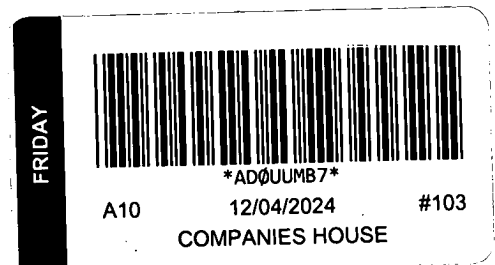

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

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KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr D Dunbar (appointed 18 October 2022) Ms A Mason (appointed 18 October 2022) Mrs L Baker (appointed 18 October 2022) Mrs E Conron (resigned 18 October 2022) Mrs A Dorkes (resigned 18 October 2022) Miss J Green (resigned 18 October 2022) Mr N Boddington (resigned 18 October 2022)
Trustees	Mrs E Conron, Chair of Governors Mrs A Allatt Mrs L Baker (appointed 18 October 2022) Mr I Birchenough Mrs J Blatherwick Mr N Boddington, Chair of Resource Management Committee Mr D Dunbar (appointed 18 October 2022) Mrs V Edwards (appointed 8 November 2022) Mr J Fuller, Principal and Accounting Officer Mr J Gale (appointed 8 November 2022) Mr J Goodrich (appointed 3 January 2023) Miss J Green Mr R Harris (appointed 3 January 2023) Mrs R Huckle (appointed 8 November 2022) Mrs A Mason (appointed 18 October 2022) Dr R Shipman (appointed 3 January 2023) Mr S Tarver Mrs K Ambrose (resigned 17 July 2023) Miss S Curtis (resigned 7 February 2023) Mrs A Dorkes (resigned 27 October 2022) Mr N Flanagan (resigned 3 January 2023) Mr A Gray (resigned 20 September 2022) Mrs C Milligan (resigned 19 September 2022) Mrs M Shardlow (resigned 5 September 2022) Miss L Walker-Parr (resigned 5 October 2022) Dr D Watson (resigned 18 October 2022)
Company registered number	8133675
Company name	Kesteven and Grantham Girls' School Academy Trust
Principal and registered office	Sandon Road Grantham Lincs NG31 9AU
Company Secretary	Mrs J A Harrison

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Principal & Accounting Officer	Mr J Fuller
Senior leadership team	Mr J Fuller, Principal and Accounting Officer Mrs T Doig, Deputy Principal Ms Z Anderson, Assistant Principal Mrs A Knott, Assistant Principal Mrs S Macpherson, Assistant Principal Mr P Smith, Assistant Principal Mrs J Harrison, Chief Financial Officer
Independent auditors	Streets Audit LLP Windsor House A1 Business Park at Long Bennington Newark Notts NG23 5JR
Solicitors	Legal Services Lincolnshire County Offices Newland Lincoln Lincs LN1 1YS
Internal Auditor	Julia Raftery Consulting Ltd Suite 2 Concorde House Kirmington Business House Kirmington North Lincs, DN39 6YP

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust operates one selective academy called Kesteven and Grantham Girls' School which was founded in 1910 and was granted Academy status in August 2012. It is situated in the market town of Grantham for students aged 11 to 18 serving the local area and attracting students from Lincolnshire and further afield, being close to the borders of Leicestershire and Nottinghamshire. It has a student net capacity of 1,200 in its Funding Agreement and reported a roll of 1,203 in the official school census in October 2023, with around 306 in the Sixth Form.

The local authority agreed Pupil Admission Number (PAN) is 174 for Years 7-11. Selective entry is by the Lincolnshire Consortium of Grammar Schools' 11+ examination, prepared by GL Assessments which identifies the most able 25% of the cohort entitled to apply for Grammar School places in Lincolnshire.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy 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.

The trustees of Kesteven And Grantham Girls' School Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Kesteven and Grantham Girls' School Academy Trust.

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

Members' liability

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

Trustees' indemnities

The Academy Trust has purchased insurance to protect Trustees (referred to also as Governors) and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000.

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Method of recruitment and appointment or election of trustees

The articles of association require the members of the charitable company to appoint at least three trustees to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Academy comprising:

- a) up to 8 trustees appointed under Article 50;
- b) a minimum of two parent trustees elected or appointed under Articles 53-56B;
- c) the academy may also have a co-opted trustee appointed under Article 58.

The term of office for all governors (with the exception of the Principal) is 4 years. Any governor may be reappointed or re-elected.

During the year under review the Governing Body and its Committees held a total of 18 meetings (4 Full Governing Body, 4 Steering Committee, 4 Resource Management Committee, 3 Welfare Committee, 3 Standards Committee).

Policies adopted for the induction and training of trustees

All governors are given access to online versions of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors. As there are normally only two or three new governors a year, induction tends to be done informally and is tailored specifically to the individuals. Governors are strongly encouraged to attend appropriate external training sessions, in addition to those scheduled internally, annually and to make use of the online training facility specifically for governors.

Organisational structure

The Governing Body recognises it is responsible for the overall direction of Kesteven and Grantham Girls' School Academy Trust and its strategic management determining the guiding principles within which the Academy operates. The Governing Body is responsible for setting general policy, adopting an annual budget and development plan, monitoring Academy activities and approving decisions about capital expenditure. It will also make senior staff appointments. The Governing Body ensures that the Academy meets all its statutory obligations, and, through the Principal and Chief Financial Officer (School Bursar), that it complies with financial regulations. The Principal is the Accounting Officer of the Academy.

For the period, the Senior Leadership Team (SLT) of the Academy comprised the Principal/Headteacher, the Deputy Principal/Headteacher and four Assistant Headteachers. These leaders control the Academy at an executive level, implementing the policies approved by Governors and reporting back to them. The Principal, School Bursar, and Facilities Manager meet at least monthly to discuss financial and premises related matters.

In addition to the SLT, there are seven Heads of Year responsible for the Pastoral operations of the Academy across its 7 Year groups. The Senior Leadership Team, Heads of Faculty and Subject Leaders are responsible for the day to day running of the Academy, in particular organising teaching and support staff, facilities and students.

