

**Charlton Kings Junior
School**
(A company limited by guarantee)

**Annual Report and
Financial Statements
2021-2022**

CHARLTON KINGS JUNIOR SCHOOL

REFERENCE AND ADMINISTRATION DETAILS FOR THE YEAR ENDED 31 AUGUST 2022

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CHARLTON KINGS JUNIOR SCHOOL

REFERENCE AND ADMINISTRATION DETAILS FOR THE YEAR ENDED 31 AUGUST 2022

Members & Trustees

J Shields, Member
D McConnell, Member
C Parker, Member
P Williams Chair (appointed 13 September 2021)

C Parker (resigned 13 September 2021)
P Williams New Chair (appointed 13 September 2021)
I Davidson (resigned 13 December 2021)
L Crompton
S Bradwell (appointed 20 May 2022)
S Selwood, Headteacher & Principal Accounting Officer
A Hunt, Staff Trustee
J Eyes (appointed 22 December 2021)
C Hunter, Parent Trustee (resigned 19 November 2021)
M Hawkins, Parent Trustee (resigned 19 November 2021)
G Roberts
A Lackey, Parent Trustee (resigned 17 September 2021)
N Jukes, Staff Trustee
S Morgan, Parent Trustee
H Young, Parent Trustee (resigned 7 July 2022)
M Sutcliffe
M Spink
N Edwards, Parent Trustee
C Crowley, Parent Trustee
M Oates (appointed 1 November 2022)

Company secretary

R Cowles

Senior management team

S Selwood, Headteacher
S Gaston-Nash, Assistant Headteacher
A Hunt, Assistant Headteacher
N Jukes, Year 3 Teacher
K Tibbles, Year 5 Teacher

A Ferchow, School Business Manager

The Senior Management Team is deemed to be the Key Management Personnel of the School.

Principal and registered office

East End Road
Charlton Kings
Cheltenham
Gloucestershire
GL53 8QE

Company Registered number

07691867

Statutory auditors

Hazlewoods LLP
Staverton Court
Staverton
Cheltenham
GL51 0UX

CHARLTON KINGS JUNIOR SCHOOL

REFERENCE AND ADMINISTRATION DETAILS FOR THE YEAR ENDED 31 AUGUST 2022

Bankers

Lloyds Bank PLC
130 High Street
Cheltenham
Gloucestershire
GL50 1DQ

Santander UK PLC
176-186 High Street
Cheltenham
Gloucestershire
GL50 1EP

Solicitors

Harrison Clark Rickerbys Limited
Ellenborough House
Wellington Street
Cheltenham
Gloucestershire
GL50 1YD

CHARLTON KINGS JUNIOR SCHOOL

TRUSTEES' REPORT INCLUDING STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and the auditor's report of Charlton Kings Junior School (the Academy) for the year ended 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy's principal activities are, for the public benefit to:

- Advance and promote education by, in particular but not limited to, the provision of facilities or property for any educational institution;
- Advance any other purposes which are exclusively charitable within the laws of England and Wales as may be determined by the Trustees.

Structure, governance and management

CONSTITUTION

The Academy was incorporated (in England and Wales) on 4 July 2011 and commenced as an Academy Trust from 1 August 2011. The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees act as the Governors for the charitable activities of Charlton Kings Junior School Academy Trust and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Charlton Kings Junior School.

Details of the Trustees who served throughout the period except as noted are included in the Reference and Administrative Details.

MEMBERS' LIABILITY

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

TRUSTEES' INDEMNITIES

Charlton Kings Junior School have Trustees Liability insurance in place (note 10 refers). It is within the Professional Indemnity section of the policy.

METHODS OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The members may appoint Trustees as per the Memorandum and Articles. When appointing new Trustees, the Board will give consideration to the skills and expertise of the existing Trustees to ensure the Board has necessary skills to contribute to the School's further development. Parent Trustees shall be elected by parents of registered pupils at the Academy by secret ballot and a Parent Trustee must be a parent of a pupil at the Academy at the time when they are elected. The Trustees may appoint up to seven other trustees from the community. The Trustees may appoint up to 3 co-opted Trustees. Additional Trustees may, if deemed necessary, be appointed by the Secretary of State.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

All Trustees are subject to an induction with training and information given and the assistance of a mentor. Ongoing training is given to Trustees and is provided by the Local Authority, EASE Training, Stone King LLP and National Governance Association. Recent courses have included Company Secretary training and Safeguarding training. We make sure the Trustees have completed all necessary training such as safer recruitment and induction for new Trustees.

ORGANISATIONAL STRUCTURE

On a day-to-day basis the operational running of the Academy has been delegated to the Headteacher. The Headteacher acts as the Accounting Officer. The Headteacher has 5 additional members of staff on the Senior Leadership Team. In addition, there are a further 19 members of teaching staff, 4 finance/administrative staff and 21 support staff in TA roles, and 10 lunchtime supervisors. The Academy employs a site supervisor and supports the site provision with 3 cleaning staff. Some of the staff perform more than one role in the school and therefore the total number of employees and roles/contracts differs.

ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees consider the Board of Governors and the Senior Management Team comprise the key management personnel of the School in charge of directing and controlling, running and operating the School on a day to day basis.

Details of Trustees' remuneration and expenses are disclosed in note 9 to the accounts.

The pay of the Headteacher and senior staff is reviewed annually based on performance and normally increased in accordance with average earnings and in line with the latest School Teachers' Pay and Conditions Document. The remuneration is set to ensure it is fair but also will attract and retain staff of the appropriate calibre and experience required by the School.

Objectives and Activities

OBJECTS AND AIMS

The Academy's principal activities are, for the public benefit, to:

- a) advance and promote education by, in particular but not limited to, the provision of facilities or property for any educational institution;
- b) advance any other purposes which are exclusively charitable within the laws of England and Wales as may be determined by the Trustees.

In addition, the aims of the Academy (as set down in section 1(6) of the academies Act (2010)), are that:

- a) The school has a balanced and broadly based curriculum;
- b) The school provides education for pupils of different abilities;
- c) The school provides education for pupils who are wholly or mainly drawn from the area in which the school is situated.

OBJECTIVES, STRATEGIES AND ACTIVITIES

To achieve our objectives and aims the Academy is governed, led and managed in a way which facilitates self-critical review, ambitious but realistic strategic planning, prudent budgeting and effective development planning. It is also outward-looking since it involves analysis of aspects of a changing world and other political, social and economic factors which may affect the nature and relevance of our provision and the demand for the education we offer. Good communication is vital so that pupils, parents and staff feel engaged and clear about the Academy's values, purpose and direction.

