

Company Registration Number: 07955870 (England & Wales)

SIR THOMAS FREMANTLE SCHOOL

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Christopher Brown Glenn Smith Helene Khan Jacqueline Leach-Dove Jill Bailey
Trustees	Neale Pledger, Head Teacher and Accounting Officer (resigned 31 August 2022) Francis Murphy, Head Teacher and Accounting Officer (appointed 1 September 2022) Sarah Driscoll, Chair Jill Bailey John Chilver Martin Osborne (resigned 15 November 2021) Matthew Owens Emma Bramley Natasha Thiebaut Andrew Jones (resigned 30 September 2022) Harriet Bartley Claire Fraser Sarah Harris Pam Heath Steven Elcock Ann McGuigan (appointed 1 September 2022)
Company registered number	07955870
Company name	Sir Thomas Fremantle School
Principal and registered office	Buckingham Road Winslow Buckinghamshire MK18 3GH
Senior management team	Francis Murphy, Head Teacher and Accounting Officer Emma Windsor, Business Manager Leah Martindale, Senior Assistant Head - left 31/12/2022 Kayleigh Shaw, Assistant Head Andrew Simpson, Assistant Head Nicholas O'Connell, Assistant Head Matthew Pike, Head of Sixth Form - Deputy Head from 01/09/2022 Katie Owens, SENDco - left 31/04/2022 Mat Payne, Director of Learning Leads

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

Independent auditors Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor
51 Clarendon Road
Watford
Herts
WD17 1HP

SIR THOMAS FREMANTLE SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity.

The Trustees of Sir Thomas Fremantle School are also the directors of the charitable company for the purposes of company law. In this Annual Report and Financial Statements the terms Trustee(s) and Governor(s) are used interchangeably to refer to the same people.

The charitable company is known as Sir Thomas Fremantle School.

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

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

The Trustees benefit from indemnity insurance purchased by the Academy to cover the liability of the Trustees arising from negligent acts, errors or omissions occurring whilst on Academy business. The limit of this indemnity is £10,000,000.

d. Method of recruitment and appointment or election of Trustees

The management of the Academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

e. Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would usually include a tour of the Academy and a chance to meet staff and pupils. The Coronavirus pandemic has necessarily impacted on the Trustee induction process. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Trustees. As there are normally only two or three 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 various other organisations as appropriate.

New Trustees have the opportunity to undertake National Governor Association training and all Trustees receive regular National Governor Association updates.

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

Structure, governance and management (continued)

f. Organisational structure

The Governing Board normally meets once each term as a full Governing board and additionally as various sub-Committees. During the year covered by this Governors Report, the Coronavirus restrictions and lockdowns presented challenges in the organisation of Governing Body meetings, which largely moved to video conferencing.

The Governing Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees of the Governing Board 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 Governing Board may from time to time establish working groups to perform specific tasks over a limited timescale.

The Governing Board Committee structure was re-organised and streamlined during the year ended 31 August 2021, with six Committees being replaced with three Committees as follows:

- Finance, Resources, Audit and Risk
- Student Welfare and Safeguarding
- Teaching and Learning

Each Committee has its own terms of reference detailing the responsibilities discharged to it.

The following decisions are reserved to the full Governing Board:

- to consider any proposals for changes to the status or constitution of the Academy and its Committee structure;
- to appoint or remove the Chair and / or Vice Chair and Clerk to the Governors;
- to appoint and /or consider the performance management of the Headteacher; and
- to appoint the Company Secretary.

The Trustees are responsible for setting general policy, adopting an annual development plan and budget, approving the Annual Report and Financial Statements, monitoring the Academy through the use of budgets and other data, and making the major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees have devolved the day-to-day management of the Academy to the Headteacher and the Senior Leadership Team ('SLT') whose names are set out on page one. The SLT implement the policies laid down by the Trustees and report back to them on performance.

