

Parklands High School
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year Ended 31st August 2022



Parklands High School
Annual Report and Financial Statements
Year Ended 31st August 2022

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Parklands High School

Reference and Administrative Details

Year Ended 31st August 2022

Members

Mr K Fielding*
Mr D Gosling*
Mrs J Hagarty*
Mr I Hamer*
Mrs L Kinnard*

Trustees

Mr J Almond* (Resigned 8th November 2022)
Mrs C Bradshaw (Appointed 4th October 2022)
Mrs S Brookes (Resigned 29th June 2022)
Miss L Cathey
Mrs L Cobham (Appointed 7th November 2022)
Mr R Cornes*
Mr A Cunningham
Miss J Green (Resigned 11th December 2022)
Mrs L Holbert* (Resigned 16th June 2022)
Mrs K Hunt
Mrs D Kellett (Resigned 12th November 2021)
Mr C Madsen
Mr S Mitchell*
Mrs J Nelson (Resigned 22nd March 2022)
Mrs L Nelson*
Mr G O'Donoghue (Resigned 31st August 2022)
Mrs E Williams (Appointed 12th September 2022)
Mrs J Wright (Appointed 4th October 2022)

* Members of the Resources, Health, Safety and Audit Committee

Secretary

Mrs M Curtis

Senior Management Team

Headteacher
Deputy Headteacher
Deputy Headteacher
Assistant Headteacher
Assistant Headteacher
Assistant Headteacher
Assistant Headteacher
School Business Manager
Project & Premises Manager
Safeguarding & Intervention Manager
Senior Leader for House Standards, Support and Welfare

Mr S Mitchell
Mrs G Aspinall
Mrs C Batson
Mrs V Arden
Mr J Galbraith
Miss H Partington
Miss L Pilkington
Mrs M Curtis
Mrs C Slater
Mrs N Fairhurst
Mrs S Haslam

Principal and Registered Office

Southport Road
Chorley
Lancashire
PR7 1LL

Company Registration Number

08151601 (England and Wales)

Parklands High School

Reference and Administrative Details

Year Ended 31st August 2022

Independent Auditor

CWR Chartered Accountants
20 Mannin Way
Lancaster Business Park
Caton Road
Lancaster
LA1 3SW

Bankers

Lloyds Bank PLC
Fishergate
Preston
PR1 2JB

Solicitors

Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

Parklands High School

Trustees' Report

Year Ended 31st August 2022

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

The academy trust operates an academy for pupils aged 11 to 16 serving a catchment area in and around Chorley. It has a pupil capacity for 1,217 and had a roll of 1,101 in the school census 20th January 2022.

Structure, Governance and Management

1.1 Constitution

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

Details of the trustees who served during the year except as noted are included in the Reference and Administrative Details on page 2.

1.2 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.

1.3 Trustees' Indemnities

The directors and officers liability/governors insurance provides cover for staff, governors and directors in respect of negligent acts, errors or omissions, committed in good faith. This is detailed as in note 10 to the financial statements.

1.4 Method of Recruitment and Appointment or Election of Trustees

Articles of Association, item 50-64 state:

50. Members may appoint up to 1 governor save that no more than one third of the total number of individuals appointed as governors shall be employees of the academy trust (including the principal).

51. Not used.

52. The principal shall be treated for all purposes as being an ex officio governor.

53. Subject to Article 57, the parent governor(s) shall be elected by parents of registered pupils at the academy. A parent governor must be a parent of a pupil at the academy at the time when he is elected.

54. The governing body shall make all necessary arrangements for, and determine all other matters relating to, an election of parent governors, including any question of whether a person is a parent of a registered pupil at the academy. Any election of parent governors which is contested shall be held by secret ballot.

55. The arrangements made for the election of a parent governor shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the academy trust by a registered pupil at the academy.

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Trustees' Report

Year Ended 31st August 2022

56. Where a vacancy for a parent governor is required to be filled by election, the governing body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the academy is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

57. The number of parent governors required shall be made up by parent governors appointed by the governing body if the number of parents standing for election is less than the number of vacancies.

58. In appointing a parent governor the governing body shall appoint a person who is the parent of a registered pupil at the academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

58A. The governing body shall make all necessary arrangements for, and determine all matters relating to, the election and removal of staff governors.

58B. The community governors may be appointed by the governing body provided that the person who is appointed as a community governor is:

- (a) a person who lives or works in the community served by the academy; or
- (b) a person who, in the opinion of the governing body, is committed to the government and success of the academy.

The governors may not appoint an employee of the academy trust as a community governor if the number of governors who are employed by the academy trust (including the principal) would thereby exceed one third of the total number of governors.

Co-opted Governors

59. The governors may appoint up to 3 co-opted governors. A 'co-opted governor' means a person who is appointed to be a governor by being co-opted by governors who have not themselves been so appointed. The governors may not co-opt an employee of the academy trust as a co-opted governor if the number of governors who are employed by the academy trust (including the principal) would thereby exceed one third of the total number of governors.

Appointment of additional Trustees

60. The Secretary of State may give a warning notice to the governors where he is satisfied:

- (a) that the standards of performance of pupils at the academy are unacceptably low, or
- (b) that there has been a serious breakdown in the way the academy is managed or governed; or
- (c) that the safety of pupils or staff of the academy is threatened (whether by a breakdown of discipline or otherwise).

61. For the purposes of Article 60 a 'warning notice' is a notice in writing by the Secretary of State to the academy trust delivered to the office setting out:

- (a) the matters referred to in Article 60;
- (b) the action which he requires the governors to take in order to remedy those matters; and
- (c) the period within which that action is to be taken by the governors ('the compliance period').

62. The Secretary of State may appoint such additional governors as he thinks fit if the Secretary of State has:

- (a) given the governors a warning notice in accordance with Article 60; and
- (b) the governors have failed to comply, or secure compliance, with the notice to the Secretary of State's satisfaction within the compliance period.

62A. The Secretary of State may also appoint such additional governors where following an inspection by the Chief Inspector in accordance with the Education Act 2005 (an "Inspection") the academy trust receives an Ofsted grading (being a grade referred to in The Framework for School Inspection or any modification or replacement of that document for the time being in force) which amounts to a drop, either from one inspection to the next inspection or between any two inspections carried out within a 5 year period, of two Ofsted grades. For

Parklands High School

Trustees' Report

Year Ended 31st August 2022

the purposes of the foregoing the grade received by Parklands High School (a maintained school) shall be regarded as the grade received by the academy.

