 000's | 2021 £ 000's |
|-------------------------------------------------------|----------------------------|-----------------|-----------------|
| Nicola Millar, Head Teacher | Remuneration | 65 - 70 | 65 - 70 |
| | Pension contributions paid | 15 - 20 | 15 - 20 |
| Ingrid Taylor, Staff Trustee (resigned 18 April 2021) | Remuneration | N/A | 30 - 35 |
| | Pension contributions paid | N/A | 5 - 10 |
| Matthew Day, Staff Trustee (resigned 27 April 2021) | Remuneration | N/A | 25 - 30 |
| | Pension contributions paid | N/A | 5 - 10 |

During the year ended 31 August 2022, expenses totalling £18 were reimbursed or paid directly to 1 Trustee (2021 - £432 to 2 Trustees).

13. Trustees' and Officers' insurance

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

Redhill Academy
(A Company Limited by Guarantee)

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

14. Tangible fixed assets

| | Freehold land and buildings £ | Improvement to property £ | Furniture and equipment £ | Computer equipment £ | Total £ |
|--------------------------|----------------------------------------|---------------------------------|------------------------------------|----------------------------|------------|
| Cost or valuation | | | | | |
| At 1 September 2021 | 1,400,962 | 211,500 | 74,088 | 39,621 | 1,726,171 |
| Additions | - | 6,243 | - | 4,581 | 10,824 |
| At 31 August 2022 | 1,400,962 | 217,743 | 74,088 | 44,202 | 1,736,995 |
| Depreciation | | | | | |
| At 1 September 2021 | 149,216 | 78,065 | 65,593 | 32,802 | 325,676 |
| Charge for the year | 15,707 | 13,082 | 3,130 | 7,407 | 39,326 |
| At 31 August 2022 | 164,923 | 91,147 | 68,723 | 40,209 | 365,002 |
| Net book value | | | | | |
| At 31 August 2022 | 1,236,039 | 126,596 | 5,365 | 3,993 | 1,371,993 |
| At 31 August 2021 | 1,251,746 | 133,435 | 8,495 | 6,819 | 1,400,495 |

Freehold land and buildings includes land of £345,421 (2021 - £345,421) which is not depreciated.

15. Stocks

| | 2022 £ | 2021 £ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | - | 33 |

Redhill Academy
(A Company Limited by Guarantee)

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

16. Debtors

| | 2022 £ | 2021 £ |
|--------------------------------|---------------|---------------|
| Due within one year | | |
| Trade debtors | - | 1,623 |
| VAT repayable | 8,639 | 10,114 |
| Other debtors | 2,413 | 2,642 |
| Prepayments and accrued income | 29,876 | 25,587 |
| | <u>40,928</u> | <u>39,966</u> |

17. Creditors: Amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------------|----------------|----------------|
| Trade creditors | 26,857 | 28,864 |
| Other taxation and social security | 12,699 | 12,375 |
| Other creditors | 15,476 | 14,239 |
| Accruals and deferred income | 64,836 | 53,355 |
| | <u>119,868</u> | <u>108,833</u> |

| | 2022 £ | 2021 £ |
|----------------------------------------|---------------|---------------|
| Deferred income at 1 September | 29,644 | 29,452 |
| Resources deferred during the year | 31,659 | 29,644 |
| Amounts released from previous periods | (29,644) | (29,452) |
| | <u>31,659</u> | <u>29,644</u> |

At the balance sheet date the Academy Trust was holding funds received in advance for local authority and ESFA funding for the autumn term.

Redhill Academy
(A Company Limited by Guarantee)

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

18. Statement of funds

| | Balance at 1 September 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 August 2022 £ |
|-------------------------------------|----------------------------------------|-------------|------------------|--------------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | | |
| Unrestricted funds | 62,324 | 26,751 | (275) | (7,296) | - | 81,504 |
| Restricted general funds | | | | | | |
| General Annual Grant (GAG) | 14,911 | 923,780 | (914,389) | - | - | 24,302 |
| Pupil premium | - | 23,731 | (23,731) | - | - | - |
| Teachers pay and pension grants | - | 1,800 | (1,800) | - | - | - |
| PE & Sports grant | - | 17,900 | (17,900) | - | - | - |
| UIFSM | - | 51,333 | (51,333) | - | - | - |
| Other DfE/ESFA grants | - | 5,998 | (5,998) | - | - | - |
| Other local government grants | - | 51,320 | (51,320) | - | - | - |
| Other income | - | 1,978 | (1,978) | - | - | - |
| Recovery premium | - | 2,000 | (2,000) | - | - | - |
| Other income | - | 16,455 | (16,455) | - | - | - |
| Pension reserve | (761,000) | - | (81,000) | - | 512,000 | (330,000) |
| | (746,089) | 1,096,295 | (1,167,904) | - | 512,000 | (305,698) |
| Restricted fixed asset funds | | | | | | |
| Gift from LA on conversion | 1,251,766 | - | (15,707) | - | - | 1,236,059 |
| DfE/ESFA capital grants | 141,667 | 6,486 | (20,369) | 7,296 | - | 135,080 |
| PTFA donation | 10,106 | 2,564 | (3,145) | - | - | 9,525 |
| Fundraising | 145 | - | (105) | - | - | 40 |
| | 1,403,684 | 9,050 | (39,326) | 7,296 | - | 1,380,704 |
| Total Restricted funds | 657,595 | 1,105,345 | (1,207,230) | 7,296 | 512,000 | 1,075,006 |
| Total funds | 719,919 | 1,132,096 | (1,207,505) | - | 512,000 | 1,156,510 |