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

Structure, governance and management (continued)

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

Human Resources Policies, including those relating to performance management, staff appraisals, the link to salary progression and the basis on which promotions are determined are reviewed and approved by the Finance, Resources Audit & Risk ("FRAR") Committee. The Performance Management process is subject to oversight by the FRAR Committee who receive an annual report from the Head Teacher. Performance management reviews for most staff are carried out by members of the Senior Leadership Team, Directors of Studies, and subject leaders. Performance management reviews for the Assistant Heads and School Business Manager are carried out by the Head Teacher.

The Head Teacher's performance review is carried out by members of the Full Governing Board with objectives linked to the school development. All teaching staff have three performance targets, two which relate to the Teachers' Standards, and one which is linked to Continuing Professional Development. Performance reviews follow the school's performance management policy and pay, and additional allowance recommendations are made in line with this and the school's pay policy. The school awards pay in line with national pay scales providing the financial position of the school enables it to do so.

Objectives and activities

a. Objects and aims

The principal object of the Academy, as set out in its Articles of Association, is to:

- Advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school, offering a broad and balanced curriculum.

The aims of the Academy during the period ended 31 August 2022 are summarised below:

- To ensure the school continues to be the school of choice for local families.
- To continue to offer a safe, challenging and inspiring environment to our students and to our staff.
- To ensure the highest quality of teaching and learning across the school.
- To pursue the highest possible academic attainment and progress at GCSE and A levels.
- To ensure that the school continues to attract high quality, well qualified and suitably experienced staff.
- To ensure the resources are in place to teach a broad and balanced curriculum.
- To continue to develop the range of extra-curricular opportunities available to students.
- To develop the school's role in supporting the training of teachers through local SCITT providers.
- To maintain and develop the school's place as a valued partner within the Milton Keynes SCITTs.

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

Objectives and activities (continued)

b. Objectives, strategies and activities

The key priorities for the period are contained in the Academy's Development Plan which is available from the Head Teacher. The Development Plan is in the process of being updated to reflect the change in the Academy's strategy explained on page 11.

The main activities of the Academy for the period ended 31 August 2022 were as follows:

Leadership and Management

Leadership and Management of the school has been about supporting students and the local community through the pandemic.

Teaching and Learning

The school continues to review of the curriculum we offer. We recognise the need to freshen our curriculum offer and make modifications to the subjects we select. Teaching and Learning continues to be a significant strength of the school and we look forward to evolving subjects in the future that meet the changing needs of our students.

We continue to operate a genuine open door policy and provide time and opportunity for collaboration and review of teachers by their colleagues. Staff training days continue to be led by our own staff and allow opportunity to share a range of good practice.

Additionally, our own teaching staff are constantly challenged to provide enjoyable, engaging and challenging lessons in which all students can develop a love for life long learning.

Behaviour and Safety

The school has worked hard to maintain its reputation as a school where behaviour and safety are exemplary and seen as such by all members of our school community. The school has retained its focus on safe use of the internet and social media and has worked with a number of outside agencies to ensure that students and parents are aware of the dangers presented to young people. Within school, the focus still remains on maintaining a high level but self-regulating standard of behaviour where adherence is seen as for the common benefit rather than in response to sanction.

Sixth Form

The Sixth Form opened in 2017 initially with 40 pupils on role and has subsequently expanded to 114 students enrolled in September 2021.

As explained below under "Change in Strategy" below the School will discontinue the 6th form after the academic year 2022/23, no further students joined after September 2021.

c. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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

Strategic report

Achievements and performance

a. Key performance indicators

The total number of students on roll for the period 1 September 2021 to 31 August 2022 was 579.

Ofsted carried out a short inspection on the 11th December 2018 and confirmed the school continues to be good. The visit was the first short inspection carried out since the school was judged to be good in May 2015.

Student achievements can be found in Objectives, strategies and activities section above.

b. Going concern

The Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the immediate 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 note 2 to the Financial Statements.

Financial review

a. Reserves policy

The Trustees regularly review the reserve levels of the Academy. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also 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 Academy's current level of reserves (defined as Restricted general funds, excluding the pension fund deficit, plus the balance on Unrestricted funds) is £12,303,737 (2021 - £12,260,113).