63. The Secretary of State may also appoint such further governors as he thinks fit if a special measures termination event (as defined in the funding agreement) occurs in respect of the academy.

64. Within 5 days of the Secretary of State appointing any additional or further governors in accordance with Articles 62, 62A or 63, any governors appointed under Article 50 and holding office immediately preceding the appointment of such governors, shall resign immediately and the members' power to appoint governors under Article 50 shall remain suspended until the Secretary of State removes one or more of the additional or further governors.

Additional information can be obtained by visiting Lancashire County Councils website at: www.lancashire.gov.uk
Select school governors from the A-Z for the recruitment and selection procedures adopted by Parklands.

1.5 Policies and Procedures Adopted for the Induction and Training of Trustees.

All trustees have access to the LCC governor's portal. In addition, they receive either an electronic or paper version of the termly governors bulletin along with an induction pack. New trustees are invited for a tour of the school during which time they are introduced to staff and pupils. One governor is the nominated link governor for training and is responsible for keeping records of training undertaken and reporting this to the full governing body. Moreover, full governing body meetings contain a training item.

1.6 Organisational Structure

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

The senior managers are the Headteacher, two Deputy Headteachers, four Assistant Headteachers, the School Business Manager, the Project & Premises Manager, the Safeguarding & Intervention Manager and the Senior Leader for House Standards, Support and Welfare. These managers control the academy at an executive level implementing the policies laid down by the governors and reporting back to them. As a group the senior managers are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the management team always contain a governor. Some spending control is devolved to members of the management team, with limits above which a senior manager must countersign. Details of structure are available in items 12 – 18 in the Articles of Association.

The Headteacher is the Accounting Officer.

1.7 Arrangements for Setting Pay and Remuneration of Key Management Personnel

All staff, including Senior Management, participate in the school's annual appraisal and performance review procedure. Teaching staff reviews are held in the autumn term and judgements of performance are made against meeting agreed appraisal targets, Continuing Professional Development (CPD) and participation of activities that benefit the wider school, meeting the teacher's standards, delegation of Teaching and Learning Responsibilities (TLR).

Once the teaching staff reviews have been completed the Headteacher presents a report to the Governors Pay Review Committee with recommendations for salary progression, where applicable. The Governors then take responsibility regarding the approval of the Headteacher's recommendations.

The Headteacher undergoes the procedure with an independent assessor, who is an Ofsted inspector, and the Headteacher's Pay Committee (separate from the Governors Pay Committee) meet to decide the outcome of the advisor's recommendations.

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Trustees' Report

Year Ended 31st August 2022

Support staff reviews are held in the spring term. The Headteacher submits a report to the Resources, Health & Safety Committee for review and approval which in turn is verified at the next full Governors meeting.

1.8 Trade Union Facility Time

Information, as it applies to the Academy Trust, is included below to satisfy requirements of the Trade Union (Facility Time Publication Requirements) Regulations 2017.

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	2

Percentage of time spent on facility time

Percentage of time	Number of employees
1% - 50%	2

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£481.41
Provide the total pay bill	£5,491,000
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.009%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	1.87%
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1.9 Related Parties and Other Connected Charities and Organisations

There are no related parties which either control or significantly influence the decisions or operations of the Academy.

Objectives and Activities

2.1 Objects and Aims

The principal object and activity of the charitable company is the operation of Parklands High School - to provide education for pupils of different abilities between the ages of 11 and 16 mainly drawn from the area in which the school is situated.

In accordance with the Funding Agreement, items 12-33C, the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to the academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

Parklands High School

Trustees' Report

Year Ended 31st August 2022

2.2 Objectives, Strategies and Activities

1. Ensure high quality Teaching and Learning
2. Ensure pupils make expected progress
3. Ensure high standards of behaviour and safety
4. Ensure high standards of Leadership and Management
5. Ensure opportunities are facilitated for the development of SMSC
6. The school aims to raise up to £8,000 per year for the benefit of local, national and international charitable causes.

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

2.3 Public Benefit

The trustees have complied with their duty to have due regard to the guidance on public benefit.

Strategic report

3. Achievements and Performance

GCSE Examination Results 2021-22

GCSE results continue to show improvements. Headteacher, Steve Mitchell, said: "On behalf of the whole staff at Parklands, I would like to congratulate our Year 11 on their outstanding GCSE results. As a year group they have surpassed our highest expectations and achieved incredible results! The resilience they demonstrated through the disruption of the pandemic has clearly served them extremely well".

Key statistics

Progress 8 score is +0.31

75.00% achieved grades 9 - 4 in both English and maths;

62.00% achieved grades 9 - 5 in both English and maths;

81.30% achieved grades 9 - 4 in maths;

88.20% achieved grades 9 - 4 in English;

66.00% achieved grades 9 - 5 in maths;

81.90% achieved grades 9 - 5 in English;

73.50% achieved 5 standard passes (grades 9 - 4);

60.30% achieved 5 strong passes (grades 9 - 5);

12.30% achieved the EBACC inc. standard pass;

154 grade 9s were achieved by our students

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Trustees' Report

Year Ended 31st August 2022

Results by Qualification

Subject	No.	9 - 7 %	9 - 5 %	9 - 4 %
BTEC Creative Media	48	22.9	39.6	93.8
BTEC Health & Social	30	33.3	60.0	90.0
CNAT Sport Studies	12	0.0	8.3	41.7
GCSE Art	24	41.7	79.2	100.0
GCSE Dance	13	61.5	84.6	92.3
GCSE Design Technology	29	24.1	69.0	79.3
GCSE Drama	20	35.0	80.0	85.0
GCSE English Language	205	41.2	76.1	83.5
GCSE English Literature	199	32.7	77.4	86.9
GCSE Food & Nutrition	34	23.5	61.8	76.5
GCSE Geography	75	18.7	54.7	68.0
GCSE History	77	31.2	63.6	71.4
GCSE Maths	205	24.9	65.9	81.0
GCSE MFL Arabic	3	100.0	100.0	100.0
GCSE MFL French	58	34.5	81.0	89.7
GCSE MFL Spanish	1	100.0	100.0	100.0
GCSE Music	20	25.0	75.0	80.0
GCSE PE	43	51.2	83.7	93.0
GCSE Photography	9	33.3	88.9	100.0
GCSE RS	199	31.2	65.3	76.4
GCSE Sc Combined	290	11.7	51.0	68.3
GCSE Sc Computer Science	35	45.7	68.6	85.7
GCSE Sc Triple Biology	55	32.7	78.2	85.5
GCSE Sc Triple Chemistry	52	32.7	80.8	92.3
GCSE Sc Triple Physics	52	36.5	78.8	90.4
GCSE Statistics	1	100.0	100.0	100.0
NCFE Music Tech	9	22.2	44.4	88.9
OTHER L2/FC Further Maths	12	100.0	100.0	100.0

Parklands High School

Trustees' Report

Year Ended 31st August 2022

3.1 Key Performance Indicators

The academy, where available, uses benchmarking opportunities to ensure that performance indicators, financial, environmental and employee matters are reviewed annually and any areas for development are addressed. The academy also makes use of comparative data provided by the Education & Skills Funding Agency (ESFA) and the Local Authority.