The long term aims, objectives and strategies are reviewed annually during governing body meetings which facilitate a development planning process. The Headteacher reports to Trustees on progress towards the development plan on a termly basis. At the start of a new academic year, the Management Team reviews the Academy's effectiveness using a number of agreed performance indicators, including statistical data relating to academic performance. The Academy also has a programme of staff performance, appraisal and target-setting. All of these indicators are used to report to the Governing Body.

Medium to long term objectives include:

**TRUSTEES' REPORT INCLUDING STRATEGIC REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

- Provide the best possible outcomes for children through working to achieve the highest standards in teaching and learning, pastoral care and the extra-curricular programme so that each child thrives at the academy.
- Maintain and further develop our buildings and resources to provide facilities fit for the 21st Century.
- Recruit and retain highly effective staff. To provide continuous professional development for our staff so that they are able to respond effectively to the changing demands of their roles.
- Utilise the latest developments in information technology to improve outcomes in teaching and learning, communication and information management.
- Develop links in supporting other schools enabling staff development and opportunity.
- Remain financially stable, with strong control on expenditure and obtaining best value in financial decision-making.
- Foster good relations with all our stakeholders.

PUBLIC BENEFIT

All the activities undertaken by the Academy are for the education of its pupils and the good of the wider local community. As such, the primary objective of the Academy is to support those objectives and there is no financial return to any shareholders.

The Academy has a defined catchment area and remains a local community school providing education for the local population with pupils admitted in Year 3 and via in-year transfers through the Local Authority admission department. These admissions arrangements are available to all regardless of whether they are in catchment or are currently living in the local area (i.e. moving into the local area from another part of the country).

Strategic report

ACHIEVEMENTS AND PERFORMANCE INCLUDING KEY PERFORMANCE INDICATORS AND THE IMPACT OF COVID 19

Key Stage 2 SAT Results

SATs results for 2021-22 are not going to be reported in DfE league tables due to the variable impact of the Coronavirus outbreak from school to school.

The table below compares CKJS and national results for Year 6 children in 2022:

Pupil Attainment Data (unvalidated)	Charlton Kings Junior School	National	Variation
Maths – Expected +	85%	71%	+14
Maths – High Attainment	45%	22%	+23
Reading – Expected +	91%	74%	+17
Reading – High Attainment	44%	28%	+16
Writing – Expected +	74%	69%	+5
Writing – Greater Depth	13%	13%	+0
Spelling and Grammar -Expected+	89%	72%	+17
Spelling and Grammar -High Attainment	50%	28%	+22
Reading, writing and maths - Expected+	69%	59%	+10
Reading, writing and maths - High Attainment	10%	7%	+3

The school does carry out internal assessments and these show high attainment across the school, although below that of data from before the pandemic. The results are particularly high for Reading and Mathematics. The results for writing are lower, although still higher than national. These results reflect the general pattern across the school where the children's development in writing seems to be the area most affected by the lockdowns from the pandemic.

CHARLTON KINGS JUNIOR SCHOOL

TRUSTEES' REPORT INCLUDING STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Normal school activities continued to be impacted by requirements for staff and pupils to isolate during 2021-22. From October 2021 to April 2022, no indoor meetings for larger groups were advised, so assemblies, parents information evenings and whole school events were limited. The Year 5 visit to France was cancelled due to the risks associated with vaccination and entry requirements of overseas travel.

The school offered a hybrid of learning, with lessons available through Microsoft Teams for any children isolating at home.

From April 2022, many of the isolation requirements were lifted and the school was able to return to the typical offering of events and trips. A range of extra-curricular clubs were on offer, Year 5 attended a residential visit to Abernant Lake in mid-Wales and Year 6 attended a residential visit to Stackpole in Pembrokeshire. Other year groups took part in day visits and whole school assemblies resumed. Year 6 performed an excellent musical production of 'What's the Crime Mr Wolf' to the local community over 3 nights.

The strong links with Charlton Kings Infant School Academy continued during the year continuing the mantra, 'two schools but one journey'. Strong links with Balcarras also continue, with children being able to attend their canteen for hot lunches again from April 2022.

Staff members at the Academy are skilled, dedicated and passionate about their role; underpinned by a focus on high quality professional development and effective performance management for all.

The school's published admission number is 93 to allow admission from any child at Charlton Kings Infant School transferring to the Junior School from Year 2 to Year 3 and three additional spaces to meet demand. The school has its full complement of 93 in each year group, and remained over-subscribed by 3 pupils due to upheld appeals. The school continues to be highly sought after with vast numbers expressing interest (an average of 80 each year) and many proceeding to the appeal stage (18 appeals processed). Stability is apparent with all year groups containing between 93 and 95 pupils. The Governors' decision to move towards a robustly held figure has enabled the school to manage its intake successfully despite significant time and money being spent managing the appeals process.

GOING CONCERN

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

Financial Review

FINANCIAL REPORT FOR THE YEAR

Most of the Academy's income is obtained from the ESFA in the form of recruitment grants, the use of which is below restricted the particular purposes. The grants received from the ESFA during the period ended 31 August 2022 and the associated expenditure are shown as restricted funds (non-fixed assets) in the statement of financial activities.

The Academy also receives grants for fixed assets from the ESFA. In accordance with the Academies Accounts Direction, such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed assets fund is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The Academy also receives grants for fixed assets from the ESFA. In accordance with the Academies Accounts Direction, such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed assets fund is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2022, total expenditure of £2,026,028 (2021: £2,135,076) was more than (2021: more than) recurrent grant funding from ESFA together with other incoming resources. The excess of expenditure over income for the year was £144,649 (2021: The surplus of expenditure over income for the year was £139,874).

**TRUSTEES' REPORT INCLUDING STRATEGIC REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

At 31 August 2022 the net book value of fixed assets was £3,511,810 (2021: £3,624,539) and movements in tangible fixed assets are shown in note 11 to the financial statements and includes substantial repairs and replacement of the school roof. The assets were used primarily for providing education and the associated support services to the pupils of the Academy. Income of £1,075 (2021: £300) was generated from hire of the Academy's facilities to local community groups and selling professional services.