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Arrangements for setting pay and remuneration of key management personnel

The rules for determining the pay of teachers in maintained schools are set out in the School Teachers' Pay and Conditions Document (STPCD) which the Academy has chosen to follow. Senior Leadership Team (SLT) salary ranges will vary according to the role and school size. Headteachers, Deputy Headteachers and Assistant Headteachers will be paid on a Leadership Group Pay Range, which is between £44,305 and £123,057 per year. On appointment, a member of the SLT will be allocated a pay range consisting of 5 consecutive spine points on this Leadership Group Pay Range. The Headteacher's range is determined by the appropriate School Group range which is determined by the size of the school and the ages of its students. For this academy it is Group 7. Initial pay ranges for other members of SLT are determined by local factors relating to the responsibilities of the post and market conditions.

Any pay progression of SLT is based on performance in accordance with the school's Performance Related Pay Policy.

OBJECTIVES AND ACTIVITIES

Objects and aims

The Academy Trust's principle object 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.

The aim of the school is to provide a quality education in a caring and disciplined community:

- By maintaining the school's reputation for a high standard of academic outcomes;
- By allowing students of all abilities within their intake to attain their full potential and develop their own special qualities;
- By offering a wide range of extracurricular activities and sports;
- By maintaining the high standards and expectations of the school;
- By developing a positive attitude towards equal opportunities for all, regardless of sex, religion or personal circumstances;
- By expecting students to value all members of the school's community and its environment;
- By allowing students to acquire attitudes and skills which enable them to give purposes to their lives and to make a contribution to the wider community.

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

OBJECTIVES AND ACTIVITIES (continued)

Objectives, strategies and activities

The main objectives of the Academy during the period ended 31 August 2023 are summarised below:

- To ensure that every student enjoys the same high quality education in terms of resourcing, teaching and care;
- To raise the standard of educational achievement of all students;
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended;
- To comply with all appropriate statutory and curriculum requirements;
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness;
- To ensure adequate provision is in place to support the needs of students including mental health and well-being.

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Academy's objectives and aims and in planning future activities for the year. Given the activities of the Academy and the student population that it services, the trustees consider that the company's aims are demonstrably to the public benefit.

STRATEGIC REPORT

Achievements and performance

Successful Curriculum Delivery

At KGGS, we aim to provide a learning environment which is stimulating, challenging and supportive and one in which students are able to develop their intellectual and personal qualities as well as achieving academic success. Accordingly, the school provides a broad and balanced curriculum which meets the statutory requirements for all Key Stages in terms of subject and enrichment. Moreover, effective teaching, together with timely intervention strategies, ensures that students learn and progress exceptionally well across the curriculum.

In terms of the Core subjects, the study of Mathematics, English and Science is central, with students spending 40% of their curriculum time in KS3 and up to 50% in KS4 on developing the knowledge, skills and understanding that they will need in these crucial subjects, either for future study or their various career paths. The majority of Key Stage 4 students embark on the study of the three separate sciences at GCSE.

The Mathematics curriculum offers KS3 students opportunities to apply a range of mathematical skills to a series of real life situations. Mathematics exam performance at GCSE is very strong. In addition, the most able mathematicians in Year 11 are entered for the certificate in Further Mathematics in preparation for their A Level studies. Mathematics is a popular choice post 16 with both mathematics and further mathematics being offered, and students achieving well.

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

STRATEGIC REPORT (continued)

English offers a broad range of study that includes the study of fiction (prose, poetry and drama) from both pre and post twentieth century, as well as non-fiction texts. Extracurricular theatre trips are available to all students across the Key Stages, while House Writing competitions, an English Club and Debating Club together with entry to both local and national writing competitions help foster an active engagement with the subject. English Literature and English Language courses are popular choices for students at A level.

All subjects arrange support sessions for students and many staff will work with students beyond the formalised curriculum time to support their learning such as Maths Club, Science Club, ICT support, Art and DT workshops, and Humanities 'drop in' sessions. These voluntary sessions take place at lunchtimes, beyond the school day, and even during some school holiday periods. The excellent working relationships and the productive, purposeful working atmosphere within the learning environment both support and enhance the quality of teaching in the classroom.

We believe that a wide range of subjects should be available to our students and so we introduce all KS3 students to French, German and Spanish so that they can select them for GCSE study if they wish. Our results each year reflect the strong provision and performance across a range of subjects including these languages, along with History, Geography, Economics, Business Studies, Drama, Art, Music, Design Technology, PE, Religious Studies, Sociology and Computing.

The school maintains a 6th Form retention factor of over 92%. Our students are aspirational in their outlook and know precisely what they need to do to achieve their ambitions. Typically, over 90% of all our Year 13 students eventually go on to further study.

As a result of the curriculum evolving, clear direction and the necessary flexibility enabled, students have continued to maximise their potential both within and beyond school to ensure they are appropriately confident, articulate and perform, in many cases, at the highest levels in all that they set out to achieve. This provision ensures that students are well prepared for life beyond school.

A provisional progress 8 score of 1.02 and an attainment 8 score of 69.6 at GCSE indicates students making excellent progress, placing the school 71st in the country and the top school in Lincolnshire based on Progress 8 scores and categorised as well above average. At A-level the provisional average grade achieved is a B, average point score of 39.5 matches the achievements seen at GCSE.

The Promotion of Personal, Social, Moral and Cultural Development

The school operates a programme of weekly themes. These form the ideological foundation of assemblies and 'Thoughts for the Day' and support and promote a broad range of spiritual, moral and cultural issues. The school encourages and supports students across a broad range of activities both within and beyond school. Many students excel in Sport, Music, Dance, Drama and Oratory with students performing in local, regional, national and even international events.

The school is keen to celebrate and use the successes of its current and recent students to inspire and motivate the student body with many showcased in the weekly bulletin. Many individual students receive a personal letter from the

Students actively seek to engage in opportunities providing experience of other cultures. The extensive programme of exchange visits has once again been able to take place with visits to Germany and France and a sporting tour to South Africa. Further visits are in the pipeline to both Spain and Japan.