Pupil attendance is consistently good and was recorded in the 2022 Spring Census at 92.11%.

The intake for Year 7 pupils in September 2021 was 224.

3.2 Going Concern

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

4. Financial Review

4.1 Operating and Financial Review

1. The financial position of the academy trust is secure. Refer to terms of reference and minutes of governor's Resources, Health, Safety and Audit committee meetings and full governing body meetings, available from the school.
2. The principal financial management policies adopted by the academy are outlined in the 2021 Academies Financial Handbook. These include internal financial regulations and a dedicated resources committee meets 3 times a year and in turn reports to the full governing body, again, 3 times a year.
3. The governing body receives and approves the annual report and financial statements prior to submission to the ESFA by the deadline.
4. The principal source of funding is the general annual grant, pupil premium funding and Special Educational Needs (SEN) funding. This in turn is delegated to departments within the academy and directed to the key objectives in the Self Evaluation Form (SEF) which are then tracked and analysed in terms of their impact.

4.2 Reserves Policy

The trustees review the reserve levels of each academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

As per item 72 of the Funding Agreement the academy is permitted to hold unlimited reserves at year end. However, the governors deem it reasonable to retain approximately 5% of the GAG. The academy does not carry a deficit balance.

4.3 Investment Policy

The investment policy requires the trust to maintain sufficient funds to cover expenditure identified through revenue and capital cashflow predictions before considering any investment opportunities.

The trust will only invest funds in low risk and easily accessible deposit accounts. Funds will only be placed with banking institutions that are regulated by the Financial Conduct Authority and with good credit ratings.

Parklands High School

Trustees' Report

Year Ended 31st August 2022

4.4 Principal Risks and Uncertainties

The principal financial risks and uncertainties are contained in the strategic and reputational risk register which is reviewed at least annually by the Resources, Health, Safety and Audit committee and more frequently where necessary. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the academy and the control procedures in place to reduce and mitigate the risks and covers the following categories: strategic risk; public profile risk; governing body organisation risk; management information risk; human resources risk; supplier risk; employee legislation risk; environmental legislation risk; financial reporting risk; charities legislation risk; tax legislation risk; General Data Protection Regulations risk; welfare compliance risk; sector compliance risk; employment laws risk; overall financial control risk; financial systems risk; income risk; expenditure risk; treasury risk; fixed asset risk; investment risk; stock risk; debtors risk; taxation risk; provisions and contingent liability risk; related party risk; funds risk and pension risk.

The Resources, Health, Safety and Audit committee has an ongoing responsibility for the monitoring of risks and Redrumbler were engaged as internal auditors to ensure maintained compliance. An internal audit plan was agreed and undertaken in 2021/22.

4.5 Risk Management

The governors continue to review the assessment of major risks to which the academy is exposed, in particular those relating to the specific training, provision of facilities and other operational areas of the Academy, and its finances. The governors have monitored a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have monitored the systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk.

Key controls in place are:

- School priorities development plan
- Organisation structure with clearly defined roles, authorisation levels and terms of reference
- Financial planning, budgeting and regular management reporting
- Formal written and published policies
- Vetting procedures as required by legislation
- Robust due diligence and tender procedures for new contracts

The academy does not have any exposure to significant cash flow or liquidity issues nor does the academy have any significant credit liabilities, only ordinary creditors from educational activities disclosed in note 13.

The academy has a business continuity plan, strategic and reputational risk plan, critical incident plan, emergency closure plan, invacuation lockdown and evacuation policy and a pandemic response plan, which are reviewed annually by the governors and the senior management team.

The academy has an effective system of internal financial controls and this is explained in more detail in the governance statement.

4.6 Financial and Risk Management Objectives and Policies

In 2022 a revaluation of the Local Government Pension Scheme has shown a deficit of £374,000. The academy contributes towards the deficit with monthly instalments of £4,041.67.

4.7 Fundraising

The academy continues to support a range of charitable causes, and raised in excess of £6,000 during the 2021/22 academic year. The charitable activities, the amounts raised and the destination of those amounts are listed below:

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Trustees' Report

Year Ended 31st August 2022

Activity	Date	Charity	Amount £
2021 Leavers Prom refund donations	September 2021	The @Sallycancer Foundation	2245.50
Non-uniform day	November 2021	The @Sallycancer Foundation	1781.98
Bought a poppy wreath	November 2021	Royal British Legion	17.00
Bingo night	November 2021	Children in Need	134.10
Contributions of red ribbon donations	December 2021	AIDS Foundation	45.04
Parklands Got Talent show	February 2022	The @Sallycancer Foundation	253.90
Non-uniform day, ribbon donations & tombola	March 2022	Ukraine Humanitarian Appeal	1419.00
Sale of Valentine cards & flowers	March 2022	The Wish Centre	65.00
Pupil head shave	May 2022	BEAT	114.92
			6076.44

5. Plans for Future Periods

The aims and objectives for future periods will continue to be those outlined in **Objectives, Strategies and Activities** as above. Strategies to achieve them are regularly updated in the academies SEF.

The board of trustees has the following specific priorities set for the 2022-2023 academic year: -

- SEND provision.
- Quality of teaching/education with specific focus on implementation in Science & Music
- Phonics.
- Continue to use the pupil premium to improve the attainment and support for disadvantaged pupils.
- To bid for funding from the Condition Improvement Fund to address the need for electrical rewiring (phase 2).
- To bid for funding from the Condition Improvement Fund to replace the boiler/heating system (phase 2).