18. Statement of funds (continued)

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

Restricted general fund

This fund represents grants and other income received for the Academy's operational activities and development.

Pension reserve

This pension reserve included within restricted general funds represents the Academy's share of the pension liability arising on the LGPS pension fund.

Restricted fixed asset fund

This fund represents grants received from the DfE, ESFA and Local Authority to carry out works of a capital nature.

Designated fund

Designated funds comprise unrestricted funds that have been used by the directors for a particular purpose. The funds have been used for the construction of a new school building during previous financial periods. The current year transfer reflects the new capital addition to the school building.

Transfer between funds

Transfer between funds relate to fixed asset purchases from GAG.

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.

Redhill Academy
(A Company Limited by Guarantee)

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

18. Statement of funds (continued)

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

| | Balance at 1 September 2020 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 August 2021 £ |
|-------------------------------------|-------------------------------------------|-------------|------------------|-------------------------|--------------------------------------|
| Unrestricted funds | | | | | |
| Unrestricted funds | 48,841 | 17,432 | (3,949) | - | 62,324 |
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 817,500 | (802,589) | - | 14,911 |
| Pupil premium | - | 17,968 | (17,968) | - | - |
| Teachers pay and pension grants | - | 39,439 | (39,439) | - | - |
| PE & Sports grant | - | 18,316 | (18,316) | - | - |
| UIFSM | - | 40,544 | (40,544) | - | - |
| Other DfE/ESFA grants | - | 4,378 | (4,378) | - | - |
| COVID-19 catch up premium | - | 17,680 | (17,680) | - | - |
| Recovery premium | - | 42,647 | (42,647) | - | - |
| Other income | - | 2,340 | (2,340) | - | - |
| Pension reserve | (606,000) | - | (50,000) | (105,000) | (761,000) |
| | (606,000) | 1,000,812 | (1,035,901) | (105,000) | (746,089) |
| Restricted fixed asset funds | | | | | |
| Gift from LA on conversion | 1,267,473 | - | (15,707) | - | 1,251,766 |
| DfE/ESFA capital grants | 156,838 | 6,453 | (21,624) | - | 141,667 |
| PTFA donation | 11,251 | 2,000 | (3,145) | - | 10,106 |
| Fundraising | - | 250 | (105) | - | 145 |
| | 1,435,562 | 8,703 | (40,581) | - | 1,403,684 |
| Total Restricted funds | 829,562 | 1,009,515 | (1,076,482) | (105,000) | 657,595 |
| Total funds | 878,403 | 1,026,947 | (1,080,431) | (105,000) | 719,919 |

Redhill Academy
(A Company Limited by Guarantee)

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

19. 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 | - | - | 1,371,993 | 1,371,993 |
| Current assets | 81,504 | 144,170 | 8,711 | 234,385 |
| Creditors due within one year | - | (119,868) | - | (119,868) |
| Provisions for liabilities and charges | - | (330,000) | - | (330,000) |
| Total | 81,504 | (305,698) | 1,380,704 | 1,156,510 |

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 | - | - | 1,400,495 | 1,400,495 |
| Current assets | 62,324 | 123,744 | 3,189 | 189,257 |
| Creditors due within one year | - | (108,833) | - | (108,833) |
| Provisions for liabilities and charges | - | (761,000) | - | (761,000) |
| Total | 62,324 | (746,089) | 1,403,684 | 719,919 |

Redhill Academy
(A Company Limited by Guarantee)

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

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

| | 2022 £ | 2021 £ |
|-------------------------------------------------------------------------|---------------|--------------|
| Net expenditure for the year (as per Statement of Financial Activities) | (75,409) | (53,484) |
| Adjustments for: | | |
| Depreciation | 39,326 | 40,581 |
| Capital grants from DfE and other capital income | (6,486) | (8,703) |
| Interest receivable | (20) | - |
| Defined benefit pension scheme cost less contributions payable | 81,000 | 50,000 |
| Decrease in stocks | 33 | 91 |
| Increase in debtors | (962) | (5,736) |
| Increase/(decrease) in creditors | 11,035 | (13,341) |
| Net cash provided by operating activities | 48,517 | 9,408 |

