

**ST MARGARET'S ACADEMY**  
**(A company limited by guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**



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**ST MARGARET'S ACADEMY**  
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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	J Bennett M Key (resigned 18 October 2022) C Shiers (appointed 1 September 2021) L Kane (appointed 19 October 2022)
<b>Trustees</b>	J Bennett J Dickson T Hughes, Accounting Officer J Cree R Whiffin T Brookman-Skirrow (resigned 6 December 2021) S Kane L Kane (resigned 6 December 2021) C Brooks (appointed 15 September 2021) D Gaze (appointed 15 September 2021, resigned 21 March 2022) N Norman (appointed 4 May 2022) S Saha (appointed 1 September 2022) M Key (resigned 1 September 2021)
<b>Company registered number</b>	07566505
<b>Company name</b>	St Margaret's Academy
<b>Principal and registered office</b>	St Margaret's Academy Barewell Road Torquay Devon TQ1 4PA
<b>Chief executive officer</b>	T Hughes
<b>Senior management team</b>	T Hughes, Headteacher S Pike, Deputy Headteacher L Kerswell, Assistant Head N Turner, Assistant Head K Colmer, Director of Finance/Company Secretary
<b>Independent auditors</b>	Griffin Chartered Accountants Silverdown Office Park Exeter Airport Business Park Exeter EX5 2UX
<b>Bankers</b>	Lloyds Bank plc 2 Palace Avenue Paignton Devon TQ3 3ER

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Bankers**

Lloyds Bank plc  
2 Palace Avenue  
Paignton  
Devon  
TQ3 3ER

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**ST MARGARET'S ACADEMY**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2022. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The academy trust operates an academy for pupils aged 4 to 11 in Torquay. It has a pupil capacity of 420 and had a roll of 406 in the school census on May 2022.

**Structure, governance and management**

**a. Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of St Margaret's Academy are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as St Margaret's Academy.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administration Details above.

**b. Members' liability**

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

**c. Trustees' indemnities**

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £10,000,000.

The Academy from 1 March 2021 is insured through the Department for Education, Risk Protection arrangement offering unlimited professional indemnity.

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**ST MARGARET'S ACADEMY**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Structure, governance and management (continued)**

**d. Method of recruitment and appointment or election of Trustees**

- The Members may appoint by ordinary resolution up to 10 Trustees.
- The total number of Trustees including the Headteacher, if they so choose to act as Trustee under Article 57 who are employees of the Academy Trust shall not exceed one third of the total number of Trustees.
- A minimum of 2 Parent Trustees shall be elected by Parents of registered pupils at the Academy. A Parent Trustee must be a parent of a registered pupil at the Academy at the time when they are elected.
- Providing that the Headteacher agrees so to act, the Members may by ordinary resolution appoint the Headteacher as a Trustee.
- The Trustees may appoint Co-opted Trustees. A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the Academy Trust as a Co-opted Trustee if thereby the number of Trustees who are employees of the Academy Trust would exceed one third of the total number of Trustees including the Headteacher to the extent they are a Trustee.

**e. Policies adopted for the induction and training of Trustees**

The Academy has a Trustee Recruitment, Induction and Training policy available on the Trustee's shared drive.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff. All Trustees can access copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as a Trustee. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

**f. Organisational structure**

The Board of Trustees normally meets once each term with an additional meeting for the Annual General Meeting. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

To maintain effective oversight of funds a google shared drive has been set up for governors to access, where they can review monthly management reports budget updates, and view correspondence from the ESFA.

There are 3 committees as follows;

- Finance Audit and Risk Committee - this meets at least three times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit and risk committee.

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

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**Structure, governance and management (continued)**

- Educational Standards Committee - this meet at least three times a year and is responsible for ensuring that the school follows the National and School Curriculum; that academic and behaviour standards are met and improved; that target setting, mentoring, monitoring and evaluation takes place; that policies delegated to the Committee by the Board of Trustees are developed and reviewed and that the special educational needs of children are met.
- Pay and Remuneration Committee – this meets annually to assess the salary levels of individual members of staff, in accordance with the Pay Policy and in relation to the School Development Plan. During this process it will determine the salaries to be paid to all members of staff and will have regard to the differentials between the salaries of Head, Deputy or Assistant Head teachers and other staff employed at the school.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Governance Professional, to approve the Annual Improvement Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, Deputy Headteacher, three Assistant Headteachers, Senior Lead Teacher (up until 31 August), Foundation Lead Teacher and the Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

The Academy has a leadership structure which consists of the Trustees and the Senior Leadership Team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Headteacher is the Accounting Officer.

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

The Trustees have overall responsibility of the Academy but the Senior Leadership Team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

The Trustees benchmark against pay levels in other Academies of a similar size. The benchmark is the mid-point of the range paid for similar roles.

**h. Related parties and other connected charities and organisations**

There are no related parties which either control or significantly influence the decisions and operations of St Margaret's Academy.

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

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**Objectives and activities**

**a. Objects and aims**

- To build a school community that reflects our core values of respect, responsibility and aspiration.
- To create a 'Growth Mindset' culture where everyone is given equal opportunities and the confidence and enthusiasm to challenge and amaze themselves with what they can achieve.
- To develop a supportive environment, where all children and staff are actively involved and take responsibility for the process of their learning, enabling them to become lifelong reflective and creative thinkers.
- To foster a positive partnership with parents, carers and the community, in order to enhance the educational and social opportunities and achievements of pupils.
- To provide the opportunity for everyone to develop the knowledge, skills and attributes required to contribute as healthy positive citizens whilst taking responsibility for themselves, the school and the wider environment.
- Structure our learning around our core values of respect, aspiration, kindness and responsibility.

**b. Objectives, strategies and activities**

The principal object and activity of the Academy is to advance, for the public benefit, education in the United Kingdom, offering a broad range of curriculum for pupils of different abilities.

The principal object and activity of the Charitable Company is the operation of St Margaret's Academy to provide free education and care for pupils of different abilities between the ages of 4 and 11.