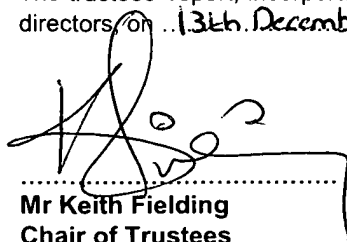
The academy will become a multi-academy trust in 2022-2023 and will look to expand the trust, exploring all options with the appropriate input and advice from the Regional Schools Director.

6. Auditor

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 13th December 2022 and signed on the board's behalf by:



Mr Keith Fielding
Chair of Trustees

Parklands High School

Governance Statement

Year Ended 31st August 2022

7.1 Scope of Responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Parklands High School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

7.2 Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

Financial updates are given to the chair of the Resources, Health, Safety and Audit committee and chair of trustees each month and are discussed at each Resources, Health, Safety and Audit committee meeting.

The board of trustees has formally met 3 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings Attended	Out of a possible
Mr K Fielding (Chair)	3	3
Mrs L Kinnaird (Vice Chair)	2	3
Mr J Almond (until 8 th November 2022)	1	3
Mrs S Brookes (staff trustee) (resigned 29 th June 2022)	1	2
Miss L Cathey (staff trustee)	1	3
Mr R Cornes	2	3
Mr A Cunningham (staff trustee)	3	3
Mr D Gosling	2	3
Mrs J Hagarty	3	3
Mr I Hamer	3	3
Mrs L Holbert (resigned 16 th June 2022)	2	2
Mrs M Hunt	1	3
Mr C Madsen	2	3
Mr S Mitchell (Headteacher and Accounting Officer)	3	3
Mrs J Nelson (resigned 22 nd March 2022)	1	1
Mrs L Nelson	3	3
Mr G O'Donoghue (resigned 31 st August 2022)	1	3

The Resources, Health, Safety and Audit committee

The Resources, Health, Safety and Audit committee is a sub-committee of the main board of trustees. Its purpose is to provide guidance to the Headteacher and the governing body on all financial issues, to consider budget plans and monitoring reports, to consider financial statements and audit reports and to consider and advise on any financial matters referred to it.

Parklands High School

Governance Statement

Year Ended 31st August 2022

These include:

The internal scrutiny reports, key risks report, review of the terms of reference, School Business Manager reports, health, safety and wellbeing report, premises report, staffing report, service level agreements, SEF and policies relating to the committee.

Attendance at Resources, Health, Safety and Audit committee meetings in the year was as follows:

Trustee	Meetings Attended	Out of a possible
Mr D Gosling (Chair)	2	3
Mrs L Nelson # (Vice Chair)	3	3
Mr J Almond (until 8 th November 2022)	1	3
Mr R Cornes	2	3
Mr K Fielding	3	3
Mrs J Hagarty #	2	3
Mr I Hamer	1	3
Mrs L Holbert (resigned 16 th June 2022)	2	2
Mrs L Kinnaird #	3	3
Mr S Mitchell (Headteacher and Accounting Officer)	3	3
Mrs J Nelson (resigned 22 nd March 2022)	1	2

The audit committee members are also a sub-committee drawn from the Resources, Health and Safety Committee as and when required. Its purpose is to advise on and investigate any activities within its terms of reference.

7.3 Review of Value for Money

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

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

Targeting Improvement:

- Continuously reviewing the staffing structure, along with the curriculum provision at senior management level and termly at governor meetings to ensure dedicated personnel have responsibility, accountability and the necessary resources for driving improvements and to ensure leadership capacity;
- Ensuring potential leaders are identified and supported to drive school improvements and secure succession planning, CPD and temporary teaching and learning responsibilities (TLRs) are deployed to this effect;
- Using pupil premium and recovery premium effectively in order to ensure those pupils requiring intervention are supported to achieve and make measurable improvements in progress;
- Granting temporary teaching and learning responsibilities (TLRs) for teaching staff and non-teaching honorariums to implement national strategies as recommended by Government;
- Continuing to invest in continuous professional development (CPD) for staff to improve the quality of teaching, learning and support for our pupils;
- Ensuring systems are in place to optimise personal development, behaviour, welfare and safeguarding;
- Constantly reviewing contracts and supplies to ensure best value; and
- Benchmarking expenditure against similar size schools/academies.

Parklands High School

Governance Statement

Year Ended 31st August 2022

Collaboration – school to school support includes:

- Primary liaison
- Hosting SSAT conferences and training
- Supporting the local pupil referral unit
- Networking by senior management – both teaching and financial

New Initiatives:

- Replacement of central heating distribution system, including new boiler plant, hot water plant and controls (phase 1)
- Toilet block refurbishment
- Transfer of cleaning services to an in-house operation.

7.4 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 trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Parklands High for the year ended 31st August 2022 and up to the date of approval of the annual report and financial statements.

7.5 Capacity to Handle Risk

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

7.6 The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- Regular reviews by the Resources, Health, Safety and Audit committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has appointed Redrambler to carry out the academy trust's internal scrutiny checks.

Parklands High School

Governance Statement

Year Ended 31st August 2022

The internal auditor's role includes giving advice on financial matters 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:

- Risk management
- Premises management
- Cyber security

On an annual basis, the auditor reports to the board of trustees, through the Resources, Health, Safety and Audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

7.7 Review of Effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the School Business Manager and Finance Officer within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources, Health, Safety and Audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 13/12/2022 and signed on its behalf by



Mr Keith Fielding
Chair of Trustees



Mr Steve Mitchell
Accounting Officer

Parklands High School

Statement on Regularity, Propriety and Compliance

Year Ended 31st August 2022

As Accounting Officer of Parklands High School I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

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

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



Mr Steve Mitchell
Accounting Officer

Date: 13th December 2022

Parklands High School

Statement of Trustees' Responsibilities

Year Ended 31st August 2022

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report and Directors' Report) and the financial statements in accordance with the Academies Accounts Direction published by the Education & 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 the incoming resources and application of resources, including its income and expenditure. In preparing these financial statements, the trustees are required to:

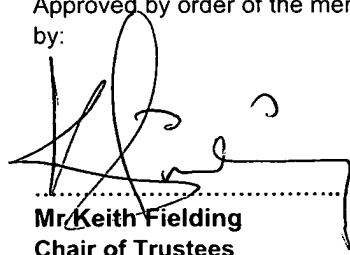
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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 to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education & Skills Funding Agency and Department for Education have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 13th December 2022 and signed on its behalf by:



Mr Keith Fielding
Chair of Trustees

Parklands High School

Independent Auditor's Report to the Members of Parklands High School

Year Ended 31st August 2022

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Other information includes the trustees' report (incorporating the strategic report and the directors' report), the governance statement, and the Accounting Officer's statement. 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.

