

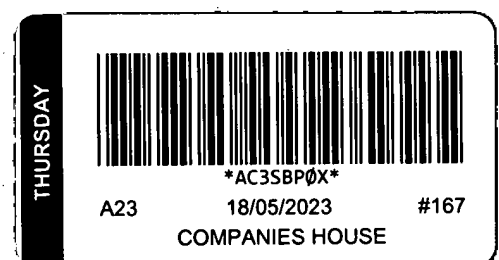
Company Registration No. 08436285 (England and Wales)

GILDREDGE HOUSE FREE SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022



GILDREDGE HOUSE FREE SCHOOL

CONTENTS

	Page
Reference and administrative details	1 - 2
Governors' report	3 - 13
Governance statement	14 - 17
Statement on regularity, propriety and compliance	18
Statement of Governors' responsibilities	19
Independent auditor's report on the accounts	20 - 23
Independent reporting accountant's report on regularity	24 - 25
Statement of financial activities including income and expenditure account	26 - 27
Balance sheet	28
Statement of cash flows	29
Notes to the accounts including accounting policies	30 - 52

GILDREDGE HOUSE FREE SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

J Mace (Chair of Governors)
L Baxter (Vice-Chair of Governors)
G Mace
T Scott
P Amos
A Allart
M Ashley Taylor
M Benzing
G Freeman
J Swann
M Gietzen (Resigned 20 July 2022)
O Newman
B Roddick (Resigned 22 March 2022)
C Taylor (Appointed 1 September 2021)
S Waterman (Ex-Officio) (Appointed 1 September 2021 and resigned 9 December 2021)
C Bull (Ex-Officio) (Appointed 18 December 2021)

Members

- Trust member	J King
- Trust member and Governor	G Mace
- Trust member and Governor	J Mace

Senior leadership team

- Head Teacher	C Bull
- Director of inclusion	D O'Driscoll
- Head of Lower School	C Geldard
- Director of Finance & Administration	J Logan
- Assistant Head	D Simmonds
- Assistant Head	J Towner
- Director of Sixth Form	J Graffham

Company secretary

J Logan

Company registration number

08436285 (England and Wales)

Principal address and Registered office

Compton Place Road
Eastbourne
East Sussex
BN20 8AB

GILDREDGE HOUSE FREE SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

Price & Company
30-32 Gildredge Road
Eastbourne
East Sussex
BN21 4SH

Bankers

National Westminster Bank Plc
96 Terminus Road
Eastbourne
East Sussex
BN21 3LX

Solicitors

Messrs Gaby Hardwicke
33 The Avenue
Eastbourne
East Sussex
BN21 3YD

Website

www.gildredgehouse.org.uk

GILDREDGE HOUSE FREE SCHOOL

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

The Governors (Trustees) present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates an Academy for students aged 4 to 19 serving the Eastbourne area. When full, the school will have a capacity of 1,260 and had a roll of 1,230 in September 2022.

Structure, governance and management

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 Governors are the trustees of Gildredge House Free School and are also the directors of the charitable company for the purposes of company law. Details of the Governors who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Governors' indemnities

The Academy has purchased insurance to protect Governors from claims arising from negligent acts, errors or omissions occurring whilst on company business through the Department for Education's Risk Protection Arrangement. The insurance provides cover up to £10,000,000 on any one claim.

Method of recruitment and appointment or election of Governors

Governors are recruited as required via an interview process carried out by Members and Governors jointly. Parent and Staff Governors are recruited via a confidential electronic ballot of parents and staff.

A skills audit of the Trust was carried out in March 2022 and recruitment of Governors has been targeted to address any identified skills gaps. Governors' terms of office are for four years and Governors may be re-elected.

Policies and procedures adopted for the induction and training of Governors

New Governors have a programme of induction and all relevant policies are made available as required. Governors are encouraged to review their skills and undertake training as identified. The Governors together with the Senior Leadership Team meet regularly during the year.

Training is delivered via in-house presentations, consultants linked to individual areas for development, the learning link (NGA) and training courses run by ESCC Governor Services.

GILDREDGE HOUSE FREE SCHOOL

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Organisational structure

The Trust is formed of a full Governing Body which is serviced by the following committees, to which decision-making powers have been delegated as per the agreed Scheme of Delegation:

Education
Enterprise
Admissions

Governors also undertake regular monitoring visits at the school and aim to attend as many school events as possible.

The Academy Headteacher is Craig Bull. Craig took over from Sharon Waterman who was acting interim Headteacher in December. Craig is the appointed Accounting Officer of the Trust.

Arrangements for setting pay and remuneration of key management personnel

Governors have appointed their Head Teacher, in accordance with the Trust's Articles of Association and details as laid out in the Academies Financial Handbook. The Head Teacher's Annual performance management is undertaken with the support of external advisors and targets set in accordance with the requirements of the school. SLT members, are appointed and approved jointly by the Head Teacher and Governors, with responsibility levels being agreed at Governor level to address the needs of the school and requirements of the funding agreement. All are subject to robust performance management relevant to their post and responsibilities.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials
during the relevant period

2

Full-time equivalent employee number

-

Percentage of time spent on facility time

Percentage of time

Number of employees

0%

-

1%-50%

2

51%-99%

-

100%

-

Percentage of pay bill spent on facility time

Total cost of facility time

-

Total pay bill

-

Percentage of the total pay bill spent on facility time

-

Paid trade union activities

Time spent on paid trade union activities as a percentage
of total paid facility time hours

-

GILDREDGE HOUSE FREE SCHOOL

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Related parties and other connected charities and organisations

Gildredge House presently has no connected parties.

Objectives and activities

Objects and aims

Gildredge House is an all-through 4-19 state-funded Free School, which was set up by a founding group which included parents. The Academy Trust's objectives are set out in its Articles of Association. Its principal objectives are:

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

Objectives, strategies and activities

Vision, Mission and Values

Our vision

We have the highest aspirations for our school community. By inspiring courage, pride and respect we will all end up as confident, ambitious and successful life-long learners.

Our Mission

Our schools motto is 'Aspire'.

Aspire, in all that we do.