Pupil numbers are expected to remain stable; the School PAN is 93 in all years. The School remains slightly over-subscribed due to successful appeals. Experience indicates that the School will continue to have successful appeal applications and a more likely maximum figure is expected to be above this.

The School has a good balance of experience and expertise, with Teaching and Site staff able to make strong starts to their careers in the School, and to develop their practice, skills and experience in all year groups and settings. The School acted positively to address the challenges of Coronavirus, and to ensure Children received educational and emotional support as a priority, with timely, clear and positive Communication from the School, which was well received by the wider community. The School continues to work more closely and effectively with Charlton Kings Infants School, as well as Balcarras Academy. We see positives in sustaining and developing this connection.

Overall costs of the Teaching Assistant team remain high and continue to be under review.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees have assessed the major risks to which the Academy is exposed and identified and implemented strategies for addressing these risks. Significant risks and the measures in place to reduce these risks have been formally documented in the Academy's Risk Register, which is subject to continuing review. The Trustees continue to use the Academies Financial Handbook and associated documentation as a guide for best practice in internal control. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Trustees have an effective system of internal financial controls and this is explained in more detail within the Governance statement.

The Trustees are responsible for the management of risks faced by the Academy. The Trustees are assisted in this task by the Operations Committee, which comprises members of the Board and Senior Management Team.

Health and Safety (incorporating risk management) features as a termly standing item on the agenda for full governing body and Operations Committee meetings. Annual audits and additional guidance regarding Health and Safety processes and procedures is sought through the Local Authority SHE team. Continuity between these bodies is maintained through the Chair of Trustees, the Health and Safety Trustee, the named Health and Safety staff member and the Risk Officer.

The key controls used by the Academy include:

- Formal agendas for all Committee and Trustees' meetings;
- Detailed terms of reference for all Committees;
- Clear lines of delegated responsibility to Committees and individuals within the GB through Governor Engagement Forms;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Regular externally arranged independent audits into Safeguarding, H&S, financial management;
- Clear authorisation and approval lines; and
- Setting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the Academy, the Board of Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The Academy has also completed a thorough review of its financial and risk management objectives in its risk register document.

The Academy's non-teaching staff are entitled to membership of the Local Government Pension Scheme and under FRS 102, it is necessary to charge projected deficits on the Local Government Pension Scheme, that is provided to support staff, to the restricted fund. The Academy's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme and consequently the Academy balance sheet shows a net liability of £196,000 (2021: £1,075,000). The employer contributions are currently being assessed and it is expected that they will increase to bring a reduction in this deficit in the future, although this may not be achieved until stock market investment values start to recover.

RESERVES POLICY

The Academy's "free" reserves are its funds after excluding restricted funds. "Reserves" are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically "free reserves" represent income to the Academy which is to be spent at the Trustees' discretion in furtherance of any of the Academy's objects but which is not yet spent, committed or designated.

Whilst demands on the Academy's free reserves will therefore vary over the coming years, the Academy's long-term policy is that the appropriate level of free reserves should be equivalent to one month's expenditure, currently estimated to be between £170,000 and £180,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Governing Body is currently managing an excess to the free reserves currently stated in the policy whilst opportunities for building and expansion are explored.

INVESTMENT POLICY

The Trustees agree all investments made by the Academy. Investments are currently restricted to deposit accounts in UK banks. Investments are made with regard to Charity Commission guidance in relation to investments.

FINANCIAL POSITION

The Academy held fund balances at 31 August 2022 of £3,851,518 (2021: £2,982,167) comprising of £3,596,841 (2021: £3,741,902) of restricted funds, a pension reserve deficit of £196,000 (2021: £1,075,000) and £450,677 (2021: £315,265) of unrestricted general funds.

PLANS FOR FUTURE PERIODS

The Board remains positive about the journey the School continues to take building on past successes. The School Development Plan details the key areas of focus identified in the school's self-evaluation. The leadership is precise in addressing the needs of the School / children in the coming years and the Board recognises the capacity for the School to improve further and has produced a five-year strategic plan to promote this.

Charlton Kings Junior School goes from strength to strength and is recognised as an exceptional school within the community and beyond.

The Trustees are confident that the Academy will continue to build on its existing strengths and tackle any areas that are less than outstanding through rigorous self-evaluation and action planning.

The Trustees are investigating opportunities that arise related to collaboration with other schools in support of the best outcomes for children, staff and parents of CKJS.

FUNDRAISING

This year, due to ongoing C19, the Academy staff and pupils have raised a very low amount of money (under £10,000) in fundraising activities for a number of national and international charities including the School. Some of the money have been raised via an internet platform- ParentPay. The Academy is eager to support others in different and / or challenging circumstances. The Academy understands its social responsibility.

The Academy works with the PTA and with parents of pupils at the School as the main way of generating donations for the Academy. During the year donations of over £23,000 (2021: £10,000) have been raised by this method – the decrease in donations is mainly due to the pandemic.

CHARLTON KINGS JUNIOR SCHOOL

TRUSTEES' REPORT INCLUDING STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2022

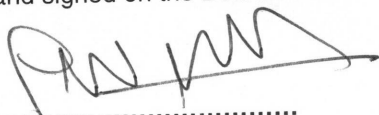
The Academy does not work with any commercial participators or professional fundraisers approach to raise funds but organises all events through its staff and volunteers. No complaints were received during the year.

DISCLOSURE OF INFORMATION TO THE AUDITORS

In so far as the Trustees are aware:

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

This report incorporating the Strategic Report, was approved by order of the Board of Trustees, on^{14 December}2022
and signed on the Board's behalf by:



.....
P Williams
Chair of Trustees

SCOPE OF RESPONSIBILITY

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Head Teacher, 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 Charlton Kings Junior School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The Board of Trustees has formally met 6 times during the year. To discharge their responsibilities and ensure robust governance and effective management arrangements the board and its committees have created an internal assurance work program with updates available online and accessible to all Trustees via GovernorsHub. The programme of checks involves monthly, termly and quarterly visits. After each visit the members of the Finance Committee provide the Trustees with a written update in the online report.