(Continued)

Parklands High School

Independent Auditor's Report to the Members of Parklands High School

Year Ended 31st August 2022

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or 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 directors' 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 trustees' responsibilities statement set out on page 18, the trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

(Continued)

Parklands High School

Independent Auditor's Report to the Members of Parklands High School

Year Ended 31st August 2022

Auditor's responsibilities for the audit of the financial statements

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

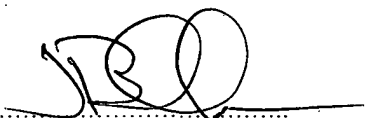
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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 auditor's report.

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

Use of our report

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



Mr Jeffrey Bellamy FCA (Senior Statutory Auditor)
For and on behalf of CWR Chartered Accountants
20 Mannin Way
Lancaster Business Park
Caton Road
Lancaster
LA1 3SW

Date: 20-12-22

Parklands High School

Independent Reporting Accountant's Assurance Report on Regularity to Parklands High School and the Education & Skills Funding Agency

Year Ended 31st August 2022

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

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

Respective responsibilities of Parklands High School's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Parklands High School's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2021 to 2022 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.

The work undertaken to draw our conclusions includes:

- Obtaining evidence including those tests relevant to the circumstances of the Academy Trust as prescribed in Section 4 of the Guide For External Auditors section of the Academies Accounts Direction 2021 to 2022 issued by the ESFA; and
- Planning and performing any additional tests we deemed necessary to express an opinion on regularity.

(Continued)

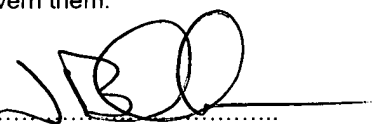
Parklands High School

Independent Reporting Accountant's Assurance Report on Regularity to Parklands High School and the Education & Skills Funding Agency

Year Ended 31st August 2022

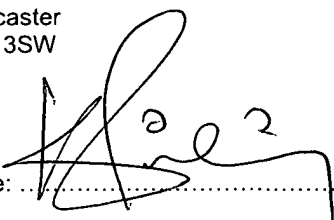
Conclusion

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



.....
Mr Jeffrey Bellamy FCA (Senior Statutory Auditor)
For and on behalf of CWR Chartered Accountants
20 Mannin Way
Lancaster Business Park
Caton Road
Lancaster
LA1 3SW

Date:



20-12-22

Parklands High School

Statement of Financial Activities incorporating Income & Expenditure Account

Year Ended 31st August 2022

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2022 £000	Total 2021 £000
Income and endowments from:						
Donations and capital grants	2	-	239	541	780	271
Charitable activities:						
Funding for the Academy Trust's educational operations	3	-	6,595	-	6,595	6,291
Other trading activities	4	81	-	-	81	94
Total		81	6,834	541	7,456	6,656
Expenditure on:						
Charitable activities:						
Academy trust's educational operations	5/6	81	6,803	123	7,007	6,568
Total		81	6,803	123	7,007	6,568
Net income		-	31	418	449	88
Transfers between funds	13	-	-13	13	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	13/ 24	-	2,905	-	2,905	(359)
Net movement in funds		-	2,923	431	3,354	(271)
Reconciliation of funds:						
Total funds brought forward	13	457	(2,465)	9,078	7,070	7,341
Total funds carried forward	13	457	458	9,509	10,424	7,070

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

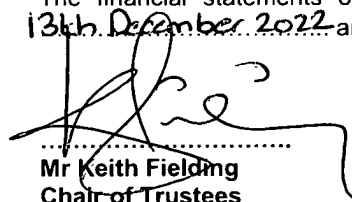
Parklands High School

Balance Sheet

Year Ended 31st August 2022

	Notes	2022 £000	2022 £000	2021 £000	2021 £000
Fixed assets					
Tangible assets	10		9,509		9,078
Current assets					
Debtors	11	595		271	
Cash at bank and in hand		<u>1,535</u>		<u>1,024</u>	
		2,130		1,295	
Liabilities					
Creditors: Amounts falling due within one year	12	<u>(841)</u>		<u>(323)</u>	
Net current assets			<u>1,289</u>		<u>972</u>
Total assets less current liabilities			10,798		10,050
Creditors: Amounts falling due after more than one year			-		-
Net assets excluding pension liability			<u>10,798</u>		<u>10,050</u>
Defined benefit pension scheme liability	24		<u>(374)</u>		<u>(2,980)</u>
Net assets including pension liability			<u>10,424</u>		<u>7,070</u>
Funds of the Academy Trust:					
Restricted funds					
Fixed asset fund	13	9,509		9,078	
Restricted income fund	13	832		515	
Pension reserve	13	<u>(374)</u>		<u>(2,980)</u>	
Total restricted funds			9,967		6,613
Unrestricted income funds	13		457		457
Total funds			<u>10,424</u>		<u>7,070</u>

The financial statements on pages 24 to 26 were approved by the trustees, and authorised for issue on the 13th December 2022 and are signed on their behalf by:



 Mr Keith Fielding
 Chair of Trustees

Company Limited by Guarantee
 Registration Number: 08151601

Parklands High School
Statement of Cash Flows
Year Ended 31st August 2022

	Notes	2022 £000	2021 £000
Cash flows from operating activities			
Net cash provided by operating activities	17	524	241
Cash flows from investing activities	19	(13)	(30)
Cash flows from financing activities	18	-	-
Change in cash and cash equivalents in the reporting period		<u>511</u>	<u>211</u>
Cash and cash equivalents at 1st September 2021		1,024	813
Cash and cash equivalents at 31st August 2022	20/21	<u>1,535</u>	<u>1,024</u>

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

1 Accounting policies

General information and basis of preparation

Parklands High School is a company limited by guarantee incorporated in England. The address of the registered office is given in the Reference and Administrative Details given on page 2 of these financial statements and the principal place of business is Southport Road, Chorley, Lancashire, PR7 1LL. The nature of the Academy Trusts operations and principal activities are set out in the Trustees' Report on page 4.