Vision

Our vision is to be a school that:

- Aspires for balanced students who flourish through opportunities and learning experiences in and outside the classroom.
- Aspires toward a culture of care and wellbeing, which results in optimal conditions for learning.
- Aspires to be proud of the Gildredge House way, our uniform and attendance.
- Aspires for all students to achieve their potential and beyond.
- Aspires for an inclusive, all-through, values-based curriculum.
- Aspires for students to understand their responsibility to be global citizens, contributing to a better world.
- Aspires to celebrate students' individual and collective achievements.
- Aspires to engage young people in environmental education and action.
- Aspires for a strong careers programme which supports students in further education, training, and employment.
- Aspires to work collaboratively within our local, national, and global communities.

GILDREDGE HOUSE FREE SCHOOL

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

The Gildredge House Way - Ready, Respectful, Safe

Our school is founded upon high standards and high expectations of students' attitude to learning. We expect a commitment from all students to the Gildredge House Way, in and out of every lesson. We also believe it is important to celebrate individual and collective achievements through a culture of 'catching students in'.

Activities

In September 2022, the school opened its doors to its tenth cohort of students, 58 into Reception and 145 into Year 7, with applications to these year groups again being oversubscribed.

The school roll has maintained steady student numbers in primary and secondary phases, sixth form numbers have been lower than anticipated. Recruitment has been successful and the number of teachers equates to 59 FTE with support staff being 55.

Public benefit

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

Strategic report

Achievements and performance

Our strategic priorities are grounded in enabling students at Gildredge House to achieve their potential and beyond, develop values to support them in being a positive member of society. Our priorities will help us deliver an outstanding education whilst strengthening collaborative partnerships and ensuring the ongoing development and financial stability of Gildredge House.

Our priorities are based upon our self-evaluation outcomes, the Ofsted inspection framework, the 'Opportunity for all: strong schools with great teachers for your child' white paper, the 'Right support, right place, right time' Green paper and our school vision:

Our improvement strategy is based upon collaboration with stakeholders to address common issues and themes borne out of communication, information, and data. We will undergo annual self-evaluation which in turn, will lead to school development and quality assurance processes which are augmented by challenge and support activities. This will provide a wealth of information and data, which can be collated to inform future priorities. The cycle below details how we intend to ensure a clear understanding of the implementation and monitoring process:

- This strategic plan establishes a clear framework for planning, implementing, and reviewing our strategic priorities over the next five years. To deliver the ambitious priorities, we have developed a series of annual plans with specific reviews and action plans leading to measurable outcomes.
- A robust cycle of review ensures we can adjust our actions as required to ensure they are aligned with identified areas for development emerging from our annual self-assessment cycle.
- The Board of Governors regularly scrutinises the effectiveness of the school in achieving its strategic priorities and in its contribution to educational value.
- All six areas of the Strategic Plan will be tracked in terms of key indicators for school improvement.

GILDREDGE HOUSE FREE SCHOOL

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Primary Phase - Following the absence of public examinations for the past two years, due to a global pandemic, this was the first year that public examinations were returned to all schools and our first external KS2 tests. Both Early Years and KS1 and KS2 cohorts had significant disruption to learning due to the pandemic. This was more acutely apparent in subjects that are heavily knowledge and skills based and which parents felt less confident to teach, such as Maths and Writing. Primary teachers had to spend considerable time teaching students from the 'Ready to Progress' documents provided by the Government to ensure a basic level of understanding was in place before adding more curriculum content. The quality of provision for English at KS2 was disrupted for the last four months of the academic year due to long-term staff absence. The following results do not include a trend analysis due to the previous two years' results being populated by teacher assessed grades without external moderation on offer to support judgements.

Phonics - 71% for Year 1, were broadly in line with East Sussex. However, students in Year 2 phonics achieved 90%. These students have had longer to acquire the necessary phonics knowledge over two years instead of one.

KS2

KS2 Performance Indicators	July Result
Reading	71%
Writing	62%
Maths	52%
GPS	73%
Science	83%
Combined	45%

Secondary and Sixth Form Phase - Following the absence of public examinations for the past two years, due to the global pandemic, this was the first year that public examinations have returned to all schools. Guidance from the DFE stated that results nationally would be somewhere between the pre-pandemic 2019 results and the Teacher Assessed grades of 2021. The 2022 cohort for KS5 students is broadly in line with previous cohorts' prior attainment, with the exception of the 2018 cohort which had an unusually high prior attainment and only 14 students. The prior attainment for KS4 students is lower than in previous years. Meaning that the FFT20 target for attainment was also lower at 48 compared to 51 in the previous year. Adjustments had been made to the Curriculum offer when these students were in Year 9 with the introduction of BTECs in Business and Sport, National Qualifications in Creative I-Media and Engineering. Both KS4 and KS5 cohorts had significant disruption to learning due to the pandemic. This was more acutely apparent in subjects that are heavily knowledge based such as the Sciences and Maths. Teachers spent considerable time teaching students GCSE content before they were able to move onto A-Level content. The quality of provision for Maths (GCSE), Science (GCSE combined) and Business Studies was disrupted throughout the course due to staff absence and difficulties recruiting. The following results do not include a trend analysis due to the previous two years results being populated by teacher assessed grades.

Key Stage 5 Key Performance Indicators

Total Entries: 96	Result
% A* - E (Pass)	99
% A* - C (Merit)	67
% A* - B	33
% A*/A (Dist)	23

GILDREDGE HOUSE FREE SCHOOL

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Overall commentary:

Attainment is broadly in line with FFT 20 Benchmarks. The results show a significant improvement since the Spring assessment point, indicating that the last three months of study had a significantly positive impact.

Key Stage 4 Key Performance Indicators

	Result
Attainment 8	46.71
5+ inc En/Ma	42%
4+ inc En/Ma	69%
A8 English	9.73
A8 Maths	9
A8 Ebacc	14.08
A8 Open	13.9

The results were better than the predictions and broadly in line with FFT20 Benchmarks. Generally, more high and mid prior attaining students achieved or exceeded benchmark grades compared to low prior attaining students (P8, High 0.02, P8 Mid 0.26 and P8 low -0.04). This is likely to have been influenced by students' ability to access learning through the Pandemic.

The subjects that added the most value to students attainment had the same features in common. They effectively tracked progress across the year, used data and question level analysis to inform teaching and make decisive interventions, individualised programmes of intervention were provided to key students, the course content and assessment criteria were clearly, at least one member of the department was either an examiner or had Exam board experience.