The aims of the Academy during the year ending 31 August 2022 are summarised below:

- Teach a broad and balanced curriculum while keeping staff and pupils safe.
- Implement a more effective curriculum that meets the needs of all pupils, especially our bottom 20%.
- Continue to develop the best practice for SEND provision in class and through intervention.
- Target resources to enable those furthest behind to catch up with their peers.
- Continue to develop the impact of governance on school standards.
- Further develop the health and safety provision across the school.
- Use the additional catch-up premium to help close gaps that have arisen from lockdown.
- To ensure we are ready to continue with our curriculum in the event of any further lockdown.
- Continue to prioritise safeguarding systems with all staff taking responsibility.
- Further develop nurture provision to support better inclusion of vulnerable pupils in the classroom.
- To improve the effectiveness of the Academy by keeping the organisational structure under continual review.
- To provide value for money for the funds expended.
- To develop greater coherence, clarity and effectiveness in school systems.
- To comply with all appropriate statutory and curriculum requirements.
- To develop the Academy's capacity to manage change.
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

**c. Public benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.



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

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**Objectives and activities (continued)**

The Academy aims to advance for the public benefit, education in Torbay and the surrounding area. In particular, but without prejudice to the generality of the forgoing by estimating, maintaining, managing and development schools, offering a broad curriculum.

**Strategic report**

**Achievements and performance**

**a. Key performance indicators**

- The Academy was last inspected by OFSTED in September 2017 and was judged to be Good. An external review of the academy in November 2021 by Challenge Partners rated the quality of provision and outcomes as 'effective' (roughly equivalent to a 'good' Ofsted grade) and rated leadership as 'leading' (roughly equivalent to an 'outstanding' Ofsted grade).
- To ensure that standards are continually assessed the Academy operates a monitoring programme which includes lesson observations, works scrutiny, pupil conferencing and pupil progress meetings which are undertaken by the Senior Leadership Team.
- The Academy has used Pupil Premium money to allocate time for Assistant Head Teachers to work alongside teachers to improve the quality first teaching. The funding is also used to retain an experienced Special Needs Teacher, and Teaching Assistants to deliver intervention strategies to pupils. It has also supported extra-curricular activities such as residentials and music lessons.
- Continued Professional Development has enabled Teachers and Teaching Assistants to keep up to date with constant educational changes.
- Successful CIF Bid to provide an extension to the entrance to improve Safeguarding of pupils and staff.
- Additional perimeter fencing.
- Pupil intervention log cabin.

**b. 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 they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**Financial review**

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2022, the Academy received total income of £2,607,233 and incurred total expenditure of £2,840,604. The excess of expenditure over income for the year was £233,371. Excluding actuarial pension costs and capital grants, the academy made a deficit of £85,238, after contributing £90,921 to capital projects.

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

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**Strategic report (continued)**

At 31 August 2022 the net book value of fixed assets was £3,236,142. and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on 31 August 2012 at £2,897,664. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 24 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, Managers, Budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

**a. Reserves policy**

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review. The Trustees have considered the three year budget plan based on the ASCL three year budget planning.

The Academy's reserves are £3,128,607 which are made up of £3,385,809 of fixed assets and capital funds and £75,843 of funds designated to future capital projects, less the pension deficit of £599,000.

The Trustees have determined that the appropriate level of free reserves should be approximately £200,000. Currently the total free reserves are £341,798, of which £75,843 has been designated by the Trustees. This provides 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 or to maintain staffing levels in the event of a reduction in funding.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the academy Trust.

**b. Investment policy**

The aim of this policy is to ensure that funds, which the school does not immediately need to cover anticipated expenditure, are invested in such a way as to maximise the school's income but to minimise risk.

Our aim is to spend the public monies with which we are entrusted for the direct education benefit of pupils as soon as is prudent. The school does not consider the investment of surplus funds as a primary activity, rather it is the result of good stewardship as and when circumstances allow.

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**ST MARGARET'S ACADEMY**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**c. Principal risks and uncertainties**

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The principal risks and uncertainties facing the Academy are as follows:

**Financial** - the Academy has considerable reliance on continued Government funding through the EFA. In the last year the majority of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

**Failures in governance and/or management** - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

**Reputational** - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

**Safeguarding and child protection** - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

**Staffing** - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

**Fraud and mismanagement of funds** - The Academy has appointed a Responsible Officer/internal audit to carry out checks on financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

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**ST MARGARET'S ACADEMY**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Academy is over-subscribed, risks to revenue funding from a falling roll are small. However, the freeze on the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Resources Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

#### **Fundraising**

The St Margaret's Parent Teacher Association are registered with the Charity Commission for England and Wales which provides the majority of fundraising for the Academy.

#### **Plans for future periods**

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community. Partnerships have been established with local primary and secondary schools to support with curriculum improvements and monitoring of standards.

Following a successful CIF bid in 2021/22, works are due to commence in October 2022 to increase the security of the school and safeguard the children by extending the entrance of the school. This will involve a new reception area that is manned to control access to the school building .

#### **Funds held as custodian on behalf of others**

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

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**ST MARGARET'S ACADEMY**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Disclosure of information to auditors**

Insofar as the Trust are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 6 December 2022 and signed on its behalf by:



**J Bennett**  
(Chair of Trustees)

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**ST MARGARET'S ACADEMY**  
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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Margaret's Academy and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
J Bennett, Chair	5	6
J Dickson	2	6
T Hughes, Accounting Officer	6	6
J Cree	3	6
R Whiffin	4	6
T Brookman-Skirrow	1	2
S Alexander-Kane	6	6
L Kane	0	2
C Brooks	6	6
D Gaze	3	3
N Norman	2	2
S Saha	0	0
C Shiers	0	0
M Key	0	0

When a Trustee joins the Board they provide a brief synopsis which includes skills and areas of expertise to inform which Sub-Committee they should sit on to utilise their skills. This is reviewed annually through skills audit.

The aim of the Board of Trustees is to that there is a varied and good level of skills, knowledge and expertise across the board.

Training is available to Trustees through the Local Authority.

A declaration of all business or personal interests, whether direct or indirect is completed by each Trustee as the start of the academic year and the register is available on the school website.

Included at the beginning of any agenda the trustees are asked to declare any interest that may be related to the agenda or needs to be added to the register.

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**ST MARGARET'S ACADEMY**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

If a trustee has an interest in an agenda item they are unable to be involved with the decision making for that particular agenda item.