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

STRATEGIC REPORT (continued)

Our students continue to be keen and happy to engage in issues surrounding cultural diversity and seek to participate in cultural experiences both within and beyond the school environment ensuring that students from other cultural backgrounds are welcomed and find it easy to integrate into the ethos of the school. This work continues to culminate in our yearly celebration of culture and faiths day, an event organised and run by the students to showcase both their cultures and faiths.

Our student body is a strong contributor to the work of various charities, for a wide range of good causes each year.

Ensuring Effective Post -18 Destinations

From a Year 13 group of 160 students, by results day in August 2023, 82% of students had been accepted by their first or insurance choice of university. In terms of university destinations, 43% were accepted by the Russell Group universities. Amongst the year group, 8% students have either deferred university places or decided to take a gap year and the remaining 10% have found either employment or an apprenticeship. A small number of students from the previous cohort of Year 13 girls also enrolled on their chosen university course having completed their 'gap' year.

Key Performance Indicators

Key Performance Indicator	2022/23	2021/22
Revenue reserves as % of GAG	6.9%	12.3%
Teachers pay as % of GAG	64.5%	64.3%
Teachers pay as % of total revenue income	55.5%	55.9%
Total pay as % of total revenue income	77.5%	80.3%
GAG income per student 11-16 (903)	£5,452	£5,415
GAG income per student 16-18 (311)	£4,827	£4,521
Teachers average contact ratio % of 50 lessons per two week cycle	73%	74%
Progress 8 score	1.02	0.70
Attainment 8 score	69.55	69.97
% Achieving grade 4+ in both English and Mathematics	100%	100%
% Achieving grade 5+ in both English and Mathematics	93%	89%
9-4 % at GCSE	99%	99%
9-7 % at GCSE	54%	55%
Average points score for English Baccalaureate	6.14	6.2
GCE pass rate A*/E	100%	99.8%
GCE pass rate A*/B	68%	79%
Average A-level point score per entry	39.5 (B)	42.5 (B+)
% of students gaining their first or insurance choice of university	82%	89%
% of students gaining places at Russell Group, Oxbridge institutions	43%	39%
Most recent Ofsted rating (September 2023)	Outstanding	Outstanding

Between 19-20 September 2023, Ofsted carried out a graded inspection under section 5 of the Education Act 2005. A team of 5 inspectors plus a shadow inspection were in school over these two days and the inspection was led by Mr John Spragg (HMI). At the end of the inspection the school was graded Outstanding in every category – The quality of education, Behaviour and attitudes, Personal development, Leadership and management and Sixth form provision. This resulted in an overall effectiveness of Outstanding.

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

STRATEGIC REPORT (continued)

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 Accounting Policies note of the financial statements.

Financial review

Most of the Trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities. The Trust also receives a significant amount of funding from Lincolnshire County Council, its local authority.

During the year, the total income being recurrent and other grant funding from the ESFA and other incoming resources were in excess of total expenditure. The excess of income over expenditure for the period was £72,403. Excluding the costs relating to the restatement of the LGPS, the excess of income over expenditure was £67,403.

The Trust held fund balances at 31 August 2023 of £16,617,113, comprising £405,302 of restricted funds, a fixed asset reserve of £16,154,850 and £56,961 of unrestricted general funds.

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention as the amount of carry forward is monitored. In the period under review, £391,598 was carried forward representing 5.8% of GAG.

Another key financial performance indicator is staffing costs as a percentage of total revenue income. For 2023 this was 77.5% and this will be monitored in future periods.

Reserves policy

Subject to the ESFA's constraints on permitted balances, the Trust's policy is to try to carry forward a prudent level of resources.

The reserves situation is kept under constant review as part of monthly cashflow analysis and the current level of reserves is considered sufficient for the trust's requirements.

At 31 August 2023, free reserves held amount to £56,961 and restricted general funds amount to £405,302. The amount of funds which can only be realised by disposing of tangible fixed assets amounted to £16,154,850.

Total funds at 31 August 2023 amount to £16,617,113, and the balance on restricted general funds plus unrestricted general funds at 31 August 2023 results on a net surplus of £462,263.

A figure of £350,000, approximately equal to 5% of the academy's annual GAG income was agreed in 2017. By 31 August 2023 the reserves of the Academy were £462,263. This is above the target level however cost savings have been incurred and the Academy is expecting to utilise these funds on capital projects identified in our plans for future periods in the coming year.

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Investment policy

The Academy operates an investment policy that seeks to maximise returns, minimise risk and maintain flexibility and access to funds. The Academy aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the long term value of any surplus cash balances against inflation. In addition, the Academy aims to invest surplus cash funds to optimise returns, but ensuring that investments are such that there is no risk to the loss of these cash funds.

Principal risks and uncertainties

Risk Management

Among the principal risks and uncertainties, loss of utilities or power, key data, or corruption of key software that may impede the function of the school are perhaps paramount given that they are possible at any time during the day or calendar year. Adverse weather conditions during winter may result in partial closure or disruption to normal school activities, as may sudden and unforeseen shortages of staff or skilled technicians. In order for the school to cope with such scenarios, the school has formulated a Business Continuity Plan which outlines possible risks together with a series of remedial actions to ensure that the function of the school is restored at the earliest opportunity.

Financial and Risk Management Objectives and Policies

The objectives for managing risk across the School are:

- To comply with risk management best practice;
- To ensure risks facing the School are identified and appropriately documented;
- To provide assurance to the Governors that risks are being adequately controlled, or identify areas for improvement;
- To ensure action is taken appropriately in relation to accepting, mitigating, avoiding and transferring risks.

The Academy Risk Management Strategy aims to ensure that the academy complies with risk management best practice and sets out the current processes and responsibilities for risk management.

The Bursar prepares a review of financial risk for the Resource Management Committee annually in the autumn term using a risk register. This enables the Resource Management Committee to report to the Governing Body on:

- The significant risks facing the School;
- The associated probability and likely consequences of identified risks;
- The effectiveness of the risk management processes;
- Details of the mitigation of risk within the school.