In November 2018 Ofsted awarded Gildredge House a judgement of Good. Ofsted comments on governance:

"The governing body, which includes the trustees, has high aspirations and expectations of the school. Governors have a clear vision for an all-through school to provide a seamless and high-quality education for pupils, from early years to the end of sixth form."

Going concern

The Academy had an operational surplus of £206,028 in 2022 (Net income on restricted general fund of £172,455 plus £33,573 surplus on unrestricted fund, but excluding actuarial gains of £1,781,000) and is being supported by the Educational and Skills Funding Agency (ESFA). After making appropriate enquiries and based on the confirmation of support from the ESFA, the Board of Governors has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board of Governors continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

GILDREDGE HOUSE FREE SCHOOL

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Financial review

The vast majority of the Academy's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, (Revenue & Capital) the use of which is restricted to particular educational purposes. The grants received from the DfE during the period ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy has received grants for Capital additions to refurbish and extend the Academy buildings. This amounted to £45,328 in the period to 31 August 2022. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

In the year to 31 August 2022 total expenditure excluding depreciation was £6,605,996, including £66,185 expenditure from the School Fund (see Note 16). This was funded by grants from the ESFA of £6,527,448 and other government grants of £133,258 (see Note 4), School Fund income and other small grants of £117,745 (see Note 5), School Fund and other donations of £23,477 (Note 3) and lettings and other income of £9,340 (Note 5). The excess of income over expenditure for the period (excluding the pension fund and restricted fixed asset funds) was £206,028 as shown above. The closing balances on the various funds are shown in Note 16 on page 43 of the accounts.

At 31 August 2022, the net book value of fixed assets was £11,182,172 and movements in tangible fixed assets are shown in the financial statements. The assets were used exclusively for providing education and the associated support services to the Students of the Academy.

The land, buildings and other assets were transferred to the Academy upon incorporation. Land was valued at transfer of £750,000 and buildings further to refurbishment and extension are included in the accounts at £11,190,000. Other assets have been included in the financial statements at cost less depreciation.

The Academy accounts for the deficit in the Local Government Pension Scheme in respect of its non-teaching staff. The deficit is incorporated within the Statement of Financial Activity with details in the financial statements.

Key financial policies adopted or reviewed during the year include the Admissions Policy 2016-17, Articles of Association, Register of Interests of Head Teacher and Governors, Charging and Remissions Policies, Staff Pay and Progression Policy, Data Protection Policy.

Key documents created and reviewed:

Financial Regulations manual including: Anti-Corruption & Bribery Policy, Conflicts of Interest Policy, Whistle Blowing Policy, Risk Register, School Development Plan.

The Finance Regulations Manual sets out the framework for financial management, including financial responsibilities of the Trustees, Headteacher (as Accounting Officer), the Finance & Administration Director, SLT, Budget holders and other affected staff; as well as delegated authority for expenditure and procurement protocols.

GILDREDGE HOUSE FREE SCHOOL

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

The audit functions of the Academy have been carried out by a Responsible Officer and External Auditors, Price & Company, who have then submitted reports to the Audit / Enterprise Committee.

The Governors have agreed a strategic approach to robust financial management and budgetary control whilst continuing to invest in Human and Physical resources to sustain the Academy's development priorities. They have also taken a prudent approach to policy on Reserves in order to protect the organisation from commercial, political and financial risk.

This strategic plan is in line with and reinforces the objectives in the Academy's Funding Agreement.

Reserves policy

The Governors review the reserve levels of the Academy at least annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors, in following ESFA guidance have agreed that a fixed asset fund should be maintained, the value of which should match the net book value of fixed assets.

The balance of this fund therefore represents monies that have already been invested in fixed assets (net of depreciation charged thereon) and hence this is not a fund that is available for future spending. The balance on the fixed asset fund at 31 August 2022 was £11,143,924.

A capital fund is maintained representing capital grants received from the ESFA. This is available in accordance with the conditions of the grants, it must be used for capital expenditure. It is not therefore available to support or to fund future running costs (revenue expenditure).

A general restricted fund is maintained representing grant funding received mainly from the ESFA to fund the operating activities of the Academy. The fund was £1,216,263 in surplus at 31 August 2022 (2021 : £737,192 deficit). This surplus includes an amount of £1,445,000, relating to the actuarial gain on the pension schemes for the year.

An unrestricted general fund is maintained, representing funds raised or generated by the Academy, to which no restrictions apply, beyond the general requirement that they be applied to the company's educational and charitable objectives. The balance on this fund at 31 August 2022 was £216,261.

The Academy maintains one further fund, the Local Government Pension Scheme (LGPS) fund. This represents the company's share of the pension fund surplus or deficit, calculated in accordance with the requirements of FRS 102. Further details of the calculations and assumptions underlying the balance on this fund are set out in the financial statements.

Investment policy

Investments must be made only after approval by the Full Governing Board.

All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of purchase, the cost and a description of the investment, income receivable from the investment.

Presently the Academy holds no such investments.

GILDREDGE HOUSE FREE SCHOOL

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Principal risks and uncertainties

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

Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the following statement. The Governors are satisfied that systems are in place to mitigate exposure to the major risks.

Throughout the Covid pandemic the school closely followed all government guidelines in order to limit the effect on our students' education. School was always open for children of key workers, those with social care arrangements, children with SEND or families in receipt of free school meals (Pupil Premium Funding). Very clear procedures surrounding preventative steps to stop the spread of the virus were communicated to all staff, students and parents. Where necessary bubbles were introduced to ensure limited mixing of students. This, alongside staggered/beginning end to school day, and staggered break and lunch times ensured that we did everything possible to limit infection.

At all times governors were satisfied that rigorous risk assessments were undertaken and the board were involved in carrying out and monitoring these assessments.

Financial and risk management objectives and policies

The Governors take into account the sum carried forward for the year and the likelihood that central government financial support will not increase in real terms, in coming years. Governors will keep the position under constant review to ensure that they have sufficient income to run the Academy on an efficient basis without affecting the quality of teaching and learning.

Financial risk is part of the Academy risk register and is regularly monitored and reviewed by Governors and SLT.

The Academy's financial management procedures follows the Gildredge House Financial Regulations Manual which has been written in consideration of the advice and guidance contained within the current Academies Financial Handbook. The Financial Regulations Manual and financial management procedures are regularly reviewed and revised to minimise risk and ensure best practice to achieve best value principles.