Any new trustee appointed throughout the year is added to the register.

Trustees review the governance structure periodically throughout the year at full board meetings and Finance Audit & Risk usually following a change in the board membership or changes to the Academy Handbook.

Reviews have led to trustees and members working together on Trustee/SLT days to provide substantial assurance within the trust.

Skills audits are completed annually and committee structures are revised at the AGM to ensure best fit of skills to the committee.

Revised Articles of Association was adopted on 7th June 2022. The main reason for this is to reflect the current governance structure which segregates members and trustees with the exception of the Chair of Trustees, and omits staff trustees with the exception of the Headteacher to comply with the requirements of the Academy Handbook.

The trustees have discussed during the year whether to appointing an external reviewer and debated whether this would provide value added, but as a relatively small board in a SAT it was agreed that it would not.

Finance/Audit & Risk Committee meets at least three times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the internal audit and drafting the annual budget.

Audit and Risk is a sub-committee of the main Board of Trustees and meetings are combined with the Finance Committee. It is also an advisory body with no executive powers. However, it is authorised by the Board to investigate any activity within its terms of reference and to seek any information it requires from staff who are requested to co-operate with the Committee in the conduct of its enquiries. The Audit & Risk Committee is authorised to obtain independent professional advice if it considers this necessary.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
R Whiffin (Chair of Finance)	4	4
S Kane (Chair of Audit & Risk)	3	4
J Dickson	3	4
T Hughes	4	4

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of value for money**

Spending of the pupil premium has been very effective. Outcomes in all the following areas have been above national and Torbay: the end of Reception Early Learning Goals, end of Year 1 phonics, end of Year 2 phonics, end of Year 2 in all subjects and the end of Year 6 in all subjects. This is especially the case in Reading and Maths.

A new curriculum stock accounting system has been introduced. Consumable curriculum items are now held centrally, rather than piecemeal in classrooms. Staff place internal orders for this stock. This has reduced waste as items are not stock piled in different school locations with different people ordering externally. Now, this is controlled by a single administrator improving efficiency and savings.

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

**Improving Education Results**

Despite the pandemic, we are proud of the children's achievements in 2022. Strengths have been noted in:

- Progress and achievement in Reception is higher than national and Torbay
- Early reading standards (phonics) is higher than national and Torbay
- Reading by the end of Year 6 is well above national and Torbay
- Maths by the end of Year 6 is above national and Torbay
- Progress in Writing has improved since 2019
- Outcomes for our disadvantaged pupils are better than national at the end of key stages
- SEN pupils at Year 2 achieve better than national and Torbay, especially in writing

**Financial Governance and Oversight**

The Trustees have ensured that sound systems of financial control are in place which includes two visits by the internal auditors and an external auditor to provide an independent oversight of the Academy's financial affairs. There is a clear separation of duties to support prudent financial management. The Finance Audit and Risk meet Termly to receive, consider and monitor the reports received from the Auditors and the School Business Manager.

**Better Purchasing**

Contracts and services are reviewed and renegotiated regularly to ensure best value (which need not necessarily be the lowest cost option). The Trustees consider competitive quotations on purchases over £5,000 and agree the best option for expenditure. Quotations are regularly sought for lesser amounts of expenditure to enable best value for money. For 2021/22 the Trustees have considered competitive quotations and agreed the best option for expenditure on the following:

- Woodland Den
- Chrome Books
- Additional Security Fencing
- Foundation Stage Outdoor Learning Area
- Foundation Stage Redecoration
- Drainage project from Orchard



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**ST MARGARET'S ACADEMY**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of value for money (continued)**

**Better Income Generation**

When opportunities arise the Academy will bid for additional funding for major projects through the DfE and Charitable Trusts.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Margaret's Academy for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Academy 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 the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

The Board of Trustees has decided to employ Devon Audit as internal auditor.

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

- Governance, Accounting and Financial Control
- Accounting and Financial Control - Salaries and Expenses
- Internal Financial Control - Anti-Fraud
- Risk Management
- Internal Financial Control - Income
- Internal Financial Control - Purchasing and Payments
- Internal Financial Control - Tendering
- Internal Financial Control - Assets
- Internal Financial Control - Investments

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**ST MARGARET'S ACADEMY**  
(A company limited by guarantee)

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**GOVERNANCE STATEMENT (CONTINUED)**

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**The risk and control framework (continued)**

On termly basis, the internal auditor reports to the Board of Trustees through the Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

**Review of effectiveness**

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

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

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

Approved by order of the members of the Board of Trustees on 6 December 2022 and signed on their behalf by:



**J Bennett**  
Chair of Trustees



**T Hughes**  
Accounting Officer

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**ST MARGARET'S ACADEMY**  
**(A company limited by guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of St Margaret's Academy I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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



**T Hughes**  
Accounting Officer  
Date: 6 December 2022

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**ST MARGARET'S ACADEMY**  
**(A company limited by guarantee)**

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

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The Trust (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trust to prepare financial statements for each financial year. Under company law, the Trust 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 Trust are required to:

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

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

The Trust 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 6 December 2022 and signed on its behalf by:



**J Bennett**  
(Chair of Trustees)

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**ST MARGARET'S ACADEMY**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST MARGARET'S ACADEMY**

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**Opinion**

We have audited the financial statements of St Margaret's Academy (the 'academy') for the year ended 31 August 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

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**ST MARGARET'S ACADEMY**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST MARGARET'S ACADEMY (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

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

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

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

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**ST MARGARET'S ACADEMY**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST MARGARET'S ACADEMY (CONTINUED)**

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**Responsibilities of trustees**

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

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

**Auditors' responsibilities for the audit of the financial statements**

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

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

Our audit procedures have reviewed for evidence of management override, any ongoing legal cases, completeness of related party transactions, as well as an ongoing consideration of fraud and irregularities during the whole audit process.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Use of our report**

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

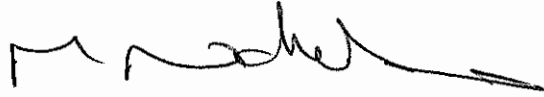
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**ST MARGARET'S ACADEMY**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST  
MARGARET'S ACADEMY (CONTINUED)**