At the year end the Restricted Funds comprised the Fixed Asset fund of £12,280,348 (2021 - £12,478,396 which exactly matches the fixed assets and the Pension Reserve which was in deficit to the tune of £54,000 (2021 - deficit £547,000). This exactly matches the Defined Benefit pension scheme liability.

Although the Academy has not set an explicit policy for the level of Reserves it requires, it recognises the need to eliminate the deficit on Free Reserves referred to above and build a level of Free Reserves appropriate to the size of the school and the risks it faces.

The Trustees have determined that an appropriate level of cash should be held to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

b. Investment policy

Any funds surplus to immediate requirements are invested to optimal effect by the Academy with the objective of ensuring maximum return on assets invested but with minimal risk. In practice, the returns on invested funds are negligible.

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

c. Principal risks and uncertainties

The principal risks and uncertainties facing the Academy are as follows:

Financial and Going concern

The Academy has almost total reliance on continued Government funding through the Education and Skills Funding Agency ("ESFA"). Whilst this 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.

During 2019/20 a loan of £450,000 was advanced by the ESFA to the Academy and that loan was outstanding throughout the year to 31 August 2022 and also at the date of approval of these financial statements. The Academy has worked closely with the ESFA to agree a strategy for the future to enable a financial recovery and repayment of this loan. This has resulted in a change of strategy to become an 11-16 year old Academy as explained further below under the heading "Change in Strategy".

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, the Trustees ensure that pupil 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 on the quality of its staff, 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

In addition to the external auditor, the Academy has appointed "Strictly Educational" to undertake Internal Scrutiny services as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the period by improving processes and ensuring staff awareness.

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

d. Financial Management policy

The Business Manager in conjunction with the Accounting Officer prepares budgets annually and those budgets are reviewed and approved by the Trustees.

Monthly Management Accounts and updated projected cash flows for the year are prepared by the Business Manager and are reviewed against the annual budget. The management accounts and forecasts are monitored by the Accounting Officer and the Trustees and by the FRAR Committee

The Trustees have recognised the need to keep under review the financial management resources and skills available to the Academy at both Staff and Trustee Level.

e. Financial Review of the Year

The year was dominated by three different themes; the need to control expenditure: in response to the change in the way we were funded by the ESFA: the impact of the Coronavirus Pandemic and the need to agree a strategy for financial recovery with the ESFA and in order to repay the £450,000 loan received in the previous financial year.

Discussions with the ESFA have continued during the year agreeing a repayment plan for the £450,000 loan.

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

f. Financial Results for the Year and position at the Year end

The final outcome for the year is set out in detail in this Annual Report and Financial Statements, in particular in the Statement of Financial Activities and accompanying notes.

The principal source of funding during the year for the School were grants from the ESFA, based on pupil numbers and, to a minor extent grants from the Local Education Authority in respect of Pupil Premium and Special Educational Needs. All grants were spent on meeting the educational needs of our pupils. In addition, the school received income from letting the premises to third parties and catering income from operating a canteen.

Commentary on Result for Year and Carried Forward balances

Unrestricted Funds

The Unrestricted Fund represents everything other than fixed assets and the complex accounting for defined benefit pension schemes.

The Senior Leadership Team and the Trustees recognise the urgent need to increase the income of the Academy and reduce costs.

Restricted Funds

The deficit on the Pension Reserve is equal to the defined benefit pension scheme liability.

The Restricted Fixed Asset Funds comprises the property and all other equipment and assets. The movement for the year comprises the depreciation on those assets plus the additions to those assets, net of capital grants received.

The year-end financial position is set out in detail in the balance sheet and accompanying notes. The loan of £450,000 from the ESFA advanced in the previous year is included in the balance sheet as a current liability and in note 17 within other creditors. The cash balance of £573,995 (2021 £361,426) at the year-end reflects the benefit of this loan.