Fundraising

The Governing Body is responsible for ensuring that the organisation operates within a responsible, sustainable financial framework and that the organisation has adequate resources to carry out its work.

The Governors are committed to ensuring that fundraising activities are carried out in an ethical manner.

The guiding fundraising principle is a simple one – we will only use techniques that we would be happy to be used on ourselves.

GILDREDGE HOUSE FREE SCHOOL

GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

In doing so, the organisation will adhere to the following standards:

- The Governors will have regard to the Charity commissions publication 'Charity Fundraising' (CC20)
- Fundraising activities carried out by the school which will comply with all relevant laws.
- Any communications to the public made in the course of carrying out a fundraising activity shall be truthful, non-deceptive and GDR compliant.
- All monies raised via fundraising activities will be for the stated purpose of the appeal and will comply with the school's stated mission and purpose.
- All personal information collected by the school operates within GDPR compliance and is confidential and is not for sale or to be given away or disclosed to any third party without consent.
- Nobody directly or indirectly employed by or volunteering for the school shall accept personal commissions, bonuses or payments for fundraising activities on behalf of the organisation.
- No general solicitations shall be undertaken by telephone or door-to-door.
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of the school.
- Financial contributions will only be accepted from companies, organisations and individuals in line with Gildredge House financial regulations handbook.
- Fundraising activities should not be undertaken if they will expose the organisation to significant financial risk.
- Complaints will be dealt with in accordance with the Charity Commissions guide CC20.

Plans for future periods

We prepared to welcomed the 10th cohort of Year 7 and Reception in September 2022, which were once again oversubscribed. We were also looking forward to welcoming the 7th cohort of students into our Sixth Form (Year 12).

We will continue to embed the ethos and vision of the school as it is proposed to growth.

We will continue to focus, through the development of the School Development Plan, on the four new Ofsted areas of Quality of Education, Behaviour and Attitudes, Personal Development and Leadership and Management. In these areas, we will continue to aspire to sustain the high quality of the 'Good' Ofsted judgements made in November 2018 and build on these to push for an outstanding grade by the next Ofsted inspection.

GILDREDGE HOUSE FREE SCHOOL

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Auditor

In so far as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Governors 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.

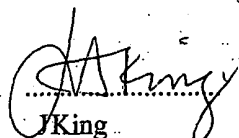
A resolution proposing that Price & Company be reappointed as auditor of the charitable company will be put to the members.

The Governors' report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 06 December 2022 and signed on its behalf by:



J Mace

Chair of Governors and Trust Member



J King

Chair of Gildredge House Free School Trust



G Mace

Trust Member



Clare Kearns

Trust Member

GILDREDGE HOUSE FREE SCHOOL

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Gildredge House Free 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.

The Board of Governors has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform to 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 Gildredge House Free School and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Board of Governors has formally met four times during the year. There have also been three Enterprise Committee meetings and three Education Committee meetings. Attendance during the year at these meetings of the Board of Governors was as follows:

Governors	Meetings attended	Out of possible
J Mace (Chair of Governors)	4	4
L Baxter (Vice-Chair of Governors)	4	4
G Mace	4	4
T Scott	2	4
P Amos	4	4
A Allart	3	4
M Ashley Taylor	3	4
M Benzing	3	4
G Freeman	3	4
J Swann	3	4
M Gietzen (Resigned 20 July 2022)	2	4
O Newman	4	4
B Roddick (Resigned 22 March 2022)	1	2
C Taylor (Appointed 1 September 2021)	3	4
S Waterman (Ex-Officio) (Appointed 1 September 2021 and resigned 9 December 2021)	2	2
C Bull (Ex-Officio) (Appointed 18 December 2021)	2	2

GILDREDGE HOUSE FREE SCHOOL

GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

The Enterprise committee is a sub-committee of the main Board of Governors. Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
J Mace (Chair of Governors)	3	3
T Scott	2	3
P Amos	2	3
M Ashley Taylor	3	3
G Freeman	3	3
M Gietzen (Resigned 20 July 2022)	3	3
C Bull (Ex-Officio) (Appointed 18 December 2021)	3	3

The Education committee is a sub-committee of the main Board of Governors. Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
J Mace (Chair of Governors)	3	3
L Baxter (Vice-Chair of Governors)	2	3
G Mace	3	3
A Allart	3	3
M Benzing	3	3
J Swann	2	3
O Newman	3	3
B Roddick (Resigned 22 March 2022)	2	2
C Taylor (Appointed 1 September 2021)	3	3
S Waterman (Ex-Officio) (Appointed 1 September 2021 and resigned 9 December 2021)	1	1
C Bull (Ex-Officio) (Appointed 18 December 2021)	2	2

Review of value for money

As Accounting Officer the Principal 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.

GILDREDGE HOUSE FREE SCHOOL

GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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

Ofsted Good has been achieved by careful recruitment and deployment of teaching staff to maximise expertise both inside the classroom and outside in the school's extensive extra-curricular 'Twilight' programme. Similarly, careful recruitment and deployment of support staff to maximise expertise has allowed for evolution and development of departments and individual roles in order to support the growing community. The school has worked with the ICT provider to ensure best value for money with the increased IT provision, which will provide the school with income generation opportunities, as well as supporting the quality of delivery of the curriculum.

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 Gildredge House Free School for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Governors 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 Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Governors.

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 Governors;
- regular reviews by the Full Governing Board 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;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Governors has considered the need for a specific internal audit function and has decided:

- to appoint an internal auditor, Knilljames chartered accountants. The internal audit was done 23/08/22. No critical inefficiencies were identified.

GILDREDGE HOUSE FREE SCHOOL

GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

The external auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The external auditor reports to the Board of Governors on the operation of the systems of control and on the discharge of the financial responsibilities of the Board of Governors.

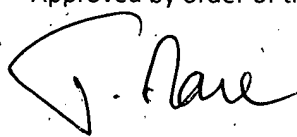
Review of effectiveness

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

- the work of the external auditor;
- the financial management and governance self-assessment process.

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

Approved by order of the Board of Governors on 6/12/22 and signed on its behalf by:



J Mace
Chair of Governors
Trust Member

GILDREDGE HOUSE FREE SCHOOL

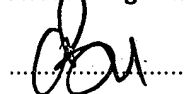
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2022

As Accounting Officer of Gildredge House Free School I have considered my responsibility to notify the Academy Trust Board of Governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, 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 2016.