Attendance during the year at meetings of the Board of Trustees was as follows:

Governor	FGB	Operations	Curriculum Committee
Caroline Parker	1/1	N/A	N/A
Sue Selwood	4/4	3/3	3/3
Benjamin Ingram	1/2	2/2	N/A
Lesley Crompton	4/4	N/A	3/3
Ian Davidson	2/2	0/1	N/A
Peter Williams	4/4	3/3	3/3
Andrew Lackey	0/1	N/A	N/A
Chris Hunter	0/1	1/1	N/A
Mark Hawkins	2/2	0/1	N/A
Nick Jukes	3/4	N/A	2/3
Michael Spink	4/4	2/3	N/A
Mark Sutcliffe	4/4	1/3	N/A
Martin Oates	3/3	2/2	N/A
Gavin Roberts	3/4	N/A	3/3

CHARLTON KINGS JUNIOR SCHOOL

STATEMENT OF GOVERNANCE FOR THE YEAR ENDED 31 AUGUST 2022

Nicola Edwards	4/4	N/A	3/3
Cheryl Crowley	3/4	N/A	3/3
Susannah Morgan	4/4	N/A	1/3
Hannah Young	3/4	2/3	N/A

Some of the above Trustees have left or joined Committees during the year which accounts for the variation in attendances. Details of Trustees who served throughout the period are included in the Reference and Administration Details.

Conflicts of interest

On an annual basis, or when a new member / trustee joins the Trust, a Conflict of Interest Form is completed to enable the Register of Interest to be kept up to date. This Register of Interest is kept up to date through regular review done by the Clerk and / or Chair of Governors. The School follows the Academies Financial Handbook which covers what must be captured in the Register of Interest and what must be published on the website.

Governance reviews:

As part of the Board of Trustees' annual review cycle, a skills audit is completed which takes account of the current balance of expertise in comparison to the School's needs. This leads to active management of vacancies arising in the full Board of Trustees to effectively fill these gaps, by reference to this review.

The Chair of Governors with support from the clerk uses a Governor audit that details the relevant skills, knowledge and effective behaviours indicated in the Governance Handbook and Competency Framework. This is completed annually and analysed by the Clerk to find strengths and gaps; subsequently the Clerk will signpost Governors to training to develop gaps, recruit to fill gaps and allocate roles and responsibilities accordingly.

The Operations Committee is a sub-committee of the main Board of Trustees. Its purpose is to deal specifically with the budget and buildings and any Health and Safety aspects.

REVIEW OF VALUE FOR MONEY

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

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

Staffing

The School implements best value practice in pursuit of high quality provision to all stakeholders. The focus on raising standards for children remains at the forefront of any decision making with recruitment of talented and able staff being vital. The School reviews its staffing structure on an ongoing basis, responding to need and in seeking to maintain balance of staff expenditure against overall cost. When appointing, the School is robust in seeking to make prudent financial decisions to maximise outcome for cost. By considering each appointment with due reference to the Trustees, the School aims to provide the best possible conditions of service for staff whilst minimising cost to the School. Staff roles, responsibilities and training are reviewed regularly to ensure best value for money. Working with other local Schools has reduced training costs both through travel and course costs.

Systems

Prudent financial management provides best value for money through a wide range of means. Benchmarking against local community schools and usage of the nationwide benchmarking tools enable the School to monitor the levels of income and expenditure per pupil.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Academy's 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 the Charlton Kings Junior School for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

The Academy's system of internal financial control is based on a framework of regular management information and administrative procedures including some 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;
- reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and some segregation of duties;
- annual review including identification and management of risks.

The Board has considered the need for specific internal audit function and decided not to appoint an internal auditor. However, the Trustees have acknowledged the need for an internal Finance Committee (independent of the Governing Body) acting in the role of Responsible Officer (RO). The Finance Committee members' role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. During the year in question, the Finance Committee members made monthly visits to the School to enable them to report to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

We confirm that the RO (Finance Committee) function has been delivered in line with the schedule of works planned. Monthly reviews conducted by the Finance Committee have been shared with other trustees and members via an internet platform called Governors Hub.

In particular the Committee reviewed compliance, strategic and operational practice and monitored financial processes in place. There have been no material control issues arising from their reports thus far.

REVIEW OF EFFECTIVENESS

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

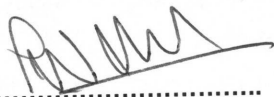
- the work of the Finance Committee;
- the work of the external auditors;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

CHARLTON KINGS JUNIOR SCHOOL

**STATEMENT OF GOVERNANCE
FOR THE YEAR ENDED 31 AUGUST 2022**

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

Approved by order of the members of the Board of Trustees on 14th December 2022 and signed on its behalf, by:



.....
P Williams
Chair of Trustees



.....
S Selwood
Headteacher and Accounting Officer

CHARLTON KINGS JUNIOR SCHOOL

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

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

I confirm that I and the Academy Trust Board of Trustees 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 Trustees and ESFA.

S Selwood.....
S Selwood
Accounting Officer

14th December 2022
.....
Date

CHARLTON KINGS JUNIOR SCHOOL

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

The Trustees (who act of governors of Charlton Kings Junior School and are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance the Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

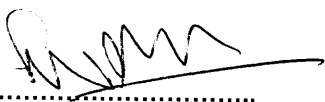
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards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

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

The Trustees are responsible for ensuring that in its conduct and operation the Charitable Company applies financial and other controls, which conform to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education and Skills Funding Agency and Department for Education have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on *14th December* 2022 and signed on its behalf by:



.....
P Williams
Chair of Trustees

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Reference and Administrative details, Trustees' Report and the Governance Statement, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- We obtained an understanding of the legal and regulatory frameworks applicable to the company financial statements or that had a fundamental effect on the operations of the company. We determined that the most significant laws and regulations included UKGAAP, UK Companies Act 2006 and taxation laws;
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included challenging assumptions and judgments made by management in its significant accounting estimates and identifying and testing journal entries, in particular any journal entries posted with unusual characteristics.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHARLTON KINGS JUNIOR SCHOOL FOR THE YEAR
ENDED 31 AUGUST 2022

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

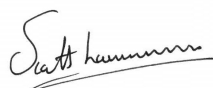
As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

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



.....
Scott Lawrence (Senior Statutory Auditor)

14/12/2022

.....
Date

For and on behalf of Hazlewoods LLP

**Staverton Court
Cheltenham
GL51 0UX**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHARLTON KINGS JUNIOR SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

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

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

RESPECTIVE RESPONSIBILITIES OF CHARLTON KINGS JUNIOR SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting and Pupil & Parents Officer is responsible, under the requirements of Charlton Kings Junior School's funding agreement with the Secretary of State for Education dated 1 November 2011 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 year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

In this regard we have carried out the following:

- specific testing of a sample of items of income and expenditure to ensure appropriately applied for the purposes intended;
- specific testing of a sample of system controls relevant to the above items;
- a general review of relevant correspondence with the ESFA regarding Academy governance matters during the year; and
- a general review and discussion of the Academy's internal procedures for establishing and maintaining systems of control and documentation regarding these matters.