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**Misty Nickells FCA (Senior statutory auditor)**  
for and on behalf of  
Griffin

Statutory Auditors  
Silverdown Office Park  
Exeter Airport Business Park  
Exeter  
EX5 2UX

8 December 2022



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**ST MARGARET'S ACADEMY**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST  
MARGARET'S ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated [enter date here] 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 St Margaret's Academy during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of St Margaret's Academy's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of St Margaret's Academy's funding agreement with the Secretary of State for Education dated [enter date here] and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

The work undertaken to draw our conclusion includes:

- Review of governance procedures
- Evaluation and testing of the system of internal controls, such as authorisation and value for money procedures
- Substantive testing on relevant transactions

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**ST MARGARET'S ACADEMY**  
(A company limited by guarantee)

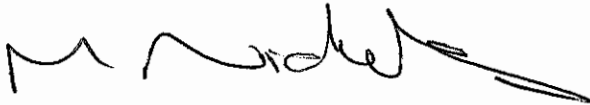
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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST  
MARGARET'S ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

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**Conclusion**

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



**Misty Nickells FCA (Senior Statutory Auditor)**

Reporting Accountant  
Griffin  
Silverdown Office Park  
Exeter Airport Business Park  
Exeter  
EX5 2UX

Date: 8 December 2022

**ST MARGARET'S ACADEMY**  
(A company limited by guarantee)

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>						
Donations and capital grants	3	5,732	-	187,960	193,692	33,340
Other trading activities	5	39,350	-	-	39,350	27,989
Investments	6	331	-	-	331	400
Charitable activities	4	32,679	2,341,181	-	2,373,860	2,241,043
<b>Total income</b>		<b>78,092</b>	<b>2,341,181</b>	<b>187,960</b>	<b>2,607,233</b>	<b>2,302,772</b>
<b>Expenditure on:</b>						
Raising funds		27,684	1,485	-	29,169	25,661
Charitable activities	8	9,370	2,714,051	88,014	2,811,435	2,633,012
<b>Total expenditure</b>		<b>37,054</b>	<b>2,715,536</b>	<b>88,014</b>	<b>2,840,604</b>	<b>2,658,673</b>
<b>Net income/(expenditure)</b>		<b>41,038</b>	<b>(374,355)</b>	<b>99,946</b>	<b>(233,371)</b>	<b>(355,901)</b>
Transfers between funds	18	(68,868)	(22,053)	90,921	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>(27,830)</b>	<b>(396,408)</b>	<b>190,867</b>	<b>(233,371)</b>	<b>(355,901)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	2,159,000	-	2,159,000	(86,000)
<b>Net movement in funds</b>		<b>(27,830)</b>	<b>1,762,592</b>	<b>190,867</b>	<b>1,925,629</b>	<b>(441,901)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		173,992	(2,165,956)	3,194,942	1,202,978	1,644,879
Net movement in funds		(27,830)	1,762,592	190,867	1,925,629	(441,901)
<b>Total funds carried forward</b>		<b>146,162</b>	<b>(403,364)</b>	<b>3,385,809</b>	<b>3,128,607</b>	<b>1,202,978</b>

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**ST MARGARET'S ACADEMY**  
**(A company limited by guarantee)**

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

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

The notes on pages 30 to 59 form part of these financial statements.

**ST MARGARET'S ACADEMY**  
(A company limited by guarantee)

**BALANCE SHEET**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	3,236,142	3,263,810
		<u>3,236,142</u>	<u>3,263,810</u>
<b>Current assets</b>			
Stocks	15	-	7,063
Debtors	16	192,791	59,136
Investments		159,004	-
Cash at bank and in hand		272,877	412,416
		<u>624,672</u>	<u>478,615</u>
Creditors: amounts falling due within one year	17	(133,207)	(120,447)
<b>Net current assets</b>		<u>491,465</u>	<u>358,168</u>
<b>Total assets less current liabilities</b>		<u>3,727,607</u>	<u>3,621,978</u>
<b>Net assets excluding pension liability</b>		<u>3,727,607</u>	<u>3,621,978</u>
Defined benefit pension scheme liability	24	(599,000)	(2,419,000)
<b>Total net assets</b>		<u><u>3,128,607</u></u>	<u><u>1,202,978</u></u>
<b>Funds of the Academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	3,385,809	3,194,942
Restricted income funds	18	195,636	253,044
Restricted funds excluding pension asset	18	3,581,445	3,447,986
Pension reserve	18	(599,000)	(2,419,000)
<b>Total restricted funds</b>	18	<u>2,982,445</u>	<u>1,028,986</u>
Unrestricted income funds			
Designated funds	18	75,843	75,843
General funds	18	70,319	98,149
<b>Total unrestricted income funds</b>	18	<u>146,162</u>	<u>173,992</u>
<b>Total funds</b>		<u><u>3,128,607</u></u>	<u><u>1,202,978</u></u>

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**ST MARGARET'S ACADEMY**  
**(A company limited by guarantee)**

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**BALANCE SHEET (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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

The financial statements on pages 25 to 59 were approved by the Trustees, and authorised for issue on 06 December 2022 and are signed on their behalf, by:



**J Bennett**  
(Chair of Trustees)

The notes on pages 30 to 59 form part of these financial statements.

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**ST MARGARET'S ACADEMY**  
**(A company limited by guarantee)**

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

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	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	20	31,160	(1,405)
<b>Cash flows from investing activities</b>	21	(11,694)	(71,473)
<b>Change in cash and cash equivalents in the year</b>		19,466	(72,878)
Cash and cash equivalents at the beginning of the year		412,415	485,293
<b>Cash and cash equivalents at the end of the year</b>	22, 23	<u>431,881</u>	<u>412,415</u>

The notes on pages 30 to 59 form part of these financial statements

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**ST MARGARET'S ACADEMY**  
**(A company limited by guarantee)**

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

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

**1.2 Going concern**

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

**1.3 Income**

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

• **Grants**

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

• **Donations**

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



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**ST MARGARET'S ACADEMY**  
(A company limited by guarantee)

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

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**1. Accounting policies (continued)**

**1.3 Income (continued)**

- **Other income**

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

**1.4 Expenditure**

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Interest receivable**

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

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**ST MARGARET'S ACADEMY**  
(A company limited by guarantee)

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

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**1. Accounting policies (continued)**

**1.6 Tangible fixed assets**

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

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% straight line
Furniture and equipment	- 15% straight line
Computer equipment	- 20% straight line

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

**1.7 Stocks**

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

**1.8 Debtors**

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

**1.9 Cash at bank and in hand**

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

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

**1.10 Liabilities**

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

**1.11 Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.12 Pensions**

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

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

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

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

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

**1.13 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

Investment income, gains and losses are allocated to the appropriate fund.