The balance sheet includes a Defined Benefit Pension Scheme deficit of £54,000 (2021 £547,000) in respect of the Local Government Pension Scheme. This does not represent a liability that immediately needs to be settled, instead it will be met through future pension scheme contributions payable over a very long period.

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

Change in Strategy and Plans for Further Periods.

During November 2021 the Governor's agreed a change in strategy for the School in order to significantly improve its financial position, address the concerns of the ESFA and thereby safeguard the future of the School. The change in strategy will involve the School discontinuing the 6th Form after the academic year 2022/23, with no further students joining after September 2021.

Discontinuing the 6th Form was not a decision taken lightly. However, with only 100 pupils in Year 11 attracting enough students to the 6th Form from within the School, and externally, was very challenging, particularly in the light of strong competition from local grammar schools with well-established 6th Forms. Although our relatively small 6th Form held advantages in the in terms of personal tailored teaching and small class sizes it was resource intensive for the School.

The change in strategy will also involve increasing the intake of pupils at Year 7 from 100 to 150 per year which will eventually result in a School with circa 750 pupils. We believe there is sufficient demand for 150 Year 7 school places each year based on the level of over-subscription in prior years and the Local Authority's own demographic projections.

This increase in pupil numbers can be accommodated within the same premises with only minor adjustments to classroom layout and timetabling.

This change to become an 11-16 year old Academy will simplify the operation of school, enable cost savings to be made, and the increased pupil numbers will bring significantly increased funding.

As an 11-16 year old Academy of 750 pupils we will be able to specialise in that age range and invest in broadening the educational offering to those pupils.

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

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 16-12-2022 | 17:45 GMT and signed on its behalf by:

DocuSigned by:

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Sarah Driscoll
Chair of Trustees

SIR THOMAS FREMANTLE SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Head Teacher, as accounting officer, for ensuring financial controls conform 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 Sir Thomas Fremantle School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

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GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The full Governing Board of Trustees formally met four times during the year to 31 August 2022.

Attendance during the year to 31 August 2022 at Trustee meetings, including Committees was as follows

Trustee	Meetings attended	Out of a possible
Neale Pledger, Head Teacher and Accounting Officer	0	0
Francis Murphy, Head Teacher and Accounting Officer	0	0
Sarah Driscoll, Chair	0	0
Jill Bailey	0	0
John Chilver	0	0
Martin Osborne	0	0
Matthew Owens	0	0
Emma Bramley	0	0
Natasha Thiebaut	0	0
Andrew Jones	0	0
Harriet Bartley	0	0
Claire Fraser	0	0
Sarah Harris	0	0
Pam Heath	0	0
Steven Elcock	0	0
Ann McGuigan	0	0

Board of Trustees

There was a recruitment process for new members of the Board of Trustees in 2019/20 and we now have a full Board of Trustees with a wide range of experience, skills and qualifications. We have undertaken a review of the structure and membership of the Board subcommittees to ensure they remain relevant and appropriate. There is internal and external training for all Board members, and all are required to complete a skills audit and declaration of interests. Board members regularly attend school visits and submit reports following their visit. The Head Teacher's Report, Chairman's Report and reports from the Committees are standing agenda items at all Board meetings. The Board is confident that it has been provided with the skills and information required to carry out its responsibilities over the course of the year.

The clerk will minute the proceedings and resolutions of the Governing Board and ascertain at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

Evaluation and review

There is a formal review at the end of each meeting which is included as a standing agenda item. All Governors are asked to confirm that the meeting has been conducted in an open manner, and that all governors have been able to participate and contribute to discussions. In addition, reflections on the performance and effectiveness of the Board and suggestions for improvement are regularly included in the Chairman's report to the Board. The review and evaluation of the governing board was also included as part of the external OFSTED inspection. There will be a review of the effectiveness and structure of the Board subcommittees undertaken this year.

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- the economic, efficient and effective use of all resources to improve educational results;
- the avoidance of waste and extravagance;
- the prudent and economical administration of our academy trust;
- the establishment and maintenance of financial governance, including robust controls on expenditure, keeping and reporting of up to date financial records, continuous financial monitoring and reporting to all concerned parties and;
- value for money in all financial transactions.