CHARLTON KINGS JUNIOR SCHOOL

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE GOVERNING BODY
OF CHARLTON KINGS JUNIOR SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY
FOR THE YEAR ENDED 31 AUGUST 2022**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 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.



.....
Scott Lawrence (Reporting Accountant)

14/12/2022

.....
Date

For and on behalf of Hazlewoods LLP

**Staverton Court
Cheltenham
GL51 0UX**

CHARLTON KINGS JUNIOR SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account) FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Assets Funds £	Total 2022 £	Total 2021 £
INCOME AND ENDOWMENTS FROM:						
Donations and capital grants	2	23,049	-	8,208	31,257	10,104
Other trading activities	4	1,075	-	-	1,075	300
Investment Income	5	48	-	-	48	326
Charitable activities:						
Funding for the Academy's educational operations	3	108,170	1,813,464	-	1,921,634	1,984,472
TOTAL		132,342	1,813,464	8,208	1,954,014	1,995,202
EXPENDITURE FROM:						
Charitable activities:						
Academy's educational operations - normal	6,7	120,484	1,709,812	126,251	1,956,547	1,751,025
Academy's educational operations - exceptional	6,7	-	161,385	-	161,385	384,051
TOTAL		120,484	1,871,197	126,251	2,117,932	2,135,076
NET EXPENDITURE FOR THE YEAR						
		11,858	(57,733)	(118,043)	(163,918)	(139,874)
Transfers between funds		-	81,185	(81,185)	-	-
Actuarial (losses) on defined benefit pension schemes	24	-	1,014,000	-	1,014,000	(174,000)
NET MOVEMENT IN FUNDS		11,858	1,037,452	(199,228)	850,082	(313,874)
RECONCILIATION OF FUNDS						
Total funds brought forward	14	315,265	(1,044,136)	3,711,038	2,982,167	3,296,041
TOTAL FUNDS CARRIED FORWARD	14	327,123	(6,684)	3,511,810	3,832,249	2,982,167

All Activities relate to continuing operations.

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

The notes on pages 24 to 41 form part of these financial statements.

CHARLTON KINGS JUNIOR SCHOOL

BALANCE SHEET AS AT 31 AUGUST 2022

Registration Number 07691867

	Note	£	2022 £	£	2021 £
FIXED ASSETS					
Tangible assets	11		3,511,810		3,624,539
CURRENT ASSETS					
Debtors	12	42,928		310,074	
Cash at bank and in hand	21	560,239		439,275	
		603,167		749,349	
LIABILITIES					
Creditors: Amounts falling due within one year	13	(86,728)		(316,721)	
		516,439		432,628	
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES			4,028,249		4,057,167
Defined benefit pension scheme liability	15	(196,000)		(1,075,000)	
TOTAL NET ASSETS			3,832,249		2,982,167
FUNDS OF THE ACADEMY:					
Restricted funds					
Restricted funds	15	189,316		30,864	
Restricted fixed asset funds	15	3,511,810		3,711,038	
Pension reserve	15,24	(196,000)		(1,075,000)	
Total restricted funds			3,505,126		2,666,902
Unrestricted income funds	15		327,123		315,265
TOTAL FUNDS			3,832,249		2,982,167

The financial statements were approved by the Trustees, and authorised for issue on 1st December 2022 and are signed on their behalf by:


P Williams
Chair of Trustees

CHARLTON KINGS JUNIOR SCHOOL

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	18	126,230	20,733
Cash flows from financing activities	19	48	326
Cash flows from investing activities	20	(5,314)	(5,895)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD			
		120,964	15,164
Cash and cash equivalents at 1 September 2021		439,275	424,111
CASH AND CASH EQUIVALENTS AT 31 AUGUST 2022	21	560,239	439,275

1 STATEMENT OF ACCOUNTING POLICIES

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

Basis of Preparation of Financial Statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the 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 (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. Charlton Kings Junior School meets the definition of a public benefit entity under FRS 102.

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Furthermore, the School is in a popular area and is always full from the point of view of pupil numbers. Given this position and the amount of applicants that apply for school places over and above the PAN, then the suggestions are that the School remains in a positive position with regard to the future.

Income

All incoming resources are recognised when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- Grants receivable

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amount of capital grant are reflected in the balance in the restricted fixed asset fund.

- Sponsorship income

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt.

- Donations

Donations are recognised on a receivable basis where there is certainty of receipt 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 goods have been provided or on completion of the service.

1 ACCOUNTING POLICIES (continued)

- Donated Services and Gifts in Kind

The value of donated services and gifts in kind provided to the Academy are recognised at an estimate of their gross value in the period in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy's policies. No such donated Services or Gifts in Kind were received this year.

Freehold Buildings

The Academy owns the property it operates from. The valuation of the Freehold Buildings was considered by the Trustees on conversion to Academy and was included at what they considered a reasonable estimate of the current market value. Note 11 refers.

Expenditure

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

- Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets and depreciation

All assets costing more than £1,000 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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their expected useful lives on the following bases:

Freehold Land, Buildings and Improvements	-	2% - 10% on cost
Fixtures and fittings	-	10% - 20% on cost
Computer equipment	-	10% - 33% on cost

1 ACCOUNTING POLICIES (continued)

Leased Assets

In respect of leases that are operating leases, the annual rentals are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Taxation

The Academy 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 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.

Pensions Benefits

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 23, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency and Department for Education.

1 ACCOUNTING POLICIES (continued)

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at transaction price as all are payable on demand as detailed in note 12. 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 transaction price as all are payable within one year as detailed in note 13. 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.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Governors do not consider that they have made any critical judgements apart from those involving estimation in the preparation of the financial statements.

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability.

Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

CHARLTON KINGS JUNIOR SCHOOL

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

2 DONATIONS

	Unrestricted Funds £	Restricted Fixed Asset Funds £	Total 2022 £	Total 2021 £
Capital grants	-	8,208	8,208	3,910
Other donations	23,049	-	23,049	6,194
	<u>23,049</u>	<u>8,208</u>	<u>31,257</u>	<u>10,104</u>

Income from donations and voluntary income in 2021 was £10,104 of which £6,194 was unrestricted funds and £3,910 was restricted funds.