Following the termly review by the Headteacher and Bursar, the Resource Management committee monitor the identification of risks and, should concerns arise between reviews, matters are referred to the Resource Management Committee for consideration and reports are made to the Full Governing Body.

In November 2022, the site manager carried out a RAAC survey in line with the department of education guidance. A further assessment looking for any RAAC used in the buildings was completed by a structural engineer in October 2023. The result of which confirmed there is no RAAC within the school buildings.

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Fundraising

The academy trust does not use any external fundraisers.

Plans for future periods

The following projects have been provisionally outlined to take place in the 2023/24 academic year:

- A new CIF bid to replace part of the school roof and windows in the older part of the building
- Refurbishment of the Science laboratories
- Canopy for an outdoor seating area

Funds held as custodian on behalf of others

The School does not currently hold any funds as Custodian Trustee on behalf of others.

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 auditors, Streets Audit LLP, have indicated their willingness to continue in office. The designated trustees will propose a motion reappointing the auditors at a meeting of the trustees.

The Trustees' report was approved by order of the board of trustees, as the company directors, on ^{5/12/2023} and signed on its behalf by:


.....
Mrs E Conron
Chair of Governors

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Kesteven And Grantham Girls' School Academy Trust 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 Principal, 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 Kesteven And Grantham Girls' School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The board of trustees has formally met 4 times during the year in addition to the Resources Committee meeting a further 4 times. In order to maintain effective oversight of funds, the Chair of Governors and the Chair of Resource Management committee receive monthly financial reports, which are also made available to all Governors (via the Governors' secure area of the school website).

Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs E Conron, Chair of Governors	4	4
Mrs A Allatt	3	4
Mr I Birchenough	3	4
Mrs J Blatherwick	4	4
Mr N Boddington, Chair of Resource Management Committee	3	4
Mrs V Edwards	3	3
Mr J Fuller, Principal and Accounting Officer	4	4
Mr J Gale	3	3
Mr J Goodrich	2	3
Miss J Green	1	4
Mr R Harris	3	3
Mrs R Huckle	3	3
Dr R Shipman	2	3
Mr S Tarver	2	4
Mrs K Ambrose	2	4
Miss S Curtis	1	2
Mrs A Dorkes	1	1
Mr N Flanagan	2	2
Miss L Walker-Parr	0	0
Dr D Watson	1	1

During 2022/23 and the adoption of new articles of association, significant changes were made to the governing body structure. Previous members resigned and three new members appointed. The new members then appointed four new trustees and the trustees appointed five co-opted trustees. Five parent trustees were also appointed.

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

A significant number of resignations from the governing board have taken place in 2022/23, these have been for a variety of reasons including increased work commitments, change in personal circumstances, end of term of office, retirement and conflict of interest due to new employment.

The governing body work closely with the school to fulfil its 3 core functions:

1. Ensuring clarity of the vision, ethos and strategic direction.
2. Holding the executive leaders to account for the educational performance of the school(s) and its pupils and the effective and efficient performance management of staff.
3. Overseeing the financial performance of the school and making sure that its money is well spent.

To ensure conflicts of interest are managed effectively, the following mechanisms are in place:

- An up-to-date and complete register of interests is completed each year for all members of the governing board. This is publicised on the Academy website.
- At all meetings, any conflicts of interest are discussed and minuted. If needed, the governors affected will not take part in that item on the agenda of the meeting.
- The Academy finance team are aware of the register of interests and ensure this is monitored closely when any new contracts are tendered and then awarded.

All trustees complete an annual skills audit and this is used by the governing body when considering training needs and the appointment of any new trustees, particularly co-opted.

The Resources Committee is a sub-committee of the main board of trustees. Its purpose is to support and challenge the school in setting its annual budget prior to it being agreed by the Full Governing Body, to monitor and challenge financial activity throughout the year and to receive and advise on the work of the internal auditor. The Chair of the Resource Management Committee, requested by the school, is entitled to ratify spend on single items or contracts between £10,000 and £19,999. The Resource Management Committee is entitled to ratify single items or contracts from £20,000 to £40,000, independently of the Full Governing Body.

The Resource Management Committee reports to the Full Governing Body at each of their meetings.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr N Boddington	4	4
Mr N Flanagan	2	2
Mr I Birchenough	4	4
Mr J Fuller	4	4
Mr J Goodrich	2	2
Mr J Gale	2	2
Dr D Watson	1	1

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- Ensuring fixed priced energy rates are in place
- Ensuring competitive quotes for services and goods are sought
- Using purchasing frameworks where available

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Kesteven And Grantham Girls' School Academy Trust for the year 1 September 2022 to 31 August 2023 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 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's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 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'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 Resource Management 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 Julia Raftery Consulting Ltd as internal auditor.

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- Governance Arrangements
- Risk Management Arrangements
- Budget Management and Financial Planning
- Cash Management and Banking Arrangements
- The risk and control framework
- Asset Management
- Purchasing Procedures and Tendering Arrangements
- Payroll Procedures
- Income Procedures

On a biannual basis, the internal auditor reports to the board of trustees through the Resource Management Committee on the operation of the systems of control and on the discharge of the trustees' financial responsibilities and prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The Internal Auditor delivered their schedule of work as planned and provided the Trustees and Accounting Officer with independent and objective assurance.

Review of effectiveness

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

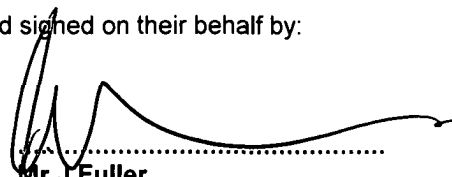
- the work of the internal auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Resource Management 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 and signed on their behalf by:



Mrs E Conron
Chair of Governors



Mr J Fuller
Accounting Officer

Date: 5/12/2023

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Kesteven And Grantham Girls' School Academy Trust I have considered my responsibility to notify the Academy 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, under the funding agreement in place between the Academy 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 2022.

I confirm that I and the Academy board of trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2022.

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.