I confirm that I and the Academy Trust's Board of Governors are able to identify any material irregular or improper use of 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 Governors and ESFA.

C Bull
Accounting Officer



.....

GILDREDGE HOUSE FREE SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2022

The Governors (who act as trustees for Gildredge House Free School and are also the directors of Gildredge House Free School for the purposes of company law) are responsible for preparing the Governors' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Governors to prepare accounts for each financial year. Under company law, the Governors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the Governors are required to:

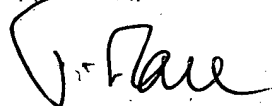
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

The Governors 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 accounts 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 Governors 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 of good financial management. They are also responsible for ensuring that grants received from the ESFA/DfE have been applied for the purposes intended.

The Governors 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Governors on 6/12/22 and signed on its behalf by:



J Macé
Chair of Governors

GILDREDGE HOUSE FREE SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GILDREDGE HOUSE FREE SCHOOL FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the accounts of Gildredge House Free School for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

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 accounts' 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 accounts 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 Governors' 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 Governors with respect to going concern are described in the relevant sections of this report.

GILDREDGE HOUSE FREE SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GILDREDGE HOUSE FREE SCHOOL (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Other information

The Governors are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts 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.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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 Governors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Governors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Governors' report, including the incorporated strategic report.

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

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

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Governors 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 Governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

GILDREDGE HOUSE FREE SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GILDREDGE HOUSE FREE SCHOOL (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

- In planning our audit we assess the risks of material misstatement, including fraud, based on our discussion with management, evaluation of the internal controls in place, and identify critical laws and regulations.
- During our detailed audit work we review transactions and documentation relevant to the inherent and specific risks we identified at the planning stage and which could indicate fraud or non-compliance with laws and regulations.
- During our audit procedures we extend the scope of our testing where our planning indicated there was an increased risk of fraud including management override of controls.
- We also considered and reviewed the procedures which management have in place to detect and identify any instances of fraud or non-compliance with fraud and regulations. The procedures in place were discussed in detail with management and walkthrough tests were undertaken where appropriate.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that relate to:

- Children's Act 2004. The guidelines set out in this act requires anyone who works with children (whether in an educational or non-educational setting) to know how a child should be looked after in the eyes of the law.
- The Department of Education Statutory policies for schools and academy trusts. This covers all regulations set out by the department of education including: Admissions policy, Premises management, Health and safety, Lesson requirements, Data protection, Teachers pay, Complaints and discipline procedures and child protection policies.
- The Academies Financial Handbook has the framework for the preparation and presentation of the academy's financial statements for the year.

GILDREDGE HOUSE FREE SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GILDREDGE HOUSE FREE SCHOOL (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

We accessed the risks of material misstatement in respect of fraud as follows:

- Enquiries were made to those in management and in charge of governance.
- Analytical procedures were used as costs are expected to remain fairly consistent due to the nature of the Academy and having been at full capacity for the last several years.
- Walkthrough tests were performed on key areas deemed most susceptible to misstatement by the audit team.
- Board minutes were reviewed.
- Client journal entries were tested for appropriateness.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Mr Malcolm Preece BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Price & Company**

7/12/22
.....

**Chartered Accountants
Statutory Auditor**

30-32 Gildredge Road
Eastbourne
East Sussex
BN21 4SH

GILDREDGE HOUSE FREE SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GILDREDGE HOUSE FREE SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 15 September 2014 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Gildredge House Free School during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Gildredge House Free School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Gildredge House Free 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 Gildredge House Free School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Gildredge House Free School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Gildredge House Free School's funding agreement with the Secretary of State for Education dated 22 August 2013 and the Academies Financial Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

GILDREDGE HOUSE FREE SCHOOL

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GILDREDGE HOUSE FREE SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

The work undertaken to draw to our conclusion includes a review of the design and implementation of the Academy Trust's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the Academy Trust and specific transactions identified from our review.

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 period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Price & Company

Reporting Accountant

Price & Company
30-32 Gildredge Road
Eastbourne
East Sussex
BN21 4SH

Dated: *7/12/22*

GILDREDGE HOUSE FREE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2022 £	Total 2021 £
Income and endowments from:						
Donations and capital grants	3	23,477	-	45,328	68,805	94,939
Charitable activities:						
- Funding for educational operations	4	-	6,660,706	-	6,660,706	6,352,519
Other trading activities	5	9,340	117,745	-	127,085	57,929
Investments	6	756	-	-	756	113
Total		33,573	6,778,451	45,328	6,857,352	6,505,500
Expenditure on:						
Charitable activities:						
- Educational operations	8	-	6,605,996	370,616	6,976,612	6,560,910
Total	7	-	6,605,996	370,616	6,976,612	6,560,910
Net income/(expenditure)		33,573	172,455	(325,288)	(119,260)	(55,410)
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	18	-	1,781,000	-	1,781,000	(218,000)
Net movement in funds		33,573	1,953,455	(325,288)	1,661,740	(273,410)
Reconciliation of funds						
Total funds brought forward		182,688	(737,192)	11,469,212	10,914,708	11,188,118
Total funds carried forward		216,261	1,216,263	11,143,924	12,576,448	10,914,708
General restricted fund made up of:						
Restricted income fund			1,247,263			
Pension reserve fund			(31,000)			
			1,216,263			

GILDREDGE HOUSE FREE SCHOOL

**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2022**

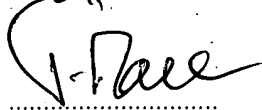
Comparative year information Year ended 31 August 2021	Notes	Unrestricted funds £	Restricted funds: General	Fixed asset	Total 2021 £
		£	£	£	£
Income and endowments from:					
Donations and capital grants	3	21,817	-	73,122	94,939
Charitable activities:					
- Funding for educational operations	4	-	6,352,519	-	6,352,519
Other trading activities	5	8,925	49,004	-	57,929
Investments	6	113	-	-	113
Total		30,855	6,401,523	73,122	6,505,500
Expenditure on:					
Charitable activities:					
- Educational operations	8	-	6,195,453	365,457	6,560,910
Total	7	-	6,195,453	365,457	6,560,910
Net income/(expenditure)		30,855	206,070	(292,335)	(55,410)
Transfers between funds	16	(10,209)	10,209	-	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	18	-	(218,000)	-	(218,000)
Net movement in funds		20,646	(1,721)	(292,335)	(273,410)
Reconciliation of funds					
Total funds brought forward		162,042	(735,471)	11,761,547	11,188,118
Total funds carried forward		182,688	(737,192)	11,469,212	10,914,708
General restricted fund made up of:					
Restricted income fund			738,808		
Pension reserve fund			(1,476,000)		
			(737,192)		