We use a system where a member of the Senior Leadership Team (SLT) must authorise each and every order and payment. One member of staff raises the order on our accounting software, the subject lead authorises the order and a member of SLT signs off the payment once approved. This increased level of oversight helps reduce the possibility of errors occurring.

Currently, each department operates on a 'zero budget' basis meaning that all proposed spending across all subject and wider curriculum areas are treated in the same way. Experience shows that where staff teams are given specific budgets, for some this falls short of requirements whilst for others it can encourage unnecessary spending as year-end approaches. As a growing school, we are aware that there are inevitable one-off capital expenses within most departments, and we are careful to ensure that these are purchased at the most beneficial cost.

Strict levels of authorisation are in place for the approval of orders. Only a member of our senior leadership team may authorise individual orders over £2,000, and only the Head Teacher has authority for those over £01,000 and up to £50,000. All orders of £10,000 and above are subject to a formal tendering process in compliance with relevant legislation.

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 the 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.

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GOVERNANCE STATEMENT (CONTINUED)

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 buy-in an internal audit service from Strictly Education.

The reviewer'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 review of data and cyber security, safeguarding, and health and safety.

On a quarterly basis, the reviewer reports to the Board of Trustees through the audit and risk 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.

Strictly Education provided a schedule of work planned and provided a detailed list of any material control issues arising as a result of the work undertaken. The remedial action to be taken is as follows:

Review of effectiveness

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

- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress;
- the financial management and governance self-assessment process and;
- 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 committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

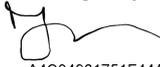
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GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Trustees on 16-12-2022 | 17:45 GMT and signed on their behalf by:

DocuSigned by:

2E9B391572D344D...
Sarah Driscoll
Chair of Trustees

DocuSigned by:

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Francis Murphy
Accounting Officer

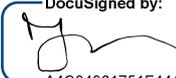
SIR THOMAS FREMANTLE SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

DocuSigned by:

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.....
Francis Murphy
Accounting Officer

Date:
21-12-2022 | 10:31 GMT

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:

DocuSigned by:

.....2E9B391572D344D.....

Sarah Driscoll
Chair of Trustees

Date:
16-12-2022 | 17:45 GMT

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SIR THOMAS FREMANTLE SCHOOL

Opinion

We have audited the financial statements of Sir Thomas Fremantle School (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.

Material uncertainty related to going concern

We draw attention to note 2 in the financial statements, which indicates that Academy's ability to continue as a going concern. The Academy made a net deficit on restricted and unrestricted funds before actuarial losses on defined benefit pension schemes of £104,376 during the year ended 31 August 2022. At that date the Academy's unrestricted reserves were in deficit by £70,791. As stated in note 2, these events or conditions, along with the other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the Academy's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SIR THOMAS FREMANTLE SCHOOL (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report 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.

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SIR THOMAS FREMANTLE SCHOOL (CONTINUED)

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:

- the control environment and performance of the Academy, including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the academy operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SIR THOMAS FREMANTLE SCHOOL (CONTINUED)

a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2020 to 2021 and relevant tax legislation.

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

Use of our report

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

DocuSigned by:

Hillier Hopkins LLP

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Alexander Bottom ACA (Senior statutory auditor)

for and on behalf of

Hillier Hopkins LLP

Chartered Accountants

Statutory Auditor

51 Clarendon Road

Watford

Herts

WD17 1HP

Date:

21-12-2022 | 14:19 GMT

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SIR THOMAS FREMANTLE SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 9 July 2019 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 Sir Thomas Fremantle School during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Sir Thomas Fremantle School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Sir Thomas Fremantle School's funding agreement with the Secretary of State for Education dated 13 August 2013 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 includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SIR THOMAS
FREMANLE SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.