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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**3. Income from donations and capital grants**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Donations	5,732	-	5,400	11,132
Capital Grants	-	-	182,560	182,560
	<u>5,732</u>	<u>-</u>	<u>187,960</u>	<u>193,692</u>
	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	899	6,954	16,835	24,688
Capital Grants	-	-	8,652	8,652
	<u>899</u>	<u>6,954</u>	<u>25,487</u>	<u>33,340</u>

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**4. Funding for the Academy's charitable activities**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
<b>Education</b>			
<b>DfE/ESFA grants</b>			
General Annual Grant	-	1,855,687	1,855,687
Other DfE/ESFA grants			
Pupil Premium	-	185,460	185,460
UIFSM	-	52,893	52,893
Others	-	88,471	88,471
	-	2,182,511	2,182,511
<b>Other Government grants</b>			
High Needs	-	134,255	134,255
Other Government grants	-	24,415	24,415
	-	158,670	158,670
<b>Other income from the Academy's education</b>	32,679	-	32,679
	32,679	2,341,181	2,373,860
	32,679	2,341,181	2,373,860

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**4. Funding for the Academy's charitable activities (continued)**

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
<b>Education</b>			
<b>DfE/ESFA grants</b>			
General Annual Grant	-	1,668,744	1,668,744
Other DfE/ESFA grants			
Pupil Premium	-	168,650	168,650
UIFSM	-	50,684	50,684
Teachers pay and pension grant	-	74,455	74,455
Others	-	19,540	19,540
	-	1,982,073	1,982,073
<b>Other Government grants</b>			
High Needs	-	154,244	154,244
Other Government grants	-	32,980	32,980
	-	187,224	187,224
<b>Other income from the Academy's education</b>	13,679	-	13,679
<b>COVID-19 additional funding (DfE/ESFA)</b>			
Catch-up Premium	-	34,160	34,160
	-	34,160	34,160
<b>COVID-19 additional funding (non-DfE/ESFA)</b>			
Other Coronavirus funding	-	23,907	23,907
	-	23,907	23,907
	13,679	2,227,364	2,241,043
	13,679	2,227,364	2,241,043

The Academy received £34,160 of funding for catch-up premium in 2020/21 and costs incurred in respect of this funding totalled £34,160.

The Trust received £23,907 of COVID-19 funding in 2020/21 from the Local Authority, of which £23,907 was fully spent in the 2020/21 academic year.

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**5. Income from other trading activities**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
External catering	3,309	<b>3,309</b>
Fees received	36,041	<b>36,041</b>
	<b>39,350</b>	<b>39,350</b>
	<b>39,350</b>	<b>39,350</b>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
External catering	710	710
Fees received	27,279	27,279
	<b>27,989</b>	<b>27,989</b>
	<b>27,989</b>	<b>27,989</b>

**6. Investment income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Bank interest	331	<b>331</b>
	<b>331</b>	<b>331</b>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Bank interest	400	400
	<b>400</b>	<b>400</b>



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**7. Expenditure**

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Expenditure on fundraising trading activities:				
Direct costs	27,684	-	1,485	29,169
Education:				
Direct costs	1,649,081	53,657	175,396	1,878,134
Allocated support costs	647,612	114,156	171,533	933,301
	<u>2,324,377</u>	<u>167,813</u>	<u>348,414</u>	<u>2,840,604</u>
	<u><u>2,324,377</u></u>	<u><u>167,813</u></u>	<u><u>348,414</u></u>	<u><u>2,840,604</u></u>
	<i>Staff Costs</i> 2021 £	<i>Premises</i> 2021 £	<i>Other</i> 2021 £	<i>Total</i> 2021 £
Expenditure on fundraising trading activities:				
Direct costs	25,661	-	-	25,661
Education:				
Direct costs	1,730,918	172,240	45,639	1,948,797
Allocated support costs	403,206	22,648	258,361	684,215
	<u>2,159,785</u>	<u>194,888</u>	<u>304,000</u>	<u>2,658,673</u>
	<u><u>2,159,785</u></u>	<u><u>194,888</u></u>	<u><u>304,000</u></u>	<u><u>2,658,673</u></u>

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**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total 2022 £</b>
Education	9,370	2,802,065	2,811,435
	<u>9,370</u>	<u>2,802,065</u>	<u>2,811,435</u>
	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total 2021 £</i>
Education	10,486	2,622,526	2,633,012
	<u>10,486</u>	<u>2,622,526</u>	<u>2,633,012</u>

**9. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>
Education	1,878,134	933,301	2,811,435
	<u>1,878,134</u>	<u>933,301</u>	<u>2,811,435</u>
	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Education	1,948,797	684,215	2,633,012
	<u>1,948,797</u>	<u>684,215</u>	<u>2,633,012</u>

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**9. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Education 2022 £</b>	<b>Total funds 2022 £</b>
Staff costs	1,644,837	1,644,837
Depreciation	72,659	72,659
Educational supplies	10,986	10,986
Staff development	37,213	37,213
Other costs	108,195	108,195
Agency supply	4,244	4,244
	<u>1,878,134</u>	<u>1,878,134</u>

	<i>Education 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	1,689,393	1,689,393
Depreciation	96,109	96,109
Educational supplies	5,757	5,757
Staff development	42,158	42,158
Other costs	111,865	111,865
Agency supply	3,515	3,515
	<u>1,948,797</u>	<u>1,948,797</u>