.....
Mr J Fuller
Accounting Officer

Date: 5/12/2023

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

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 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



Mrs E Connon
Chair of Governors

Date: 5/12/2023

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST**

Opinion

We have audited the financial statements of Kesteven And Grantham Girls' School Academy Trust (the 'academy') for the year ended 31 August 2023 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 2022 to 2023 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's affairs as at 31 August 2023 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 2022 to 2023 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 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'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.

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST (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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has 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 and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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 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'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 or to cease operations, or have no realistic alternative but to do so.

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST (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 that we identified the material laws and regulations applicable to the trust through discussions with Trustees and other management, and from our commercial knowledge and experience of the Trust and education sector in which it operates. These were the Companies Act 2006, the Academy Trust Handbook, the Academies Accounts Direction, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety and safeguarding legislation. We then assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

We then assessed the susceptibility of the trust'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 tested journal entries to identify unusual transactions, we reviewed a sample of grants in the year to allocation and accurate recognition, we agreed a sample of employees on the Trust payroll to existence and agreed the accuracy of their pay, we assessed and reviewed the appropriateness and effectiveness of the key systems and controls. We also assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to agreeing financial statement disclosures to underlying supporting documentation, reading the minutes of meetings of those charged with governance, reviewing internal audit reports for any indication of breaches of laws and regulations, enquiring of management as to actual and potential litigation and claims and reviewing any correspondence with HMRC, relevant regulators and the Trust's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

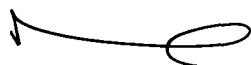
KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST (CONTINUED)**

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'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'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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Bradshaw (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

Windsor House

A1 Business Park at

Long Bennington

Newark

Notts

NG23 5JR

Date: 12 December 2023

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KESTEVEN
AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING
AGENCY**

In accordance with the terms of our engagement letter dated 2 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Kesteven And Grantham Girls' School Academy Trust during the year 1 September 2022 to 31 August 2023 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 Kesteven And Grantham Girls' School Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Kesteven And Grantham Girls' School Academy Trust 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 Kesteven And Grantham Girls' School Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Kesteven And Grantham Girls' School Academy Trust's
accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Kesteven And Grantham Girls' School Academy Trust's funding agreement with the Secretary of State for Education dated 30 August 2012 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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's income and expenditure.

The work undertaken to draw to our conclusion includes:

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KESTEVEN
AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST 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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Mark Bradshaw (Senior statutory auditor)
Streets Audit LLP

Windsor House
A1 Business Park at
Long Bennington
Newark
Notts
NG23 5JR

Date: 12 December 2023

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

		Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
	Note					
Income from:						
Donations and capital grants	3	-	11,419	220,175	231,594	36,564
Other trading activities		37,585	-	-	37,585	24,044
Investments	6	1,071	4,000	-	5,071	188
Charitable activities		844,122	6,910,101	-	7,754,223	7,179,564
Total income		882,778	6,925,520	220,175	8,028,473	7,240,360
Expenditure on:						
Raising funds		28,421	-	-	28,421	20,664
Charitable activities		844,878	6,985,917	96,854	7,927,649	7,383,847
Total expenditure		873,299	6,985,917	96,854	7,956,070	7,404,511
Net (expenditure) /income		9,479	(60,397)	123,321	72,403	(164,151)
Transfers between funds	17	-	(250,128)	250,128	-	-
Net movement in funds before other recognised gains/(losses)		9,479	(310,525)	373,449	72,403	(164,151)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	24	-	294,000	-	294,000	3,404,000
Defined benefit pension scheme asset not recognised		-	(248,000)	-	(248,000)	-
Net movement in funds		9,479	(264,525)	373,449	118,403	3,239,849

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Reconciliation of funds:					
Total funds brought forward	47,482	669,827	15,781,401	16,498,710	13,258,861
Net movement in funds	9,479	(264,525)	373,449	118,403	3,239,849
Total funds carried forward	56,961	405,302	16,154,850	16,617,113	16,498,710

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

The notes on pages 29 to 54 form part of these financial statements.

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 8133675

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	16,379,148	16,153,047
		<u>16,379,148</u>	<u>16,153,047</u>
Current assets			
Debtors	14	268,978	181,550
Cash at bank and in hand		696,576	923,074
		<u>965,554</u>	<u>1,104,624</u>
Creditors: amounts falling due within one year	15	(553,673)	(511,274)
Net current assets		<u>411,881</u>	<u>593,350</u>
Total assets less current liabilities		<u>16,791,029</u>	<u>16,746,397</u>
Creditors: amounts falling due after more than one year	16	(173,916)	(196,687)
Net assets excluding pension asset / liability		<u>16,617,113</u>	<u>16,549,710</u>
Defined benefit pension scheme asset / liability	24	-	(51,000)
Total net assets		<u><u>16,617,113</u></u>	<u><u>16,498,710</u></u>

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 8133675

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	16,154,850	15,781,401
Restricted income funds	17	405,302	720,827
Restricted funds excluding pension asset	17	16,560,152	16,502,228
Pension reserve	17	-	(51,000)
Total restricted funds	17	16,560,152	16,451,228
Unrestricted income funds	17	56,961	47,482
Total funds		16,617,113	16,498,710

The financial statements on pages 24 to 54 were approved and authorised for issue by the trustees and are signed on their behalf, by:



Mrs E Conron
Chair of Governors

Date: 5/12/2023

The notes on pages 29 to 54 form part of these financial statements.

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(102,018)	271,638
Cash flows from investing activities	21	(101,709)	(384,715)
Cash flows from financing activities	20	(22,771)	72,687
Change in cash and cash equivalents in the year		(226,498)	(40,390)
Cash and cash equivalents at the beginning of the year		923,074	963,464
Cash and cash equivalents at the end of the year	22, 23	<u>696,576</u>	<u>923,074</u>

The notes on pages 29 to 54 form part of these financial statements

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, 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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

All incoming resources are recognised when the Academy 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.