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102) 2019), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

Going concern

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

Income

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

- **Grants receivable**

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 period for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is an unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance 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.

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

1 Accounting policies (continued)

Income (continued)

- **Donations**
Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.
- **Other income**
Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Academy Trust has provided goods or services.
- **Donated goods, facilities and services**
Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and "Income from other trading activities". Upon sale, the value of the stock is charged against "Income from other trading activities" and the proceeds are recognised as "Income from other trading activities". Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within "Income from other trading activities".

Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £3,000 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 restrictions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Long leasehold buildings	Over 125 years' straight line
Fixture, fittings and equipment	Over 3 years' straight line
Computer hardware	Over 3 years' straight line
Motor vehicles	Over 5 years' straight line

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

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

Assets on conversion represent the transfer of leasehold assets, valued at £7,077,000 per the ESFA building valuation carried out in 2013, into the Academy on conversion to academy status, depreciated over a 125 year period.

Liabilities

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

Provisions

Provisions are recognised when the Academy Trust 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.

Leased assets

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

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

1 Accounting policies (continued)

Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement basis 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 11. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 12. 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.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, Chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net operating income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability 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.

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

1 Accounting policies (continued)

Fund Accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 31st March 2016 has been used by the actuary in valuing the pensions liability at 31st August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

2 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
Capital grants	-	541	541	151
Donated fixed assets	-	-	-	1
Trips and other non public funds	-	231	231	119
Other donations	-	8	8	-
	<u>-</u>	<u>780</u>	<u>780</u>	<u>271</u>

Income from donations and capital grants was £780,000 (2021 - £271,000) of which £nil (2021 - £nil) was attributable to unrestricted funds, £239,000 (2021 - £120,000) was attributable to restricted general funds and £541,000 (2021 - £151,000) was attributable to restricted fixed asset funds.

£541,000 (2021 - £151,000) of government grants were received for capital and maintenance works.

3 Funding for Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	6,029	6,029	5,525
Other DfE Group grants:				
Pupil Premium	-	263	263	247
Teacher Pay/Pension grant	-	-	-	293
Rates grant	-	20	20	20
Other grants	-	81	81	-
	<u>-</u>	<u>6,393</u>	<u>6,393</u>	<u>6,085</u>
Other Government grants				
Local Authority grants	-	102	102	118
	<u>-</u>	<u>102</u>	<u>102</u>	<u>118</u>
Exceptional Government funding				
Other DfE/ESFA Covid-19 funding	-	100	100	88
	<u>-</u>	<u>100</u>	<u>100</u>	<u>88</u>
Total	<u>-</u>	<u>6,595</u>	<u>6,595</u>	<u>6,291</u>

Funding for Academy Trust's educational operations was £6,595,000 (2021 - £6,291,000) of which £nil (2021 - £nil) was attributable to unrestricted funds, £6,595,000 (2021 - £6,291,000) was attributable to restricted general funds and £nil (2021 - £nil) was attributable to restricted fixed asset funds.

£6,595,000 (2021 - £6,291,000) of government grants were received for the purposes of the day to day running costs of the Academy and its charitable objectives.

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

4 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2022 £000	Total 2021 £000
Hire of facilities	11	-	11	-
Catering income	13	-	13	2
Sale of educational goods and services	-	-	-	1
Supplies of staff	35	-	35	74
Music tuition	22	-	22	17
	<u>81</u>	<u>-</u>	<u>81</u>	<u>94</u>

Income from other trading activities was £81,000 (2021 - £94,000) of which £81,000 (2021 - £94,000) was attributable to unrestricted funds, £nil (2021 - £nil) was attributable to restricted general funds and £nil (2021 - £nil) was attributable to restricted fixed asset funds.

5 Expenditure

	Staff Costs £000	Non Pay Expenditure Premises £000	Other Costs £000	Total 2022 £000	Total 2021 £000
Academy Trust's educational operations					
Direct costs	4,900	119	731	5,750	5,432
Allocated support costs	<u>656</u>	<u>312</u>	<u>289</u>	<u>1,257</u>	<u>1,226</u>
	<u>5,556</u>	<u>431</u>	<u>1,020</u>	<u>7,007</u>	<u>6,568</u>

£81,000 (2021 - £137,000) of the above expenditure on the Academy Trust's educational operations was attributable to unrestricted funds, £6,803,000 (2021 - £6,316,000) was attributable to restricted general funds and £123,000 (2021 - £115,000) was attributable to restricted fixed asset funds.

Net income/expenditure for the year includes:

	2022 £000	2021 £000
Operating lease rentals	16	32
Depreciation	123	115
Fees payable to the auditor for:		
Audit	5	5
Other services	<u>6</u>	<u>6</u>
	<u>150</u>	<u>158</u>

No additional transactions have taken place under Section 5.2 of the 2021 Academies Financial Handbook which require additional disclosure.

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

6 Charitable activities

	Total 2022 £000	Total 2021 £000
Direct costs – educational operations	5,750	5,342
Support costs – educational operations	1,257	1,226
	7,007	6,568

Analysis of direct costs	Educational operations £000	Total 2022 £000	Total 2021 £000
Direct staff costs	4,900	4,900	4,755
Learning resources	96	96	88
Examination fees	83	83	55
School trips and visits	267	267	122
Other direct costs	404	404	322
Total direct costs	5,750	5,750	5,342

Analysis of support costs	Educational operations £000	Total 2022 £000	Total 2021 £000
Support staff costs	656	656	569
Depreciation	4	4	4
Premises costs	308	308	349
Other support costs	285	285	300
Governance costs	4	4	4
Total support costs	1,257	1,257	1,226

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

7 Staff

(a) Staff costs

	2022 £000	2021 £000
Staff costs during the period were:		
Wages and salaries	3,908	3,842
Social security costs	419	399
Pension costs	1,164	1,075
	<u>5,491</u>	<u>5,316</u>
Agency staff costs	65	8
Staff restructuring costs	-	-
	<u>5,556</u>	<u>5,324</u>
Staff restructuring costs comprise:		
Redundancy payments	-	-
Severance payments	-	-
Other restructuring costs	-	-
	<u>-</u>	<u>-</u>

(b) Non-statutory / non-contractual staff severance payments

Included in staff restructuring costs are non-statutory / non-contractual severance payments totalling £nil (2021: £nil).