21. Cash flows from investing activities

| | 2022 £ | 2021 £ |
|--------------------------------------------------------|----------------|--------------|
| Dividends, interest and rents from investments | 20 | - |
| Purchase of tangible fixed assets | (10,824) | (9,086) |
| Capital grants from DfE Group and other capital income | 6,486 | 8,703 |
| Net cash used in investing activities | (4,318) | (383) |

22. Analysis of cash and cash equivalents

| | 2022 £ | 2021 £ |
|--------------------------|-----------|-----------|
| Cash in hand and at bank | 193,457 | 149,258 |

23. Analysis of changes in net debt

| | At 1 September 2021 £ | Cash flows £ | At 31 August 2022 £ |
|--------------------------|--------------------------------|-----------------|---------------------------|
| Cash at bank and in hand | 149,258 | 44,199 | 193,457 |
| | <u>149,258</u> | <u>44,199</u> | <u>193,457</u> |

24. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Derbyshire 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 £15,466 were payable to the schemes at 31 August 2022 (2021 - £14,229) 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.

24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £90,713 (2021 - £90,088).

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 £58,000 (2021 - £46,000), of which employer's contributions totalled £47,000 (2021 - £37,000) and employees' contributions totalled £11,000 (2021 - £9,000). The agreed contribution rates for future years are 23.9 per cent for employers and 5.5-12.5 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.

Redhill Academy
(A Company Limited by Guarantee)

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

24. Pension commitments (continued)

Principal actuarial assumptions

| | 2022 | 2021 |
|--------------------------------------|-------------|-------------|
| | % | % |
| Discount rate for scheme liabilities | 4.25 | 1.65 |
| Rate of increase in salaries | 3.90 | 3.60 |
| Inflation assumption (CPI) | 3.20 | 2.90 |

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

| | 2022 | 2021 |
|----------------------|--------------|--------------|
| | Years | Years |
| Retiring today | | |
| Males | 21.2 | 21.3 |
| Females | 23.8 | 23.9 |
| Retiring in 20 years | | |
| Males | 22.2 | 22.5 |
| Females | 25.6 | 25.8 |

Sensitivity analysis

| | 2022 | 2021 |
|----------------------------------------|-------------|-------------|
| | £000 | £000 |
| Discount rate -0.1% | 18 | 27 |
| Discount rate +0.1% | (18) | (27) |
| Mortality assumption - 1 year increase | 33 | 50 |
| CPI rate -0.1% | (16) | (24) |
| CPI rate +0.1% | 16 | 24 |
| Salary rate -0.1% | (2) | (3) |
| Salary rate +0.1% | 2 | 3 |

Redhill Academy
(A Company Limited by Guarantee)

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

24. Pension commitments (continued)

Share of scheme assets

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

| | At 31 August 2022 £ | At 31 August 2021 £ |
|-------------------------------------|---------------------------|---------------------------|
| Equities | 334,000 | 311,000 |
| Bonds | 104,000 | 110,000 |
| Property | 45,000 | 33,000 |
| Cash and other liquid assets | 15,000 | 24,000 |
| Total market value of assets | 498,000 | 478,000 |

The actual return on scheme assets was £36,000 loss (2021 - £61,000 gain).

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

| | 2022 £ | 2021 £ |
|-------------------------------------------------------------------------|------------------|-----------------|
| Current service cost | (115,000) | (77,000) |
| Interest income | 8,000 | 7,000 |
| Interest cost | (21,000) | (17,000) |
| Total amount recognised in the Statement of Financial Activities | (128,000) | (87,000) |

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

| | 2022 £ | 2021 £ |
|--------------------------|------------------|------------------|
| At 1 September | 1,239,000 | 980,000 |
| Current service cost | 115,000 | 77,000 |
| Interest cost | 21,000 | 17,000 |
| Employee contributions | 11,000 | 9,000 |
| Actuarial (gains)/losses | (548,000) | 166,000 |
| Benefits paid | (10,000) | (10,000) |
| At 31 August | 828,000 | 1,239,000 |

Redhill Academy
(A Company Limited by Guarantee)

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

24. Pension commitments (continued)

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

| | 2022 £ | 2021 £ |
|--------------------------|-----------|-----------|
| At 1 September | 478,000 | 374,000 |
| Interest income | 8,000 | 7,000 |
| Actuarial (losses)/gains | (36,000) | 61,000 |
| Employer contributions | 47,000 | 37,000 |
| Employee contributions | 11,000 | 9,000 |
| Benefits paid | (10,000) | (10,000) |
| At 31 August | 498,000 | 478,000 |

25. Operating lease commitments

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

| | 2022 £ | 2021 £ |
|----------------------------------------------|-----------|-----------|
| Not later than 1 year | 868 | 868 |
| Later than 1 year and not later than 5 years | 434 | 1,302 |
| | 1,302 | 2,170 |

26. Members' liability

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

27. Related party transactions

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