• **Other income**

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

KESTEVEN AND GRANTHAM GIRLS' SCHOOL ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

This includes all expenditure incurred by the Academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

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

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

The Academy incurs significant repair and replacement costs such that the trustees believe that the property's residual value is not materially different to the cost. Accordingly, no depreciation is charged.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Leasehold property	- Not depreciated
Furniture and equipment	- 10% reducing balance
Computer equipment	- 33% straight line
Motor vehicles	- 25% straight line

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

1.6 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 anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.7 Provisions

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

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

1.8 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies (continued)

1.9 Operating leases

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

1.10 Pensions

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

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

1.11 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 28.

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**NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.12 Fund accounting

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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 judgment:

The judgements (apart from those involving estimations) that the Academy trust has made in the process of applying the trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

The Academy incurs significant repair and replacement costs such that the trustees believe that the property's residual value is not materially different to the cost. Accordingly, no depreciation is charged.

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3. Income from donations and capital grants

	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Donations	11,419	-	11,419	10,458
Capital Grants	-	220,175	220,175	26,106
	<u>11,419</u>	<u>220,175</u>	<u>231,594</u>	<u>36,564</u>
<i>Total 2022</i>	<u>10,458</u>	<u>26,106</u>	<u>36,564</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

4. Funding for the Academy trust's educational operations

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Academy trust's educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	6,442,327	6,442,327	6,268,988
Other DfE/ESFA grants				
Teachers pension grant	-	59,778	59,778	62,468
Teachers pay grant	-	-	-	22,107
Pupil premium	-	89,237	89,237	75,435
Supplementary grant	-	223,453	223,453	63,165
Others	-	56,758	56,758	59,800
	-	6,871,553	6,871,553	6,551,963
Other Government grants				
Local Authority grants	-	18,262	18,262	42,353
	-	18,262	18,262	42,353
Other income from the Academy trust's educational operations	844,122	-	844,122	563,993
COVID-19 additional funding (DfE/ESFA)				
Other DfE/ESFA COVID-19 funding	-	20,286	20,286	21,255
	-	20,286	20,286	21,255
	844,122	6,910,101	7,754,223	7,179,564
	844,122	6,910,101	7,754,223	7,179,564
Total 2022	563,993	6,615,571	7,179,564	

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Consultancy	756	756	-
Hire of facilities	8,408	8,408	3,380
Catering	28,421	28,421	20,664
	<u>37,585</u>	<u>37,585</u>	<u>24,044</u>

6. Investment income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	1,071	-	1,071	188
Pension interest income	-	4,000	4,000	-
	<u>1,071</u>	<u>4,000</u>	<u>5,071</u>	<u>188</u>
<i>Total 2022</i>	<u>188</u>	<u>-</u>	<u>188</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Expenditure on fundraising trading activities:					
Direct costs	-	-	28,421	28,421	20,664
Academy trust's educational operations:					
Direct costs	5,000,492	-	867,036	5,867,528	5,247,597
Allocated support costs	1,051,402	377,556	627,163	2,056,121	2,136,250
	<u>6,051,894</u>	<u>377,556</u>	<u>1,522,620</u>	<u>7,952,070</u>	<u>7,404,511</u>
<i>Total 2022</i>	<u><u>5,793,564</u></u>	<u><u>395,652</u></u>	<u><u>1,215,295</u></u>	<u><u>7,404,511</u></u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Academy trust's educational operations	<u>5,867,528</u>	<u>2,056,121</u>	<u>7,923,649</u>	<u>7,383,847</u>
<i>Total 2022</i>	<u><u>5,247,597</u></u>	<u><u>2,136,250</u></u>	<u><u>7,383,847</u></u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	1,051,402	1,234,444
Depreciation	66,296	46,576
Technology costs	108,459	31,016
Premises costs	377,556	395,652
Legal costs - other	10,318	10,114
Other support costs	434,062	407,344
Governance costs	8,028	11,104
	<u>2,056,121</u>	<u>2,136,250</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	<i>2022 £</i>
Operating lease rentals	14,587	14,587
Depreciation of tangible fixed assets	96,854	87,127
Loss on disposal of fixed assets	-	775
Fees paid to auditors for:		
- audit	3,775	3,775
- other services	3,150	3,150
	<u>3,775</u>	<u>3,150</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	4,570,425	4,143,368
Social security costs	410,107	408,765
Pension costs	1,059,456	1,230,493
	<u>6,039,988</u>	<u>5,782,626</u>
Agency staff costs	11,906	10,938
	<u><u>6,051,894</u></u>	<u><u>5,793,564</u></u>

b. Staff numbers

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

	2023 No.	2022 No.
Teachers	75	73
Administration & Support	82	77
Management	6	6
	<u>163</u>	<u>156</u>

The average headcount expressed as full-time equivalents was:

	2023 No.	2022 No.
Teachers	65	64
Administration & Support	51	48
Management	6	6
	<u>122</u>	<u>118</u>

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10. Staff (continued)

c. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	4	3
In the band £70,001 - £80,000	1	-
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-
	=====	=====

d. Key management personnel

The key management personnel of the Academy 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 was £664,606 (2022 £767,189).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11. Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the Academy. 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:

		2023 £	2022 £
Mr J Fuller, Principal and Accounting Officer	Remuneration	100,000 -	90,000 -
		105,000	95,000
	Pension contributions paid	20,000 -	20,000 -
		25,000	25,000
Miss S Curtis	Remuneration		40,000 -
			45,000
	Pension contributions paid		10,000 -
			15,000
Mr S Tarver	Remuneration	35,000 -	35,000 -
		40,000	40,000
	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000
Miss C Soudanne	Remuneration		45,000 -
			50,000
	Pension contributions paid		10,000 -
			15,000
Mr I Birchenough	Remuneration	35,000 -	35,000 -
		40,000	40,000
	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000

During the year ended 31 August 2023, travel and subsistence expenses totalling £23 were reimbursed or paid directly to 1 trustee (2022 - £421 to 3 trustee).

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2023 was £935 (2022 - £935). The cost of this insurance is included in the total insurance cost.