3 FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted Funds £	Total 2022 £	Total 2021 £
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	1,563,056	1,563,056	1,410,167
Other DfE/ESFA grants	-	57,419	57,419	104,917
Pupil Premium	-	34,228	34,228	28,493
Exceptional grant to fund emergency repair of heating system	-	115,493	115,493	359,605
		<u>1,770,196</u>	<u>1,770,196</u>	<u>1,903,182</u>
Other government grants				
Local authority grants	-	43,268	43,268	50,633
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	-	-	-	29,840
Other income from the Academy Trust's operations				
School trip income	72,635	-	72,635	-
Catering income	34,935	-	34,935	217
Other	600	-	600	600
	<u>108,170</u>	<u>1,813,464</u>	<u>1,921,634</u>	<u>1,984,472</u>

Funding for the Academy's educational operations in 2021 was £1,984,472 of which £817 was unrestricted funds, and £1,983,655 was restricted funds.

4 OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Hire of facilities	<u>1,075</u>	<u>-</u>	<u>1,075</u>	<u>300</u>

Income from other trading activities in 2021 was £300 which was entirely unrestricted funds.

CHARLTON KINGS JUNIOR SCHOOL

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

5 INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Short term deposits	48	-	48	326

Income from investment income in 2021 was £326 which was entirely unrestricted funds.

6 EXPENDITURE

	Staff costs £	Non Pay Expenditure		Total 2022 £	Total 2021 £
		Premises £	Other costs £		
Academy's educational operations:					
Direct costs	1,156,327	-	158,687	1,315,014	1,239,377
Allocated support costs	344,481	147,521	149,531	641,533	511,648
	<u>1,500,808</u>	<u>147,521</u>	<u>308,218</u>	<u>1,956,547</u>	<u>1,751,025</u>
Exceptional costs being emergency repair of heating system	-	161,385	-	161,385	384,051
	<u>1,500,808</u>	<u>308,906</u>	<u>308,218</u>	<u>2,117,932</u>	<u>2,135,076</u>

Expenditure on Academy's educational operations in 2021 was £2,135,076 of which £2,005,881 was restricted funds, £119,837 was restricted fixed asset funds and £9,358 was unrestricted funds.

Net expenditure for the period includes:

	Total 2022 £	Total 2021 £
Depreciation of tangible fixed assets:		
- owned by the charity		
Operating leases	126,251	119,837
- not property		
Fees paid to auditor for:	11,240	11,240
- Audit		
	<u>9,195</u>	<u>8,475</u>

CHARLTON KINGS JUNIOR SCHOOL

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

7 ACADEMY'S EDUCATIONAL OPERATIONS

	Total 2022 £	Total 2021 £
DIRECT COSTS		
Teaching and educational support staff costs	1,156,327	1,143,809
Educational supplies and services	115,769	57,118
Staff development	4,196	3,422
Other direct costs	38,722	35,028
	<u>1,315,014</u>	<u>1,239,377</u>
SUPPORT COSTS		
Support staff costs	209,481	178,280
Depreciation	126,251	119,837
Pension finance cost	135,000	68,000
Maintenance of premises and equipment	21,270	35,176
Other support costs	21,670	19,159
Cleaning	20,420	16,428
Rent and rates	3,917	3,917
Heat and light	24,699	25,038
Insurance	7,268	7,094
Catering	43,978	9,358
Technology costs	18,694	21,087
Governance costs	8,885	8,275
	<u>641,533</u>	<u>511,649</u>
	<u>1,956,547</u>	<u>1,751,026</u>

8 STAFF

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	1,010,473	981,207
Social security costs	84,256	75,833
Other pension costs (Note 24)	249,101	240,937
	<u>1,343,830</u>	<u>1,297,977</u>
Supply teacher costs	25,846	24,111
Pension finance cost (Note 24)	135,000	68,000
	<u>1,504,676</u>	<u>1,390,089</u>

Staff numbers

The average number of persons (including Senior Management Team) employed by the Academy during the year expressed as full time equivalents was as follows:

	2022 No.	2021 No.
Teachers	13	13
Administration and support	31	30
Management	5	4
	<u>49</u>	<u>47</u>

8 STAFF (continued)

Higher paid staff

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

	2022 No.	2021
In The band £60,001 - £70,000	1	1

The employee participated in the Teachers' Pension Scheme. During the period end 31 August 2022 pension contributions amount to £15,593 (2021: £15,216).

Key management personnel

The key management personnel of the Academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £351,139 (2021: £340,801).

9 TRUSTEES' REMUNERATION AND EXPENSES

Staff Trustees only receive remuneration in respect of services they provide undertaking their role of staff. Neither receive remuneration in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role and Trustees. The value of Trustees' remuneration, including employer pension contributions, fell within the following bands:

	2022 £	2021 £
S Selwood	80,000-85,000	75,000 – 80,000
N Jukes	50,000-55,000	50,000 – 55,000
A Hunt	50,000-55,000	50,000 – 55,000

During the period 31 August 2022, travel and subsistence expenses of £Nil were reimbursed to Trustees (2021: £Nil).

Other related party transaction involving the Trustees are set out in note 24.

10 TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides up to £10,000,000 cover on any one claim and the cost for the year ended 31 August 2022 was £6,496 (2021: £6,750). The cost of this insurance is included in the total insurance cost and relates to a multiple-line policy provided by the ESFA.

CHARLTON KINGS JUNIOR SCHOOL

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

11 TANGIBLE FIXED ASSETS

	Freehold Land, Buildings & Improvements £	Fixtures and Fittings £	Computer equipment £	Total £
Cost				
At 1 September 2021	4,401,715	93,551	139,955	4,635,221
Additions	878	10,252	2,392	13,522
At 31 August 2022	<u>4,402,593</u>	<u>103,803</u>	<u>142,347</u>	<u>4,648,743</u>
Depreciation				
At 1 September 2021	841,476	48,499	120,707	1,010,682
Charged for the year	107,680	7,519	11,052	126,251
At 31 August 2022	<u>949,156</u>	<u>56,018</u>	<u>131,759</u>	<u>1,136,933</u>
Net book value				
At 31 August 2022	<u>3,453,437</u>	<u>47,785</u>	<u>10,588</u>	<u>3,511,810</u>
At 31 August 2021	<u>3,560,239</u>	<u>45,052</u>	<u>19,248</u>	<u>3,624,539</u>

The Academy owns the land and buildings from which it operates. On conversion the Trustees' agreed to base their valuation of land and buildings on insurance valuation. This was chosen in favour of having a formal valuation done as the cost of a formal valuation would be onerous compared with the additional benefit derived by the users of the accounts.