DocuSigned by:

Hillier Hopkins LLP

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Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor
51 Clarendon Road
Watford
Herts
WD17 1HP

Date:

21-12-2022 | 14:19 GMT

SIR THOMAS FREMANTLE SCHOOL
(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 £
Income from:						
Donations and capital grants	4	-	-	51,927	51,927	13,458
Other trading activities		48,420	-	-	48,420	22,484
Investments	7	61	-	-	61	46
Charitable activities		132,812	3,443,804	-	3,576,616	3,203,381
Total income		181,293	3,443,804	51,927	3,677,024	3,239,369
Expenditure on:						
Charitable activities		-	3,529,462	251,938	3,781,400	3,598,154
Total expenditure		-	3,529,462	251,938	3,781,400	3,598,154
Net income/(expenditure)		181,293	(85,658)	(200,011)	(104,376)	(358,785)
Transfers between funds	18	(1,963)	-	1,963	-	-
Net movement in funds before other recognised gains/(losses)		179,330	(85,658)	(198,048)	(104,376)	(358,785)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	641,000	-	641,000	(87,000)
Net movement in funds		179,330	555,342	(198,048)	536,624	(445,785)

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

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

Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Reconciliation of funds:					
Total funds brought forward	(250,121)	(515,162)	12,478,396	11,713,113	12,158,898
Net movement in funds	179,330	555,342	(198,048)	536,624	(445,785)
Total funds carried forward	<u>(70,791)</u>	<u>40,180</u>	<u>12,280,348</u>	<u>12,249,737</u>	<u>11,713,113</u>

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

The notes on pages 31 to 56 form part of these financial statements.

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07955870

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	12,267,991	12,478,396
Current assets			
Stocks	15	1,264	1,411
Debtors	16	40,575	42,048
Cash at bank and in hand		573,995	361,426
		<u>615,834</u>	<u>404,885</u>
Creditors: amounts falling due within one year	17	(580,088)	(623,168)
		<u>35,746</u>	<u>(218,283)</u>
Net current assets / liabilities		35,746	(218,283)
Total assets less current liabilities		12,303,737	12,260,113
Defined benefit pension scheme liability	24	(54,000)	(547,000)
Total net assets		12,249,737	11,713,113
Funds of the Academy			
Restricted funds:			
Fixed asset funds	18	12,280,348	12,478,396
Restricted income funds	18	94,180	31,838
		<u>12,374,528</u>	<u>12,510,234</u>
Restricted funds excluding pension asset	18	12,374,528	12,510,234
Pension reserve	18	(54,000)	(547,000)
		<u>12,320,528</u>	<u>11,963,234</u>
Total restricted funds	18	12,320,528	11,963,234
Unrestricted income funds	18	(70,791)	(250,121)
		<u>12,249,737</u>	<u>11,713,113</u>
Total funds		12,249,737	11,713,113

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07955870

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements on pages 26 to 56 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

DocuSigned by:

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.....
Sarah Driscoll
Chair of Trustees
Date: 16-12-2022 | 17:45 GMT

The notes on pages 31 to 56 form part of these financial statements.

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	<i>2021</i> £
Cash flows from operating activities			
Net cash provided by operating activities	20	202,113	<i>18,901</i>
Cash flows from investing activities	21	10,456	<i>(7,800)</i>
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		212,569	<i>11,101</i>
Cash and cash equivalents at the beginning of the year		361,426	<i>350,325</i>
Cash and cash equivalents at the end of the year	22, 23	573,995	<i>361,426</i>
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 31 to 56 form part of these financial statements

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

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

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.

Sir Thomas Fremantle School meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

Despite a material uncertainty existing regarding the repayment of the ESFA loan the Board of Trustees nevertheless has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the immediate future as explained more fully in note 2. The Trustees have therefore continued to adopt the going concern basis in preparing these financial statements.

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

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.

• **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.

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure

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

- **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.

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.

1.6 Tangible fixed assets

Assets costing £500 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 basis:

Freehold property	-	2% straight line
Furniture and equipment	-	20% straight line
Plant and machinery	-	20% straight line
Computer equipment	-	33% straight line

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

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.

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. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in 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. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

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.

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.

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.