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Tangible fixed assets

	Leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2022	15,763,236	554,607	370,503	12,500	16,700,846
Additions	141,896	45,787	92,288	42,984	322,955
At 31 August 2023	15,905,132	600,394	462,791	55,484	17,023,801
Depreciation					
At 1 September 2022	-	254,483	280,816	12,500	547,799
Charge for the year	-	31,636	59,845	5,373	96,854
At 31 August 2023	-	286,119	340,661	17,873	644,653
Net book value					
At 31 August 2023	15,905,132	314,275	122,130	37,611	16,379,148
At 31 August 2022	15,763,236	300,124	89,687	-	16,153,047

The Academy's transactions relating to land and buildings included:

1. Sixth form works - £48,115;
2. Fire door replacement - £32,462;
3. Flooring - £20,920;
4. Office remodel works - £20,241; and
3. Other property improvements - £20,158.

The leasehold property is held on a 125 year lease from Lincolnshire County Council. The leasehold buildings have been included in accordance with a valuation at depreciated replacement cost as at 29 July 2013 carried out by the ESFA. The Trustees consider this to be a fair value.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

14. Debtors

	2023 £	2022 £
Due within one year		
Other debtors	70,158	48,215
Prepayments and accrued income	198,820	133,335
	<u>268,978</u>	<u>181,550</u>

15. Creditors: Amounts falling due within one year

	2023 £	2022 £
Other loans	32,895	32,895
Trade creditors	146,318	141,302
Other taxation and social security	103,650	97,466
Other creditors	130,338	114,683
Accruals and deferred income	140,472	124,928
	<u>553,673</u>	<u>511,274</u>

Other loans relate to loans from the ESFA agreed as part of the Condition Improvement Fund bids. Each loan is repayable over 5-10 years with varying interest rates applying.

	2023 £	2022 £
Deferred income at 1 September 2022	68,613	39,917
Resources deferred during the year	81,831	68,613
Amounts released from previous periods	(68,613)	(39,917)
	<u>81,831</u>	<u>68,613</u>

Deferred income relates to monies received for rates relief for 2023/24, trips taking place in 2023/24 as well as other curriculum income relating to the academic year 2023/24.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Other loans	173,916	196,687

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2023 £	2022 £
Payable or repayable by instalments	76,720	80,149
	<u>76,720</u>	<u>80,149</u>

Other loans relate to loans from the ESFA agreed as part of the Condition Improvement Fund bids. Each loan is repayable over 5-10 years with varying interest rates applying.

17. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds	47,482	882,778	(873,299)	-	-	56,961
Restricted general funds						
General Annual Grant (GAG)	705,125	6,725,558	(6,788,957)	(250,128)	-	391,598
Other ESFA grants	15,702	166,281	(168,279)	-	-	13,704
LA income	-	18,262	(18,262)	-	-	-
Other activities	-	11,419	(11,419)	-	-	-
Pension reserve	(51,000)	4,000	1,000	-	46,000	-
	<u>669,827</u>	<u>6,925,520</u>	<u>(6,985,917)</u>	<u>(250,128)</u>	<u>46,000</u>	<u>405,302</u>

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

Restricted fixed asset funds						
Transfer from former school	13,458,561	-	(1,518)	-	-	13,457,043
ESFA capital grants	1,284,612	220,175	(51,362)	-	-	1,453,425
Capital expenditure from GAG	939,059	-	(40,590)	250,128	-	1,148,597
Other grants	99,169	-	(3,384)	-	-	95,785
	<u>15,781,401</u>	<u>220,175</u>	<u>(96,854)</u>	<u>250,128</u>	<u>-</u>	<u>16,154,850</u>
Total Restricted funds	<u>16,451,228</u>	<u>7,145,695</u>	<u>(7,082,771)</u>	<u>-</u>	<u>46,000</u>	<u>16,560,152</u>
Total funds	<u>16,498,710</u>	<u>8,028,473</u>	<u>(7,956,070)</u>	<u>-</u>	<u>46,000</u>	<u>16,617,113</u>

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

Unrestricted funds

Unrestricted funds represent both those resources, as well as funds transferred to the Academy from the Local Authority upon conversion, which may be used towards meeting any of the objects of the Academy at the discretion of the Trustees. These are not currently designated for particular purposes.

Restricted Fixed Asset funds

Transfer from Local Authority on conversion represents the assets transferred to the Academy from the Local Authority upon conversion.

Capital expenditure from GAG represents fixed asset expenditure transferred from other restricted income.

Restricted Revenue funds

General Annual Grant (GAG) is made up of a number of different funding streams, all of which are used to cover the running costs of the Academy.

Other ESFA Grants, other government grants and other restricted funds represent monies received for specific purposes.

Pension Reserve represents the current deficit balance of the Local Government Pension Scheme (LGPS).

Transfers between funds represent the use of recurrent income being used to fund capital expenditure.

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

Summary

The balance on restricted general funds plus unrestricted general funds at 31 August 2023 results in a net surplus of £462,263.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
General Funds	45,115	588,225	(585,858)	-	-	47,482
Restricted general funds						
General Annual Grant (GAG)	532,284	6,268,988	(6,005,303)	(90,844)	-	705,125
Other ESFA grants	38,609	199,705	(221,112)	(1,500)	-	15,702
LA income	-	42,353	(42,353)	-	-	-
Other activities	-	114,983	(114,983)	-	-	-
Pension reserve	(3,108,000)	-	(347,000)	-	3,404,000	(51,000)
	<u>(2,537,107)</u>	<u>6,626,029</u>	<u>(6,730,751)</u>	<u>(92,344)</u>	<u>3,404,000</u>	<u>669,827</u>
Restricted fixed asset funds						
Transfer from former school	13,461,021	-	(2,460)	-	-	13,458,561
ESFA capital grants	1,305,758	26,106	(47,252)	-	-	1,284,612
Capital expenditure from GAG	882,757	-	(34,542)	90,844	-	939,059
Other grants	101,317	-	(3,648)	1,500	-	99,169

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17. Statement of funds (continued)