(c) Staff numbers

The average number of persons employed by the Academy Trust during the year, and the full-time equivalents, was as follows:

	2022 Number	2022 Full-time equivalent	2021 Number	2021 Full-time equivalent
Teachers	62	59	64	63
Administration and support	43	33	44	34
Management	11	11	11	11
	<u>116</u>	<u>103</u>	<u>119</u>	<u>108</u>

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

7 Staff (continued)

(d) Higher paid staff

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

	2022 No.	2021 No.
£60,001 - £70,000	4	4
£70,001 - £80,000	2	2
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£100,001 - £110,000	-	-
	<u>7</u>	<u>7</u>

(e) Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £903,000 (2021: £886,000).

8 Related party transactions - Trustees' remuneration and expenses

One or more trustees have been paid remuneration or have received other benefits from employment with the Academy Trust. The Principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

Mr S Mitchell (Headteacher and staff trustee):

Remuneration	£90,000 - £95,000 (2021: £85,000 - £90,000)
Employers' pension contributions	£20,000 - £25,000 (2021: £20,000 - £25,000)

Miss L Cathey (staff trustee):

Remuneration	£50,000 - £55,000 (2021: £30,000 - £35,000)
Employers' pension contributions	£10,000 - £15,000 (2021: £5,000 - £10,000)

Mr A Cunningham (staff trustee):

Remuneration	£35,000 - £40,000 (2021: £10,000 - £15,000)
Employers' pension contributions	£5,000 - £10,000 (2021: £0 - £5,000)

Mrs S Brookes (staff trustee):

Remuneration	£35,000 - £40,000 (2021: not appointed as staff trustee)
Employers' pension contributions	£5,000 - £10,000 (2021: not appointed as staff trustee)

During the year ended 31st August 2022, travel and subsistence expenses totalling £nil were reimbursed or paid to trustees (2021: £nil to trustees).

Other related party transactions involving the trustees are set out in note 25.

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

9 Trustees' and officers' insurance

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

10 Tangible fixed assets

	Leasehold Land and Buildings £000	Furniture and Fixtures £000	Computer Hardware £000	Total £000
Cost				
At 1 st September 2021	9,633	144	144	9,921
Additions	518	26	10	554
Disposals	-	-	-	-
At 31 st August 2022	10,151	170	154	10,475
Depreciation				
At 1 st September 2021	603	130	110	843
Charged in period	81	18	24	123
Disposals	-	-	-	-
At 31 st August 2022	684	148	134	966
Net book values				
At 31 st August 2021	9,030	14	34	9,078
At 31 st August 2022	9,467	22	20	9,509

11 Debtors

	2022 £000	2021 £000
Trade debtors	38	14
VAT recoverable	55	60
Other debtors	434	94
Prepayments and accrued income	68	103
	595	271

12 Creditors: amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	84	66
Other taxation and social security	-	-
Other creditors	226	116
Accruals and deferred income	531	141
	841	323

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

13 Funds

	Balance at 1 st September 2021 £000	Income £000	Expenditure £000	Gains, Losses and Transfers £000	Balance at 31 st August 2022 £000
Restricted general funds					
General Annual Grant (GAG)	379	6,029	(5,664)	(13)	731
Pupil premium grant	-	263	(263)	-	-
Rates grant	-	20	(20)	-	-
Other DfE/ESFA grants	-	181	(181)	-	-
Local Authority grants	-	102	(102)	-	-
Other restricted funds	136	239	(274)	-	101
Pension reserve	(2,980)	-	(299)	2,905	(374)
	(2,465)	6,834	(6,803)	2,892	458
Restricted fixed asset funds					
DfE/ESFA capital grants	-	541	-	(541)	-
Other capitalised assets	2,513	-	(67)	554	3,000
ESFA building valuation	6,565	-	(56)	-	6,509
	9,078	541	(123)	13	9,509
Total restricted funds	6,613	7,375	(6,926)	2,905	9,967
Total unrestricted funds	457	81	(81)	-	457
Total funds	7,070	7,456	(7,007)	2,905	10,424

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

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31st August 2022. At the period end the carry forward of GAG funding was £731,000.

Other DfE/ESFA grants include monies received outside of GAG funding. These funds have been spent in full by the 31st August 2022.

Local Authority grants represent amounts payable to the Academy predominantly from Lancashire County Council. A large percentage of these funds relate specifically to Special Educational Needs (SEN). As at the 31st August 2022 these funds had been spent in full.

Other restricted funds include monies from trips & non-public funds. As at the 31st August 2022 this fund had a surplus of £101,000 generated over the many years the account has operated prior to academy status. These funds have been carried forward to the next accounting period.

DfE/ESFA capital grants represent capital monies received during the period from the ESFA. As at the 31st August 2022 these funds had been spent in full.

Capitalised assets post conversion represents the value of assets purchased since conversion to academy status. These will be depreciated in line with the accounting policies set out in note 1.

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

13 Funds (continued)

ESFA building valuation represents the transfer of leasehold assets, valued at £7,077,000 per the ESFA building valuation carried out in 2013, into the Academy on conversion to academy status depreciated over a 125 year period.

Unrestricted funds represent funds generated via activities such as from lettings, music tuition and bank interest receivable. The surplus on this fund at the period end was £457,000 and these funds can be used at the discretion of the Governors to meet the charitable objectives of the Academy.

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

	Balance at 1 st September 2020 £000	Income £000	Expenditure £000	Gains, Losses and Transfers £000	Balance at 31 st August 2021 £000
Restricted general funds					
General Annual Grant (GAG)	96	5,525	(5,212)	(30)	379
Pupil premium grant	-	247	(247)	-	-
Teacher Pay/Pension grant	-	293	(293)	-	-
Rates grant	-	20	(20)	-	-
Other DfE/ESFA grants	-	88	(88)	-	-
Local Authority grants	-	118	(118)	-	-
Other restricted funds	139	119	(122)	-	136
Pension reserve	(2,405)	-	(216)	(359)	(2,980)
	(2,170)	6,410	(6,316)	(389)	(2,465)
Restricted fixed asset funds					
DfE/ESFA capital grants	-	151	-	(151)	-
Other capitalised assets	2,388	1	(57)	181	2,513
ESFA building valuation	6,623	-	(58)	-	6,565
	9,011	152	(115)	30	9,078
Total restricted funds	6,841	6,562	(6,431)	(359)	6,613
Total unrestricted funds	500	94	(137)	-	457
Total funds	7,341	6,656	(6,568)	(359)	7,070