GILDREDGE HOUSE FREE SCHOOL

BALANCE SHEET AS AT 31 AUGUST 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		11,182,172		11,484,777
Current assets					
Debtors	13	185,060		115,939	
Cash at bank and in hand		1,698,997		1,204,647	
		1,884,057		1,320,586	
Current liabilities					
Creditors: amounts falling due within one year	14	(458,781)		(414,655)	
Net current assets			1,425,276		905,931
Net assets excluding pension liability			12,607,448		12,390,708
Defined benefit pension scheme liability	18		(31,000)		(1,476,000)
Total net assets			12,576,448		10,914,708
Funds of the Academy Trust:					
Restricted funds	16				
- Fixed asset funds			11,143,924		11,469,212
- Restricted income funds			1,247,263		738,808
- Pension reserve			(31,000)		(1,476,000)
Total restricted funds			12,360,187		10,732,020
Unrestricted income funds	16		216,261		182,688
Total funds			12,576,448		10,914,708

The accounts set out on pages 26 to 52 were approved by the Board of Governors and authorised for issue on 6/12/22 and are signed on its behalf by:



J Mace
Chair of Governors

Company Number 08436285

GILDREDGE HOUSE FREE SCHOOL

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022**

		2022	2021
	Notes	£	£
Cash flows from operating activities			
Net cash provided by operating activities	19	516,277	324,760
Cash flows from investing activities			
Dividends, interest and rents from investments		756	113
Capital grants from DfE Group		45,328	73,122
Purchase of tangible fixed assets		(68,011)	(92,187)
Proceeds from sale of tangible fixed assets		-	1,200
Net cash used in investing activities		(21,927)	(17,752)
Net increase in cash and cash equivalents in the reporting period		494,350	307,008
Cash and cash equivalents at beginning of the year		1,204,647	897,639
Cash and cash equivalents at end of the year		1,698,997	1,204,647

GILDREDGE HOUSE FREE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Gildredge House Free School is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Governors' Report.

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.

1.1 Basis of preparation

The accounts 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)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Gildredge House Free School meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

As shown on the SOFA on page 26, the Academy incurred an operational surplus of £206,028 in 2022 and is being supported by the Educational and Skills Funding Agency (ESFA).

The Governors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and, after making appropriate enquiries and based on the confirmation of support from the ESFA, the Board of Governors have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements

1.3 Income

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

Grants

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

GILDREDGE HOUSE FREE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in 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 accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

All resources expended are inclusive of irrecoverable VAT.

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.

1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold property	50 years
Computer equipment	3 years
Fixtures, fittings and equipment	10 years

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.

GILDREDGE HOUSE FREE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

1.6 Liabilities

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

1.7 Leased assets

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

1.8 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. 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. 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.

1.9 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 chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10 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 and the assets are held separately from those of the Academy Trust.

GILDREDGE HOUSE FREE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

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. The 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 are 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 income or 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/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.11 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 Governors.

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 Education and Skills Funding Agency/Department for Education.

2 Critical accounting estimates and areas of judgement

Accounting 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.

GILDREDGE HOUSE FREE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and areas of judgement (Continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Capital grants	-	45,328	45,328	73,122
Other donations	23,477	-	23,477	21,817
	<u>23,477</u>	<u>45,328</u>	<u>68,805</u>	<u>94,939</u>

GILDREDGE HOUSE FREE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
DfE/ESFA grants				
General annual grant (GAG)	-	5,929,477	5,929,477	5,429,174
Other DfE/ESFA grants:				
Pupil premium	-	335,121	335,121	263,045
Others	-	262,850	262,850	549,439
	-	6,527,448	6,527,448	6,241,658
Other government grants				
Local authority grants	-	133,258	133,258	110,861
Total funding	-	6,660,706	6,660,706	6,352,519

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Lettings income	9,340	-	9,340	8,925
Trips and activities income	-	117,745	117,745	49,004
	9,340	117,745	127,085	57,929

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Short term deposits	756	-	756	113

GILDREDGE HOUSE FREE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

7 Expenditure

	Staff costs	Non-pay expenditure		Total	Total
	£	Premises	Other	2022	2021
	£	£	£	£	£
Academy's educational operations					
- Direct costs	4,352,831	-	392,620	4,745,451	4,567,752
- Allocated support costs	939,168	882,015	409,978	2,231,161	1,993,158
	<u>5,291,999</u>	<u>882,015</u>	<u>802,598</u>	<u>6,976,612</u>	<u>6,560,910</u>

Net income/(expenditure) for the year includes:

	2022	2021
	£	£
Fees payable to auditor for:		
- Audit	4,350	4,350
- Other services	2,000	2,000
Operating lease rentals	8,218	-
Depreciation of tangible fixed assets	370,616	366,657
Gain on disposal of fixed assets	-	(1,200)
Net interest on defined benefit pension liability	23,000	15,000
	<u>23,000</u>	<u>15,000</u>

8 Charitable activities

	2022	2021
	£	£
All from restricted funds:		
Direct costs - educational operations	4,745,451	4,567,752
Support costs - educational operations	2,231,161	1,993,158
	<u>6,976,612</u>	<u>6,560,910</u>

Analysis of costs

	2022	2021
	£	£
Direct costs		
Teaching and educational support staff costs	4,372,730	4,191,705
Staff development	29,213	26,113
Educational supplies and services	226,176	215,878
Examination fees	51,147	74,843
Other direct costs	66,185	59,213
	<u>4,745,451</u>	<u>4,567,752</u>

GILDREDGE HOUSE FREE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

8 Charitable activities (Continued)

Support costs

Support staff costs	939,168	915,217
Depreciation and amortisation	370,616	365,457
Technology costs	113,685	102,965
Recruitment and support	9,690	4,168
Maintenance of premises and equipment	277,848	164,457
Cleaning	17,346	9,726
Energy costs	125,500	95,299
Rent and rates	67,278	98,478
Insurance	23,427	19,932
Security and transport	12,563	-
Catering	155,845	125,808
Interest and finance costs	23,000	15,000
Other support costs	68,971	56,905
Governance costs	26,224	19,746
	<u>2,231,161</u>	<u>1,993,158</u>