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
	<u>15,750,853</u>	<u>26,106</u>	<u>(87,902)</u>	<u>92,344</u>	<u>-</u>	<u>15,781,401</u>
Total Restricted funds	<u>13,213,746</u>	<u>6,652,135</u>	<u>(6,818,653)</u>	<u>-</u>	<u>3,404,000</u>	<u>16,451,228</u>
Total funds	<u><u>13,258,861</u></u>	<u><u>7,240,360</u></u>	<u><u>(7,404,511)</u></u>	<u><u>-</u></u>	<u><u>3,404,000</u></u>	<u><u>16,498,710</u></u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	16,379,148	16,379,148
Current assets	56,961	848,339	60,254	965,554
Creditors due within one year	-	(443,037)	(110,636)	(553,673)
Creditors due in more than one year	-	-	(173,916)	(173,916)
Total	<u><u>56,961</u></u>	<u><u>405,302</u></u>	<u><u>16,154,850</u></u>	<u><u>16,617,113</u></u>

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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	16,153,047	16,153,047
Current assets	47,482	1,057,142	-	1,104,624
Creditors due within one year	-	(336,315)	(174,959)	(511,274)
Creditors due in more than one year	-	-	(196,687)	(196,687)
Provisions for liabilities and charges	-	(51,000)	-	(51,000)
Total	47,482	669,827	15,781,401	16,498,710

19. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of financial activities)	72,403	(164,151)
Adjustments for:		
Depreciation	96,854	87,127
Capital grants from DfE and other capital income	(220,175)	(26,106)
Interest receivable	(1,071)	(188)
Defined benefit pension scheme cost less contributions payable	(5,000)	294,000
Defined benefit pension scheme finance cost	(4,000)	50,000
Increase in debtors	(87,428)	(10,452)
Increase in creditors	42,399	37,633
Loss on disposal of tangible assets	-	775
Defined benefit pension scheme administration cost	4,000	3,000
Net cash (used in)/provided by operating activities	(102,018)	271,638

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20. Cash flows from financing activities

	2023 £	2022 £
Cash inflows from new borrowing	-	93,743
Repayments of borrowing	(22,771)	(21,056)
Net cash (used in)/provided by financing activities	(22,771)	72,687

21. Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	1,071	188
Purchase of tangible fixed assets	(322,955)	(411,009)
Capital grants from DfE Group	220,175	26,106
Net cash used in investing activities	(101,709)	(384,715)

22. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	696,576	923,074
Total cash and cash equivalents	696,576	923,074

23. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	923,074	(226,498)	696,576
Debt due within 1 year	(32,895)	-	(32,895)
Debt due after 1 year	(196,687)	22,771	(173,916)
	693,492	(203,727)	489,765

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24. Pension commitments

The Academy'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 Lincolnshire 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 2022.

Contributions amounting to £120,766 were payable to the schemes at 31 August 2023 (2022 - £101,582) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

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24. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £755,010 (2022 - £703,235).

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 has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 2023 was £376,000 (2022 - £306,000), of which employer's contributions totalled £308,000 (2022 - £247,000) and employees' contributions totalled £ 68,000 (2022 - £59,000). The agreed contribution rates for future years are 27.3 per cent for employers plus a monetary amount and between 5 per cent and 7.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, 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 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on gov.uk.

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.9	3.25
Rate of increase for pensions in payment/inflation	2.9	2.95
Discount rate for scheme liabilities	5.3	4.25

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

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24. Pension commitments (continued)

	2023 Years	2022 Years
<i>Retiring today</i>		
Males	19.5	21.2
Females	22.6	23.7
<i>Retiring in 20 years</i>		
Males	20.8	22.1
Females	24.0	25.1

Sensitivity analysis

	2023 £000	2022 £000
Discount rate +0.1%	234	89
Mortality assumption - 1 year increase	248	118
CPI rate +0.1%	246	73
Salary increase +0.1%	240	19

The pension scheme surplus/deficit is based on the actuarial assumptions used as at the 31 August 2023. These can, and do, change after the year end. The above sensitivity analysis shows how the position stated can change significantly based on changes to the actuarial assumptions. A change in the markets is likely to result in an increased pension scheme deficit by next year end. Post year end valuations could be obtained to provide an indication, however, it is considered that the cost would outweigh the benefit to the users of the accounts, and would not be value for money.

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	2,940,000	2,937,000
Gilts	-	-
Corporate bonds	626,000	475,000
Property	354,000	509,000
Cash and other liquid assets	163,000	95,000
Infrastructure	181,000	-
Absolute return fund	498,000	-
Total market value of assets	4,762,000	4,016,000

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24. Pension commitments (continued)

The actual return on scheme assets was £345,000 (2022 - £8,000).

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

	2023 £	2022 £
Current service cost	(303,000)	(541,000)
Interest cost	4,000	(50,000)
Total amount recognised in the Statement of financial activities	(299,000)	(591,000)

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

	2023 £	2022 £
At 1 September	4,067,000	6,912,000
Current service cost	303,000	541,000
Interest cost	175,000	114,000
Employee contributions	68,000	59,000
Actuarial gains	(128,000)	(3,460,000)
Benefits paid	29,000	(99,000)
At 31 August	4,514,000	4,067,000

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

	2023 £	2022 £
At 1 September	4,016,000	3,804,000
Interest income	179,000	64,000
Actuarial gains/(losses)	166,000	(56,000)
Employer contributions	308,000	247,000
Employee contributions	68,000	59,000
Benefits paid	29,000	(99,000)
Administrative expense	(4,000)	(3,000)
At 31 August	4,762,000	4,016,000

The Academy has an unrecognised surplus of £248,000 (2022 - £ -) in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

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25. Operating lease commitments

At 31 August 2023 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	11,823	11,903
Later than 1 year and not later than 5 years	22,081	25,524
	<u>33,904</u>	<u>37,427</u>

26. Members' liability

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

27. Related party transactions

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

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

28. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the trust received £19,323 (2022 - £18,229) and disbursed £15,901 (2022 - £21,888) from the fund. An amount of £4,128 (2022 - £706) is included in other creditors relating to undistributed funds that is repayable to ESFA.