12 DEBTORS

	2022 £	2021 £
Other debtors	886	-
VAT recoverable	10,112	48,427
Prepayments and accrued income	<u>31,930</u>	<u>261,647</u>
	<u>42,928</u>	<u>310,074</u>

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	18,093	21,013
Other taxation and social security	19,057	19,587
Other creditors	22,243	26,205
Accruals and deferred income	<u>27,335</u>	<u>249,916</u>
	<u>86,728</u>	<u>316,721</u>

CHARLTON KINGS JUNIOR SCHOOL

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

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

	2022 £	2021 £
Deferred income		
Deferred income at 1 September 2021		
Resources deferred during the year	6,180	6,139
Amounts released from previous years	18,140	6,180
Deferred income at 31 August 2022	(6,180)	(6,139)
	<u>18,140</u>	<u>6,180</u>

Income received during the period ended 31 August 2022 specific to funding for future years has been deferred accordingly.

14 STATEMENT OF FUNDS

	Balance at 31 August 2021 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2022 £
Unrestricted funds	315,265	132,342	(120,484)	-	327,123
Restricted funds					
General Annual Grant (GAG)	1,772	1,563,056	(1,515,764)	-	49,063
Other DfE/ESFA grants	10,234	207,140	(178,473)	81,185	120,086
Other government grants	4,438	43,268	(41,960)	-	5,746
Catch-up premium	-	-	-	-	-
School Fund Account	2,118	-	-	-	2,118
Other income	12,302	-	-	-	12,302
Pension reserve	(1,075,000)	-	(135,000)	1,014,000	(196,000)
	<u>(1,044,136)</u>	<u>1,813,464</u>	<u>(1,871,197)</u>	<u>1,095,185</u>	<u>(6,684)</u>
Restricted fixed asset funds					
DfE/ESFA Capital grants	777,323	8,208	(26,445)	(81,185)	677,901
Predecessor School transfer	2,771,414	-	(94,284)	-	2,677,130
Capital expenditure from GAG	97,433	-	(3,315)	-	94,118
Capital expenditure from donations	64,868	-	(2,207)	-	62,661
	<u>3,711,038</u>	<u>8,208</u>	<u>(126,251)</u>	<u>(81,185)</u>	<u>3,511,810</u>
Total restricted funds	<u>2,666,902</u>	<u>1,821,672</u>	<u>(1,997,448)</u>	<u>1,014,000</u>	<u>3,505,126</u>
Total funds	<u>2,982,167</u>	<u>1,954,014</u>	<u>(2,117,932)</u>	<u>1,014,000</u>	<u>3,832,249</u>

CHARLTON KINGS JUNIOR SCHOOL

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

14 STATEMENT OF FUNDS (continued)

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

	Balance at 31 August 2020 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2021 £
Unrestricted funds					
Unrestricted funds	316,986	7,637	(9,358)	-	315,265
Restricted funds					
General Annual Grant (GAG)	37,269	1,410,167	(1,445,664)	-	1,772
Other DfE/ESFA grants	20,109	400,621	(410,496)	-	10,234
Other Government grants	5,686	50,633	(51,881)	-	4,438
Catch-up premium	-	29,840	(29,840)	-	-
School Fund Account	2,118	-	-	-	2,118
Other income	12,302	-	-	-	12,302
Pension reserve	(833,000)	-	(68,000)	(174,000)	(1,075,000)
	<u>(755,516)</u>	<u>1,891,261</u>	<u>(2,005,881)</u>	<u>(174,000)</u>	<u>(1,044,136)</u>
Restricted fixed asset funds					
DfE/ESFA Capital grants	707,636	92,394	(22,707)	-	777,323
Predecessor School transfer	2,863,293	-	(91,879)	-	2,771,414
Capital expenditure from GAG	100,663	-	(3,230)	-	97,433
Capital expenditure from donations	62,979	3,910	(2,021)	-	64,868
	<u>3,734,571</u>	<u>96,304</u>	<u>(119,837)</u>	<u>-</u>	<u>3,711,038</u>
Total restricted funds	<u>2,979,055</u>	<u>1,987,565</u>	<u>(2,125,718)</u>	<u>(174,000)</u>	<u>2,666,902</u>
Total funds	<u>3,296,041</u>	<u>1,995,202</u>	<u>(2,135,076)</u>	<u>(174,000)</u>	<u>2,982,167</u>

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

The Restricted General Fund includes GAG and other grants receivable from the ESFA and Local Authority towards the Academy's educational activities. School funds held in respect of education visits and events are also included in the Restricted General Fund.

The Restricted Fixed Asset Fund includes amounts receivable from the ESFA in respect of tangible fixed assets held for Academy use.

The Pension Reserve relates to the Academy's share of the deficit of the Local Government Pension Scheme overseen by the Local Authority.

Transfers between Unrestricted and Restricted Fixed Asset Fund relate to asset purchases from awarded CIF bid monies that have been expensed through the SoFA.

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

CHARLTON KINGS JUNIOR SCHOOL

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

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances are represented by:

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Restricted Fixed Asset Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Tangible fixed assets	-	-	3,511,810	3,511,810	3,624,540
Current assets	327,123	276,044	-	603,167	749,348
Current liabilities	-	(86,728)	-	(86,728)	(316,721)
Pension Scheme Liability	-	(196,000)	-	(196,000)	(1,075,000)
	<u>327,123</u>	<u>(6,684)</u>	<u>3,511,810</u>	<u>3,832,249</u>	<u>2,982,167</u>

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

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Restricted Fixed Asset Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Tangible fixed assets	-	-	3,624,540	3,624,540	3,734,571
Current assets	315,265	347,585	86,499	749,348	459,645
Current liabilities	-	(316,721)	-	(316,721)	(65,175)
Pension Scheme Liability	-	(1,075,000)	-	(1,075,000)	(833,000)
	<u>315,265</u>	<u>(1,044,136)</u>	<u>3,711,039</u>	<u>2,982,167</u>	<u>3,296,041</u>

16 CAPITAL COMMITMENTS

At 31 August 2022, the Academy had capital commitments of £18,970 in relation to outdoor equipment and fencing (2021: £nil).