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**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Education 2022 £</b>	<b>Total funds 2022 £</b>
Pension finance costs	38,000	38,000
Staff costs	647,612	647,612
Depreciation	15,355	15,355
Maintenance of premises and equipment	64,047	64,047
Cleaning	3,839	3,839
Rent and rates	12,431	12,431
Heat and light	22,499	22,499
Insurance	10,863	10,863
Security and transport	1,432	1,432
Catering	54,319	54,319
Office overheads	46,009	46,009
Legal and professional	16,799	16,799
Bank interest and charges	96	96
	<hr/> <b>933,301</b> <hr/>	<hr/> <b>933,301</b> <hr/>

**ST MARGARET'S ACADEMY**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs (continued)**

	<i>Education</i> 2021 £	<i>Total</i> <i>funds</i> 2021 £
Pension finance costs	33,000	33,000
Staff costs	405,024	405,024
Depreciation	22,648	22,648
Maintenance of premises and equipment	54,303	54,303
Cleaning	4,624	4,624
Rent and rates	15,270	15,270
Heat and light	29,317	29,317
Insurance	12,876	12,876
Security and transport	1,942	1,942
Catering	38,668	38,668
Office overheads	51,519	51,519
Legal and professional	14,897	14,897
Bank interest and charges	127	127
	<u>684,215</u>	<u>684,215</u>

**10. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	4,002	3,970
Depreciation of tangible fixed assets	88,014	118,757
Fees paid to auditors for:		
- audit	6,250	6,750
- other services	1,950	2,220
	<u>93,216</u>	<u>131,707</u>

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**11. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	1,556,172	1,474,464
Social security costs	130,019	118,043
Pension costs	633,942	527,470
	<u>2,320,133</u>	<u>2,119,977</u>
Agency staff costs	4,244	3,515
Staff restructuring costs	-	36,293
	<u>2,324,377</u>	<u>2,159,785</u>

Staff restructuring costs comprise:

	2022 £	2021 £
Redundancy payments	-	34,943
Severance payments	-	1,000
Other restructuring costs	-	350
	<u>-</u>	<u>36,293</u>

**b. Staff numbers**

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

	2022 No.	2021 No.
Teachers	19	19
Administration and support	55	55
Management	2	2
	<u>76</u>	<u>76</u>

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**11. Staff (continued)**

**b. Staff numbers (continued)**

The average headcount expressed as full-time equivalents was:

	2022 No.	2021 No.
Teachers	16	16
Administration and Support	35	32
Management	2	2
	<u>53</u>	<u>50</u>

**c. Higher paid staff**

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	<u>1</u>	<u>1</u>

**d. Key management personnel**

The key management personnel of the Academy comprise the Trust and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £358,284 (2021 - £435,458).

**12. Trustees' remuneration and expenses**

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

		2022 £	2021 £
T Hughes, Accounting Officer	Remuneration	65,000 - 70,000	60,000 - 65,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

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FOR THE YEAR ENDED 31 AUGUST 2022**

**13. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £8,303 (2021 - £8,622). The cost of this insurance is included in the total insurance cost.

**14. Tangible fixed assets**

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 September 2021	3,619,692	405,597	237,110	4,262,399
Additions	31,960	9,346	19,040	60,346
At 31 August 2022	<u>3,651,652</u>	<u>414,943</u>	<u>256,150</u>	<u>4,322,745</u>
<b>Depreciation</b>				
At 1 September 2021	432,763	358,217	207,609	998,589
Charge for the year	64,997	12,643	10,374	88,014
At 31 August 2022	<u>497,760</u>	<u>370,860</u>	<u>217,983</u>	<u>1,086,603</u>
<b>Net book value</b>				
At 31 August 2022	<u>3,153,892</u>	<u>44,083</u>	<u>38,167</u>	<u>3,236,142</u>
At 31 August 2021	<u>3,186,929</u>	<u>47,380</u>	<u>29,501</u>	<u>3,263,810</u>

**15. Stocks**

	2022 £	2021 £
Finished goods and goods for resale	-	7,063



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**16. Debtors**

	2022 £	2021 £
<b>Due within one year</b>		
Other debtors	16,059	11,487
Prepayments and accrued income	176,732	47,649
	192,791	59,136
	192,791	59,136

**17. Creditors: Amounts falling due within one year**

	2022 £	2021 £
Trade creditors	8,705	2,963
Other taxation and social security	28,526	31,288
Other creditors	35,060	-
Accruals and deferred income	60,916	86,196
	133,207	120,447
	133,207	120,447
	29,566	33,586
Deferred income at 1 September 2021	29,566	33,586
Resources deferred during the year	31,386	29,566
Amounts released from previous periods	(29,566)	(33,586)
	31,386	29,566
	31,386	29,566

At the balance sheet date the academy trust was holding funds of £31,386 for Universal Infant Free School Meals that was received in advance for the 2022/23 academic year.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Statement of funds**

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>						
<b>Designated funds</b>						
Future capital projects	75,843	-	-	-	-	75,843
<b>General funds</b>						
General Funds	29,281	78,092	(37,054)	-	-	70,319
Unrestricted Fixed Assets	68,868	-	-	(68,868)	-	-
	<u>98,149</u>	<u>78,092</u>	<u>(37,054)</u>	<u>(68,868)</u>	<u>-</u>	<u>70,319</u>
<b>Total Unrestricted funds</b>	<u>173,992</u>	<u>78,092</u>	<u>(37,054)</u>	<u>(68,868)</u>	<u>-</u>	<u>146,162</u>
<b>Restricted general funds</b>						
General Annual Grant	252,546	1,855,687	(1,890,544)	(22,053)	-	195,636
Pupil Premium	-	185,460	(185,460)	-	-	-
UIFSM	-	52,893	(52,893)	-	-	-
High Needs	-	134,255	(134,255)	-	-	-
Other DFE/ESFA grants	498	88,471	(88,969)	-	-	-
Other Local Authority grants	-	24,415	(24,415)	-	-	-
Pension reserve	(2,419,000)	-	(339,000)	-	2,159,000	(599,000)
	<u>(2,165,956)</u>	<u>2,341,181</u>	<u>(2,715,536)</u>	<u>(22,053)</u>	<u>2,159,000</u>	<u>(403,364)</u>

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**FOR THE YEAR ENDED 31 AUGUST 2022**