9 Staff costs

	2022	2021
	£	£
Wages and salaries	3,785,488	3,640,047
Social security costs	352,191	335,360
Operating costs of defined benefit pension schemes	1,075,954	1,016,553
	<u>5,213,633</u>	<u>4,991,960</u>
Staff costs		
Supply staff costs	78,366	106,953
Staff development and other staff costs	49,112	34,727
	<u>5,341,111</u>	<u>5,133,640</u>
Total staff expenditure		

GILDREDGE HOUSE FREE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff costs (Continued)

Staff numbers

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

	2022 Number	2021 Number
Teachers	64	59
Administration and support	71	55
Management	7	7
	<u>142</u>	<u>121</u>

Higher paid staff

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

	2022 Number	2021 Number
£70,001 - £80,000	4	3
£110,001 - £120,000	-	1
	<u>-</u>	<u>1</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Governors and the senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £543,690 (2021 : £ 614,006).

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

10 Governors' remuneration and expenses

The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Governors.

The value of Governors' remuneration and other benefits was as follows:

Craig Bull (Principal and Staff Governor):

Remuneration £70,000 - £80,000 (2021: Nil)

Employer's pension contributions paid £15,000 - £20,000 (2021: Nil)

Craig was employed in December 2022.

Chloe Taylor (Staff Governor):

Remuneration £40,000 - £50,000 (2021: Nil)

Employer's pension contributions paid £10,000 - £15,000 (2021: Nil)

Chloe became staff governor for the financial year 2021/22.

Sarah McKenna (Staff Governor):

Remuneration £Nil (2021: £40,000 - £50,000)

Employer's pension contributions paid £Nil (2021: £5,000 - £10,000)

Sarah resigned as staff governor, her last year in the role was 2020/21.

During the period ended 31 August 2022, training and other expenses relating to all the trustees totalling £Nil (2021: £2,909) were paid directly to third parties.

One or more of the Governors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Principal and other staff Governors 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 services as Governors.

11 Governors' 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 Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business, and provides cover up to £10,000,000. It is not possible to quantify the Governors and officers indemnity element from the overall cost of the RPA scheme.

GILDREDGE HOUSE FREE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

12 Tangible fixed assets

	Freehold property	Computer equipment	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost				
At 1 September 2021	12,630,927	873,677	1,249,030	14,753,634
Additions	4,596	43,331	20,084	68,011
At 31 August 2022	12,635,523	917,008	1,269,114	14,821,645
Depreciation				
At 1 September 2021	1,612,527	861,688	794,642	3,268,857
Charge for the year	237,710	5,995	126,911	370,616
At 31 August 2022	1,850,237	867,683	921,553	3,639,473
Net book value				
At 31 August 2022	10,785,286	49,325	347,561	11,182,172
At 31 August 2021	11,018,400	11,989	454,388	11,484,777

13 Debtors

	2022 £	2021 £
Trade debtors	13,395	11,854
VAT recoverable	75,786	11,572
Other debtors	56,323	80,722
Prepayments and accrued income	39,556	11,791
	185,060	115,939

GILDREDGE HOUSE FREE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

14 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	200,397	68,298
Other taxation and social security	182,311	178,012
Other creditors	51,412	129
Accruals and deferred income	24,661	168,216
	<u>458,781</u>	<u>414,655</u>

15 Deferred income

	2022	2021
	£	£
Deferred income is included within:		
Creditors due within one year	13,033	161,866
	<u>13,033</u>	<u>161,866</u>
Deferred income at 1 September 2021	161,866	160,853
Released from previous years	(161,866)	(160,853)
Amounts deferred in the year	13,033	161,866
	<u>13,033</u>	<u>161,866</u>
Deferred income at 31 August 2022	<u>13,033</u>	<u>161,866</u>

At the balance sheet date, the Academy Trust was holding funds in advance of £13,033 for school trips and activities that will take place in late 2022 to 2024.

GILDREDGE HOUSE FREE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	738,808	5,929,477	(5,472,582)	-	1,195,703
Pupil premium	-	335,121	(335,121)	-	-
Other DfE / ESFA grants	-	262,850	(262,850)	-	-
Other government grants	-	133,258	(133,258)	-	-
Other restricted funds	-	117,745	(66,185)	-	51,560
Pension reserve	(1,476,000)	-	(336,000)	1,781,000	(31,000)
	<u>(737,192)</u>	<u>6,778,451</u>	<u>(6,605,996)</u>	<u>1,781,000</u>	<u>1,216,263</u>
Restricted fixed asset funds					
DfE group capital grants	11,469,212	45,328	(370,616)	-	11,143,924
	<u>11,469,212</u>	<u>45,328</u>	<u>(370,616)</u>	<u>-</u>	<u>11,143,924</u>
Total restricted funds	<u>10,732,020</u>	<u>6,823,779</u>	<u>(6,976,612)</u>	<u>1,781,000</u>	<u>12,360,187</u>
Unrestricted funds					
General funds	182,688	33,573	-	-	216,261
	<u>182,688</u>	<u>33,573</u>	<u>-</u>	<u>-</u>	<u>216,261</u>
Total funds	<u>10,914,708</u>	<u>6,857,352</u>	<u>(6,976,612)</u>	<u>1,781,000</u>	<u>12,576,448</u>

GILDREDGE HOUSE FREE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds (Continued)

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

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

Pupil Premium are additional funds to support disadvantaged pupils and close the attainment gap between them and their peers.

Other DfE/ESFA grants are for particular purposes within the Academy Trust's educational operations.

Other government grants include money received from the Local Authority in support of disadvantaged pupils.

Other restricted funds include monies in regards to trips and activities. There was no donations received during the year for FOGH or Lower School Garden. Expenditure matched the income from these funds, leaving no balance carried forward to next year.

The costs and income associated with the defined benefit pension scheme have been recorded in the restricted general fund. Staff costs are paid from this fund, including contributions to the LGPS, and the pension liability has therefore been aligned with those costs.

DfE/ESFA capital grants represents capital monies received during the period from the ESFA. These monies had all been spent in the period. Depreciation relating to capital items bought with these grants is charged to this fund as it occurs.