Parklands High School**Notes to the Financial Statements****Year Ended 31st August 2022****14 Analysis of net assets between funds**Fund balances at 31st August 2022 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	9,509	9,509
Current assets	457	1,673	-	2,130
Current liabilities	-	(841)	-	(841)
Pension scheme liability	-	(374)	-	(374)
Total net assets	457	458	9,509	10,424

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

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	9,078	9,078
Current assets	457	838	-	1,295
Current liabilities	-	(323)	-	(323)
Pension scheme liability	-	(2,980)	-	(2,980)
Total net assets	457	(2,465)	9,078	7,070

15 Capital commitments

	2022 £000	2021 £000
Contracted for, but not provided in the financial statements	-	-

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

	2022 £000	2021 £000
Amounts due within one year	18	21
Amounts due between one and five years	47	10
Amounts due after five years	-	-
	65	31

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

17 Reconciliation of net income/(expenditure) to net cash inflow from operating activities

	2022 £000	2021 £000
Net income for the reporting period (as per the Statement of Financial Activities)	449	88
Adjusted for:		
Depreciation (note 10)	123	115
Capital grants from DfE and other capital income	(541)	(152)
Interest receivable	-	-
Defined benefit pension scheme cost less contributions payable (note 24)	250	175
Defined benefit pension scheme finance cost (note 24)	49	41
Increase in debtors	(324)	(162)
Decrease in creditors	518	136
Net cash provided by operating activities	524	241

18 Cash flows from financing activities

	2022 £000	2021 £000
Repayments of borrowing	-	-
Cash inflows from borrowing	-	-
Net cash provided by financing activities	-	-

19 Cash flows from investing activities

	2022 £000	2021 £000
Proceeds from sale of tangible fixed assets	-	-
Purchase of tangible fixed assets	(554)	(182)
Capital grants from DfE/ESFA	541	151
Capital funding received from others	-	1
Net cash (used in) investing activities	(13)	(30)

20 Analysis of cash and cash equivalents

	2022 £000	2021 £000
Cash at bank and in hand	1,535	1,024
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	1,535	1,024

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

21 Analysis of changes in net debt

	At 1 st September 2021	Cash flows	Acquisition / disposal of subsidiaries	Finance leases	Other non-cash changes	At 31 st August 2022
Cash	1,024	511	-	-	-	1,535
Cash equivalents	-	-	-	-	-	-
Overdraft facilities repayable on demand	-	-	-	-	-	-
	<u>1,024</u>	<u>511</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,535</u>
Loans falling due within one year	-	-	-	-	-	-
Loans falling due after more than one year	-	-	-	-	-	-
Finance lease obligations	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>1,024</u>	<u>511</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1535</u>

22 Contingent Liabilities

During the period of the funding agreement, in the event of the sale or disposal by other means of any capital asset for which a Government Capital grant was received, the School is required to either re-invest the proceeds or to repay the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State, as the Secretary of State may require.

23 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.

24 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Lancashire County Pension Fund. Both are multi-employer defined-benefit schemes.

The latest actuarial valuation of the TPS was 31st March 2016 and of the LGPS 31st March 2019.

Contributions amounting to £96,956 (2021: £23,696) were payable to the schemes at 31st August 2022 and are included within creditors.

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

24 Pension and similar obligations (continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1st January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers 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 31st March 2016. The valuation report was published by the Department for Education on 5th 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 1st April 2023.

The pension costs paid to TPS in the period amounted to £897,000 (2021: £890,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

24 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31st August 2022 was £300,000 (2021: £287,000), of which employer's contributions totalled £235,000 (2021: £225,000), and employees' contributions totalled £65,000 (2021: £62,000). The agreed contribution rates for future years are 18.6% for employers and the rate for employees remains dependant on the earnings of the employee.

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

As described in note 1 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

Principal Actuarial Assumptions

	At 31 st August 2022	At 31 st August 2021
Rate of increase in salaries	4.3%	4.3%
Rate of increase for pensions in payment / inflation	2.9%	2.9%
Discount rate for scheme liabilities	4.3%	1.7%
Inflation assumption (CPI)	2.8%	2.8%

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

	At 31 st August 2022	At 31 st August 2021
<i>Retiring today</i>		
Males	22.3	22.4
Females	25.0	25.1
<i>Retiring in 20 years</i>		
Males	23.7	23.9
Females	26.8	26.9

Sensitivity analysis

		Sensitivity 1	Sensitivity 2	Sensitivity 3	Sensitivity 4
	Central £000	+0.1% pa discount rate £000	+0.1% pa inflation £000	+0.1% pa pay growth £000	1 year inc in life expectancy £000
Liabilities	3,807	3,723	3,894	3,817	3,844
Assets	(3,433)	(3,433)	(3,433)	(3,433)	(3,433)
Deficit	374	290	461	384	451
Projected service cost	226	220	233	226	232
Projected net interest	11	8	15	11	14

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

24 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Fair value at 31 st August 2022	Fair value at 31 st August 2021
Equities	1,621	1,487
Gilts	-	-
Other bonds	151	156
Property	374	294
Cash and other liquid assets	55	62
Other	1,232	945
Total market value of assets	3,433	2,944

The actual return on scheme assets was £232,000 (2021: £347,000).

Amounts recognised in the statement of financial activities

	2022 £000	2021 £000
Current service cost (net of employee contributions)	(244)	(169)
Interest income	52	45
Interest expense	(101)	(86)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	-
Admin expenses	(6)	(6)
Total operating charge	(299)	(216)

Parklands High School

Notes to the Financial Statements

Year Ended 31st August 2022

24 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2022 £000	2021 £000
At 1st September	5,924	4,771
Current service cost	479	394
Past service cost	-	-
Interest cost	101	86
Employee contributions	65	62
Actuarial (gain)/loss	(2,725)	661
Benefits paid	(37)	(50)
At 31st August	<u>3,807</u>	<u>5,924</u>

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

	2022 £000	2021 £000
At 1st September	2,944	2,366
Interest income	52	45
Actuarial gain	180	302
Administration expenses	(6)	(6)
Employer contributions	235	225
Employee contributions	65	62
Benefits paid	(37)	(50)
At 31st August	<u>3,433</u>	<u>2,944</u>

25 Related Party Transactions

Owing to the nature of the Academy Trust's operations 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 Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1st April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures.

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