SIR THOMAS FREMANTLE SCHOOL
(A company limited by guarantee)

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

2. Going Concern

Academy made a net deficit on restricted and unrestricted funds before actuarial losses on defined benefit pension schemes of £104,376 during the year ended 31 August 2022. At that date, the Academy's unrestricted reserves were in deficit by £70,791.

Further background on the financial impact of events during the year and the financial position of the Academy at the year-end is set out in the Trustees Report.

During the year to 31 August 2022 the Academy was working towards a repayment agreement with the ESFA, for a £450,000 VAT refund that the ESFA permitted the Academy to retain, as a loan to meet ongoing working capital requirements. The Academy is currently waiting for a final decision on the proposed agreement to make monthly payments of £6,250 across 24 months, followed by monthly payments of £12,500 across 24 months, hence repaying the loan within 4 years.

At the year end the Academy had cash resources of £574k, an increase of some £213k during the year.

As explained in the Trustees Report discussions have been held with the ESFA to agree a strategy for the future to enable a financial recovery and repayment of the loan. This has resulted in a change of strategy to become an Academy for 11-16 year olds as explained in the Trustees Report under the heading "Change in Strategy".

As part of the consideration and agreement of the new strategy a cash flow forecast covering the period up to 31 August 2023 has been prepared and considered by the Trustees which demonstrates that providing the ESFA continue to fund education at the school, and do not request repayment of the loan during that period, the Academy can meet its financial obligations as they fall due during the period of that forecast. The Trustees have therefore determined that it is appropriate to prepare the financial statements on a going concern basis. However, a material uncertainty exists in this regard since any early repayment of the loan demanded by the ESFA, without replacement by a similar facility would result in the Academy no longer being a going concern.

3. 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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4. Income from donations and capital grants

	Restricted fixed asset funds 2022 £	Total funds 2022 £
Donations	12,810	12,810
Capital Grants	39,117	39,117
	<u>51,927</u>	<u>51,927</u>
	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Capital Grants	13,458	13,458
	<u>13,458</u>	<u>13,458</u>

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NOTES TO THE FINANCIAL STATEMENTS
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5. Funding for the Academy's charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Educational activities			
DfE/ESFA grants			
General Annual Grant (GAG)	-	3,093,416	3,093,416
Other funding			
Other DfE/ESFA grants	-	77,546	77,546
Pupil premium	-	93,591	93,591
	-	3,264,553	3,264,553
Other Government grants			
Other income	-	3,922	3,922
SEN income	-	156,878	156,878
	-	160,800	160,800
Other income from the Academy's educational activities	132,812	5,481	138,293
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	10,042	10,042
Mass testing	-	2,928	2,928
	-	12,970	12,970
	132,812	3,443,804	3,576,616

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

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

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Educational activities			
DfE/ESFA grants			
General Annual Grant (GAG)	-	2,751,322	2,751,322
Other DfE/ESFA grants			
Other DfE/ESFA grants	-	154,698	154,698
Pupil premium	-	46,526	46,526
	-	2,952,546	2,952,546
Other Government grants			
Other income	-	13,653	13,653
SEN income	-	101,067	101,067
	-	114,720	114,720
Other income from the Academy's educational activities	47,904	15,937	63,841
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	36,240	36,240
Mass testing	-	26,640	26,640
	-	62,880	62,880
COVID-19 additional funding (non-DfE/ESFA)			
Coronavirus Job Retention Scheme grant	-	9,394	9,394
	-	9,394	9,394
	47,904	3,155,477	3,203,381

The academy received £36,240 of funding for catch-up premium and cost incurred in respect of this funding totalled £4,402 with the remaining £31,838 was spent in 2021/22.