Unrestricted funds represents funds generated via activities such as from school uniform sales, bank interest receivable and donations. The surplus on this fund at the end of the financial period and after the transfer from other restricted funds was £216,261 and can be used at the discretion of the Governors to meet the charitable objectives of the Academy Trust.

The Academy Trust GAG fund is carrying a net surplus of £1,195,703 (2021: £738,808) on restricted general funds (excluding pension reserve) plus unrestricted funds. Gildredge House has generally performed well in their control of operational income over expenditure in the financial year 2021/22. With an operation surplus £1,247,263 excluding depreciation and pensions liabilities.

GILDREDGE HOUSE FREE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

16 Funds (Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	234,144	5,429,174	(4,924,510)	-	738,808
Pupil premium	-	263,045	(263,045)	-	-
Other DfE / ESFA grants	19,385	549,439	(568,824)	-	-
Other government grants	-	110,861	(110,861)	-	-
Other restricted funds	-	49,004	(59,213)	10,209	-
Pension reserve	(989,000)	-	(269,000)	(218,000)	(1,476,000)
	<u>(735,471)</u>	<u>6,401,523</u>	<u>(6,195,453)</u>	<u>(207,791)</u>	<u>(737,192)</u>
Restricted fixed asset funds					
DfE group capital grants	<u>11,761,547</u>	<u>73,122</u>	<u>(365,457)</u>	<u>-</u>	<u>11,469,212</u>
Total restricted funds	<u>11,026,076</u>	<u>6,474,645</u>	<u>(6,560,910)</u>	<u>(207,791)</u>	<u>10,732,020</u>
Unrestricted funds					
General funds	<u>162,042</u>	<u>30,855</u>	<u>-</u>	<u>(10,209)</u>	<u>182,688</u>
Total funds	<u>11,188,118</u>	<u>6,505,500</u>	<u>(6,560,910)</u>	<u>(218,000)</u>	<u>10,914,708</u>

GILDREDGE HOUSE FREE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

17 Analysis of net assets between funds

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	11,182,172	11,182,172
Current assets	216,261	1,667,796	-	1,884,057
Creditors falling due within one year	-	(420,533)	(38,248)	(458,781)
Defined benefit pension liability	-	(31,000)	-	(31,000)
Total net assets	216,261	1,216,263	11,143,924	12,576,448

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	11,484,777	11,484,777
Current assets	182,688	1,137,898	-	1,320,586
Creditors falling due within one year	-	(399,090)	(15,565)	(414,655)
Defined benefit pension liability	-	(1,476,000)	-	(1,476,000)
Total net assets	182,688	(737,192)	11,469,212	10,914,708

18 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 East Sussex County Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

18 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 teachers in academies. All teachers have the option to opt out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to the TPS in the period amounted to £599,367 (2021: £598,849).

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.

GILDREDGE HOUSE FREE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

18 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 contributions are as noted below. The agreed contribution rates for future years are 16% for employers and employee rates vary according to salary levels.

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

Total contributions made	2022 £	2021 £
Employer's contributions	183,000	131,000
Employees' contributions	60,000	41,000
Total contributions	243,000	172,000

Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	2.95	2.9
Rate of increase for pensions in payment/inflation	2.95	2.9
Discount rate for scheme liabilities	4.25	1.65
Expected return on assets	1.43	14.31

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

	2022 Years	2021 Years
Retiring today		
- Males	21.2	21.2
- Females	23.8	23.7
Retiring in 20 years		
- Males	22.1	22.0
- Females	25.1	25.1

Sensitivity analysis

GILDREDGE HOUSE FREE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

18 Pension and similar obligations (Continued)

Defined benefit pension scheme net liability	2022	2021
	£	£
Scheme assets	2,110,000	1,848,000
Scheme obligations	(2,141,000)	(3,324,000)
Net liability	(31,000)	(1,476,000)

The Academy Trust's share of the assets in the scheme	2022	2021
	Fair value	Fair value
	£	£
Equities	1,556,000	1,380,000
Bonds	318,000	301,000
Property	184,000	134,000
Other assets	52,000	33,000
Total market value of assets	2,110,000	1,848,000

The actual return on scheme assets was £28,000 (2021: £223,000).

Amount recognised in the statement of financial activities	2022	2021
	£	£
Current service cost	497,000	386,000
Interest cost	23,000	15,000
Total operating charge	520,000	401,000

GILDREDGE HOUSE FREE SCHOOL**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022****18 Pension and similar obligations (Continued)**

Changes in the present value of defined benefit obligations	2022 £
At 1 September 2021	3,324,000
Current service cost	496,000
Interest cost	55,000
Employee contributions	60,000
Actuarial (gain)/loss	(1,785,000)
Benefits paid	(9,000)
At 31 August 2022	<u>2,141,000</u>

Changes in the fair value of the Academy Trust's share of scheme assets	2022 £
At 1 September 2021	1,848,000
Interest income	32,000
Actuarial loss/(gain)	(4,000)
Employer contributions	183,000
Employee contributions	60,000
Benefits paid	(9,000)
At 31 August 2022	<u>2,110,000</u>

GILDREDGE HOUSE FREE SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

19 Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the reporting period (as per the statement of financial activities)	(119,260)	(55,410)
Adjusted for:		
Capital grants from DfE and other capital income	(45,328)	(73,122)
Investment income receivable	(756)	(113)
Defined benefit pension costs less contributions payable	313,000	254,000
Defined benefit pension scheme finance cost	23,000	15,000
Depreciation of tangible fixed assets	370,616	366,657
(Loss)/profit on disposal of fixed assets	-	(1,200)
(Increase) in debtors	(69,121)	(29,714)
Increase/(decrease) in creditors	44,126	(151,338)
Net cash provided by operating activities	516,277	324,760

20 Analysis of changes in net funds

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	1,204,647	494,350	1,698,997

21 Long-term commitments, including operating leases

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

	2022 £	2021 £
Amounts due in two and five years	22,043	-

GILDREDGE HOUSE FREE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

22 Capital commitments

Two major funding grants have been approved for a roof repair and boiler replacement to be completed in the financial year 2022/23. The total cost of the projects will be £915,000. Gildredge House is responsible for repaying 25% of the grants via a CIF loan over 10 years from completion of the projects. The remaining 75% will be fully funded via additional grants received in the year.

23 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

Expenditure related party transactions

No related party transactions took place in the period of account other than certain Governors' remuneration and expenses already disclosed in note 10.

24 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.