**18. Statement of funds (continued)**

**Restricted fixed asset funds**

Transferred on conversion	2,548,622	-	(50,007)	-	-	2,498,615
Assets						
Purchased from GAG	494,149	-	(27,579)	90,921	-	557,491
DFE/ESFA Capital grants	85,923	153,697	(4,309)	-	-	235,311
Capital grants transferred on conversion	9,024	-	(221)	-	-	8,803
Assets						
Purchased from Pupil Premium	43,756	-	(966)	-	-	42,790
DFE Donations	13,468	34,263	(4,447)	-	-	43,284
Capital grants from the Local Authority	-	-	(485)	-	-	(485)
	<u>3,194,942</u>	<u>187,960</u>	<u>(88,014)</u>	<u>90,921</u>	<u>-</u>	<u>3,385,809</u>
<b>Total Restricted funds</b>	<u>1,028,986</u>	<u>2,529,141</u>	<u>(2,803,550)</u>	<u>68,868</u>	<u>2,159,000</u>	<u>2,982,445</u>
<b>Total funds</b>	<u>1,202,978</u>	<u>2,607,233</u>	<u>(2,840,604)</u>	<u>-</u>	<u>2,159,000</u>	<u>3,128,607</u>

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

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

**DESIGNATED FUNDS**

The Trustees have designated funds towards future capital projects including a phased project to extend the entrance of the school, which will involve a new reception area to control access to the building.

**UNRESTRICTED FUNDS**

Breakfast club and After school club - Income generated from running a extra activities before school hours and after school hours.

Catering income - Income generated from providing lunch meals to students.

Unrestricted fixed assets - This fund relates to fixed assets purchased using the unrestricted funds, including those in the designated funds for "future capital projects".

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

**RESTRICTED FUNDS**

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Donations - This fund represents money donated to the trust for a specific purpose.

Restricted donations - This fund represents other small restricted donations for the Academy.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

PE and Sports Grant - This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

UIFSM - 'Universal Infant Free School Meals'. This funding is received in order to ensure children that meet the criteria have access to free school meals.

Teachers pension and pay grant - This represents funding received from the government to cover the costs of teachers' salary and pension contributions.

Other restricted grants - This fund represents other small DfE/ESFA grants.

Covid Catch-up - This represents funding received from DfE/ESFA to cover the cost implications of Covid

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy.

**RESTRICTED FIXED ASSET FUNDS**

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the School from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG and other restricted funds - This fund includes transfers from the GAG restricted fund for capital related expenditure. The balance at the year end represents the net book value of assets transferred from the GAG fund.

DfE/ESFA Capital Grants - These funds are received from the ESFA for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

Capital grants transferred on conversion - This represents capital grants transferred from the Local Authority on conversion, to be spent on fixed asset projects.

Fixed assets transferred from Pupil Premium - This fund represents the net book value of fixed assets purchased from restricted Pupil Premium funding to include a contribution towards the modular build and THRIVE bus.

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

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**18. Statement of funds (continued)**

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

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2021 £</i>
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Future capital projects	100,000	-	-	(24,157)	75,843
<b>General funds</b>					
General Funds	46,938	760	(43,200)	-	4,498
Unrestricted Fixed Assets	50,227	-	(5,516)	-	68,868
After School and breakfast clubs	24,783	27,279	(27,279)	-	24,783
	121,948	28,039	(75,995)	-	98,149
<b>Total Unrestricted funds</b>	221,948	28,039	(75,995)	(24,157)	173,992
<b>Restricted general funds</b>					
General Annual Grant	237,135	1,668,744	(1,622,452)	-	252,546
High Needs	-	154,244	(154,244)	-	-
Donations	-	6,954	(6,954)	-	-
Pupil Premium	1,012	168,650	(169,662)	-	-
PE and Sports Grant	1,498	19,540	(20,540)	-	498
UIFSM	19,471	50,684	(70,155)	-	-
Other restricted grants	-	32,980	(32,980)	-	-
Teacher's pension and pay	-	74,455	(74,455)	-	-
Covid Catch-up	-	34,160	(34,160)	-	-
Other Covid related grants	-	23,907	(23,907)	-	-
Pension reserve	(2,088,000)	-	(245,000)	(86,000)	(2,419,000)
	(1,828,884)	2,234,318	(2,454,509)	(86,000)	(2,165,956)

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**18. Statement of funds (continued)**

**Restricted fixed asset funds**

Transferred on conversion	2,598,569	-	(49,947)	-	2,548,622
Assets Purchased from GAG	517,197	-	(53,929)	-	494,149
DFE/ESFA Capital grants	82,082	8,652	(4,811)	-	85,923
Capital grants transferred on conversion	9,245	-	(221)	-	9,024
Assets Purchased from Pupil Premium	44,722	-	(966)	-	43,756
DFE Donations	-	16,835	(3,367)	-	13,468
	<u>3,251,815</u>	<u>25,487</u>	<u>(113,241)</u>	<u>-</u>	<u>3,194,942</u>
<b>Total Restricted funds</b>	<u>1,422,931</u>	<u>2,259,805</u>	<u>(2,567,750)</u>	<u>(86,000)</u>	<u>1,028,986</u>
<b>Total funds</b>	<u><u>1,644,879</u></u>	<u><u>2,287,844</u></u>	<u><u>(2,643,745)</u></u>	<u><u>(110,157)</u></u>	<u><u>1,202,978</u></u>

**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	3,236,142	<b>3,236,142</b>
Current assets	279,369	195,636	149,667	<b>624,672</b>
Creditors due within one year	(133,207)	-	-	<b>(133,207)</b>
Provisions for liabilities and charges	-	(599,000)	-	<b>(599,000)</b>
<b>Total</b>	<u>146,162</u>	<u>(403,364)</u>	<u>3,385,809</u>	<u><b>3,128,607</b></u>

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**19. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	68,868	-	3,194,942	3,263,810
Current assets	105,124	373,491	-	478,615
Creditors due within one year	-	(120,447)	-	(120,447)
Provisions for liabilities and charges	-	(2,419,000)	-	(2,419,000)
<b>Total</b>	<u>173,992</u>	<u>(2,165,956)</u>	<u>3,194,942</u>	<u>1,202,978</u>