17 OPERATING LEASE COMMITMENTS

At 31 August 2022 the Academy had annual commitments under non-cancellable operating leases, none of which were for property, as follows:

	2022 £	2021 £
Expiring within one year	11,240	11,240
Expiring within two and five years inclusive	4,683	14,050
	<u>15,923</u>	<u>25,290</u>

18 RECONILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net (expenditure) for the reporting period (as per the statement of financial activities)	(163,918)	(139,874)
Adjusted for:	(48)	(326)
Interest receivable	126,251	119,837
Depreciation of tangible fixed assets	(8,208)	(3,910)
Capital grants from DfE and other capital income	116,000	54,000
Defined benefit pension cost less contributions payable	19,000	14,000
Defined benefit pension finance cost	267,146	(274,540)
Decrease/(increase) in debtors	(229,993)	251,546
(Decrease)/increase in creditors	126,230	20,733
Net cash provided by Operating Activities		

19 CASH FLOWS FROM FINANCING ACTIVITIES

	2022 £	2021 £
Interest received	48	326

20 CASH FLOWS FROM INVESTING ACTIVITIES

	2022 £	2021 £
Purchase of tangible fixed assets	(13,522)	(9,805)
Capital grants from DfE/ESFA	8,208	3,910
Net cash used in investing activities	(5,314)	(5,895)

21 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash in hand and at bank	560,239	439,275
Total cash and cash equivalents	560,239	439,275

22 ANALYSIS OF CHANGES IN NET DEBT

	At 31 September 2021 £	Cash Flows 2022 £	New Finance Leases 2022 £	Other Non-cash Changes 2022 £	At 31 August 2022 £
Cash and cash equivalents	439,275	120,964	-	-	560,239

23 MEMBERS' LIABILITY

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

24 PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff. 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 was 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £16,842 (TPS) and £10,403 (LGPS) were payable to the schemes at 31 August 2022 (2021: £16,866 (TPS) and £9,339 (LGPS)) and are included within creditors.

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.

24 PENSION COMMITMENTS (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £147,530 (2021: £146,497).

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 trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £112,673 (2021: £112,256), of which employer's contributions totalled £101,571 (2021: £94,440) and employees' contributions totalled £20,102 (2021: £17,816). The agreed contribution rates for future years are 31.3% for employers and between 5.5% and 12.5% for employees.

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.

24 PENSION COMMITMENTS (continued)

Principal actuarial assumptions

	2022 £	2021 £
Discount rate for scheme liabilities	4.25%	1.65%
Rate of increase in salaries	3.35%	3.20%
Rate of increase for pensions in payment / inflation	3.05%	2.90%
Inflation assumption (CPI)	3.05%	2.90%
Commutation of pensions to lump sums	35.00%	35.0%

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at year ended 31 August 2022

	Approximate Increase to Employer liability	Approximate Monetary Amount £
0.5% decrease in Real Discount Rate	2%	33,000
0.5% increase in the Salary Increase Rate	4%	60,000
0.5% increase in the Pension Increase Rate	0%	1,000
1 year increase in member life expectancy	2%	32,000

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

	2022	2021
Retiring today -		
Males	21.7 years	21.9 years
Females	24.1 years	24.3 years
Retiring in 20 years -		
Males	22.6 years	22.9 years
Females	25.8 years	26.0 years

The Academy's share of the assets and liabilities in the scheme and the expected rate of return were:

	Fair value at 31 August 2022 £	Fair value at 31 August 2021 £
Equities	892,160	899
Government bonds	249,280	269,850
Property	144,320	89,950
Cash	26,240	25,700
Total market value of assets	1,312,000	1,285,000
Present value of scheme liabilities	(1,508,000)	(2,360,000)
Deficit in the scheme	(196,000)	(1,075,000)

24 PENSION COMMITMENTS (continued)

The actual return on the scheme assets was £72,000 (2021: £197,000)

Amounts recognised in the statement of financial activities

	2022	2021
Current service cost (net of employee contributions)	116,000	54,000
Past service cost	-	-
Total operating charge	<u>116,000</u>	<u>54,000</u>

Analysis of pension finance income/costs

	2022	2021
Expected return on pension scheme assets	22,000	18,000
Interest on pension liabilities	(41,000)	(32,000)
Pension finance costs	<u>(19,000)</u>	<u>(14,000)</u>

Movements in the present value of the Academy's defined benefit obligations:

	2022 £	2021 £
Opening defined benefit liabilities	2,360,000	1,833,000
Current service cost	219,000	148,000
Past service cost	-	-
Interest cost	41,000	32,000
Employee contributions	20,000	18,000
Actuarial (gain) / loss	(1,108,000)	353,000
Benefits paid	<u>(24,000)</u>	<u>(24,000)</u>
	<u>1,508,000</u>	<u>2,360,000</u>

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

	2022 £	2021 £
Opening fair value of scheme assets	1,285,000	1,000,000
Expected return on assets	22,000	18,000
Actuarial (loss) / gain	(94,000)	179,000
Contributions by employer	103,000	94,000
Contributions by employee	20,000	18,000
Estimated benefits paid	<u>(24,000)</u>	<u>(24,000)</u>
	<u>1,312,000</u>	<u>1,285,000</u>

The estimated value of employer contributions for the year ended 31 August 2022 is £100,000 (2021: £90,000)

25 CONTINGENT LIABILITIES

Guaranteed Minimum Pension (GMP) Equalisation is a requirement to equalise the Guaranteed Minimum Pension benefits accrued between 1990 and 1997 from contracting out of the State Earnings Related Pension Scheme based on the principles outlined in the judgement of the "Lloyds Bank" High Court case in October 2020. The actuarial valuation prepared for the Local Government Pension Scheme (as disclosed in Note 26) does not currently include an adjustment for GMP Equalisation, as the fund actuary considers that a 'trigger event' is yet to occur in the LGPS. The trigger event referred to in this instance is that Government are yet to confirm the long term solution and hence the potential impact of GMP equalisation remains an unknown. In view of this continuing uncertainty, no provision has been made in these financial statements in relation to this matter.

26 RELATED PARTY TRANSACTIONS

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

No related party transactions took place during the year ended 31 August 2022 (2021: £nil).