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

	<b>2022 £</b>	<b>2021 £</b>
Net expenditure for the year (as per Statement of financial activities)	<u>(233,371)</u>	<u>(355,901)</u>
<b>Adjustments for:</b>		
Depreciation	88,014	118,757
Capital grants from DfE and other capital income	(187,960)	(8,652)
Interest receivable	(331)	(400)
Defined benefit pension scheme cost less contributions payable	301,000	213,000
Defined benefit pension scheme finance cost	38,000	32,000
Decrease in stocks	7,063	12,503
Decrease in debtors	5,984	5,271
Increase/(decrease) in creditors	12,761	(17,983)
<b>Net cash provided by/(used in) operating activities</b>	<u>31,160</u>	<u>(1,405)</u>

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**21. Cash flows from investing activities**

	2022 £	2021 £
Dividends, interest and rents from investments	331	400
Purchase of tangible fixed assets	(54,946)	(80,525)
Capital grants from DfE Group	42,921	8,652
<b>Net cash used in investing activities</b>	<b>(11,694)</b>	<b>(71,473)</b>

**22. Analysis of cash and cash equivalents**

	2022 £	2021 £
Cash in hand and at bank	272,877	139,533
Notice deposits	159,004	272,882
<b>Total cash and cash equivalents</b>	<b>431,881</b>	<b>412,415</b>

**23. Analysis of changes in net debt**

	At 1 September 2021 £	Cash flows £	Transfer between categories £	At 31 August 2022 £
Cash at bank and in hand	412,416	19,465	(159,004)	272,877
Liquid investments	-	-	159,004	159,004
	<b>412,416</b>	<b>19,465</b>	<b>-</b>	<b>431,881</b>

**24. Pension commitments**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £35,060 were payable to the schemes at 31 August 2022 (2021 - £32,959) and are included within creditors.



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**24. Pension commitments (continued)**

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £173,585 (2021 - £174,931).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

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**24. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £200,000 (2021 - £181,000), of which employer's contributions totalled £156,000 (2021 - £141,000) and employees' contributions totalled £44,000 (2021 - £40,000). The agreed contribution rates for future years are 17.6 per cent for employers and between 5.5 and 12.5 per cent 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.

**Principal actuarial assumptions**

	<b>2022</b>	<b>2021</b>
	%	%
Rate of increase in salaries	<b>3.95</b>	3.9
Rate of increase for pensions in payment/inflation	<b>2.95</b>	2.9
Discount rate for scheme liabilities	<b>4.25</b>	1.65
Inflation assumption (CPI)	<b>2.95</b>	2.9

The UK is currently experiencing a period of high inflation. As the deferred pensioner and pensioner obligations in the LGPS are increased each April in line with the previous September's rate of CPI, the high level of inflation is expected to lead to a high Pension Increase Order being applied in April 2023. Therefore, the actuary has adjusted the CPI assumption to reflect the likely significant inflationary increase to LGPS benefits in April 2023. Although not yet confirmed by government, the annual increase is due to be based on the level of CPI increases between September 2021 and September 2022, which has been estimated to be 9.5%. As a result, within the standard CPI assumption derivation, the actuary has allowed for a year 1 CPI figure of 9.5%.

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

	<b>2022</b>	<b>2021</b>
	Years	Years
<i>Retiring today</i>		
Males	<b>21.7</b>	22.7
Females	<b>22.9</b>	24.0
<i>Retiring in 20 years</i>		
Males	<b>23</b>	24.0
Females	<b>24.3</b>	25.4

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**NOTES TO THE FINANCIAL STATEMENTS  
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**24. Pension commitments (continued)**

**Sensitivity analysis**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Discount rate +0.1%	(61)	(103)
Discount rate -0.1%	63	106
Mortality assumption - 1 year increase	84	180
Mortality assumption - 1 year decrease	(81)	(173)
CPI rate +0.1%	60	8
CPI rate -0.1%	(58)	(8)

**Share of scheme assets**

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

	<b>At 31 August 2022</b>	<b>At 31 August 2021</b>
	<b>£</b>	<b>£</b>
Equities	1,141,000	1,307,000
Gilts	-	267,000
Corporate bonds	427,000	214,000
Property	214,000	167,000
Cash and other liquid assets	31,000	13,000
Other	337,000	295,000
<b>Total market value of assets</b>	<b>2,150,000</b>	<b>2,263,000</b>

The actual return on scheme assets was £-86,000 (2021 - £338,000).

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Current service cost	456,000	353,000
Interest income	(36,000)	(26,000)
Interest cost	74,000	59,000
Administrative expenses	1,000	-
<b>Total amount recognised in the Statement of financial activities</b>	<b>495,000</b>	<b>386,000</b>

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**24. Pension commitments (continued)**

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

	2022 £	2021 £
<b>At 1 September</b>	<b>4,507,000</b>	<b>3,713,000</b>
Current service cost	456,000	353,000
Interest cost	74,000	59,000
Employee contributions	44,000	40,000
Actuarial (gains)/losses	(2,271,000)	397,000
Benefits paid	(61,000)	(55,000)
<b>At 31 August</b>	<b>2,749,000</b>	<b>4,507,000</b>

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

	2022 £	2021 £
<b>At 1 September</b>	<b>2,088,000</b>	<b>1,625,000</b>
Expected return on assets	36,000	27,000
Actuarial (losses)/gains	(112,000)	311,000
Employer contributions	156,000	141,000
Employee contributions	44,000	40,000
Benefits paid	(61,000)	(55,000)
Administration expense	(1,000)	(1,000)
<b>At 31 August</b>	<b>2,150,000</b>	<b>2,088,000</b>

**25. Operating lease commitments**

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

	2022 £	2021 £
Not later than 1 year	3,746	4,002
Later than 1 year and not later than 5 years	3,619	32
	<b>7,365</b>	<b>4,034</b>

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**26. Members' liability**

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

**27. Related party transactions**

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

R Hughes, wife of T Hughes (Headteacher), was employed by the Trust on a casual basis. R Hughes' appointment was made in open competition and T Hughes was not involved in the decision-making process regarding appointment. R Hughes is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the Headteacher.