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

6. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £
Lettings income	48,420	48,420
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Lettings income	22,484	22,484
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Interest received	61	61
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Interest received	46	46
	<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

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

8. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Educational activities:				
Direct costs	2,412,429	-	185,540	2,597,969
Allocated support costs	521,306	387,248	274,877	1,183,431
Total 2022	2,933,735	387,248	460,417	3,781,400
	<i>Staff Costs 2021 £</i>	<i>Premises 2021 £</i>	<i>Other 2021 £</i>	<i>Total 2021 £</i>
Educational activities:				
Direct costs	2,387,669	-	122,030	2,509,699
Allocated support costs	437,460	334,811	314,184	1,086,455
<i>Total 2021</i>	<i>2,825,129</i>	<i>334,811</i>	<i>436,214</i>	<i>3,596,154</i>

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Educational activities	2,597,969	1,183,431	3,781,400
	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Educational activities	2,509,699	1,086,455	3,596,154

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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

	Educational activities 2022 £	Total funds 2022 £
Pension finance costs	9,000	9,000
Staff costs	521,306	521,306
Depreciation	251,938	251,938
Journey expenditure	83,373	83,373
Premises	135,321	135,321
Catering Costs	28,751	28,751
Technology costs	72,504	72,504
Other support costs	60,480	60,480
Governance costs	20,758	20,758
	1,183,431	1,183,431
	1,183,431	1,183,431
	<i>Educational activities 2021 £</i>	<i>Total funds 2021 £</i>
Pension finance costs	3,000	3,000
Staff costs	434,460	434,460
Depreciation	256,939	256,939
Journey expenditure	84,071	84,071
Premises	110,431	110,431
Catering Costs	25,786	25,786
Technology costs	68,830	68,830
Other support costs	71,988	71,988
Governance costs	30,950	30,950
	1,086,455	1,086,455
	1,086,455	1,086,455

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

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Depreciation of tangible fixed assets	251,938	256,938
Fees paid to auditors for:		
- audit	8,500	7,750
- other services	4,000	3,750
	<u> </u>	<u> </u>

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	2,111,506	2,032,731
Social security costs	212,356	198,014
Pension costs	598,739	540,095
	<u> </u>	<u> </u>
	2,922,601	2,770,840
Agency staff costs	11,134	54,289
	<u> </u>	<u> </u>
	2,933,735	2,825,129
	<u> </u>	<u> </u>

b. Staff numbers

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

	2022 No.	2021 No.
Teachers	40	40
Administration and support	22	34
Management	8	8
	<u> </u>	<u> </u>
	70	82
	<u> </u>	<u> </u>

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

11. Staff (continued)

c. Higher paid staff

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

	2022	2021
	No.	No.
In the band £60,001 - £70,000	1	1
In the band £80,001 - £90,000	1	1

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £645,244 (2021 - £649,890).

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
	£	£
Neale Pledger, Head Teacher and Accounting Officer	80,000 -	80,000 -
	85,000	85,000
Pension contributions paid	15,000 -	15,000 -
	20,000	20,000

During the year, retirement benefits were accruing to 1 Trustees (2021 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2022, expenses totalling £NIL were reimbursed or paid directly to nil Trustee (2021 - £NIL to Trustee).

13. Trustees' and Officers' insurance

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

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

14. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2021	13,391,140	52,493	7,015	559,396	14,010,044
Additions	-	34,589	-	6,944	41,533
At 31 August 2022	<u>13,391,140</u>	<u>87,082</u>	<u>7,015</u>	<u>566,340</u>	<u>14,051,577</u>
Depreciation					
At 1 September 2021	948,374	40,562	3,506	539,206	1,531,648
Charge for the year	223,323	11,430	1,403	15,782	251,938
At 31 August 2022	<u>1,171,697</u>	<u>51,992</u>	<u>4,909</u>	<u>554,988</u>	<u>1,783,586</u>
Net book value					
At 31 August 2022	<u><u>12,219,443</u></u>	<u><u>35,090</u></u>	<u><u>2,106</u></u>	<u><u>11,352</u></u>	<u><u>12,267,991</u></u>
At 31 August 2021	<u><u>12,442,766</u></u>	<u><u>11,931</u></u>	<u><u>3,509</u></u>	<u><u>20,190</u></u>	<u><u>12,478,396</u></u>

Included in freehold land and property is £2,225,000 (2020: £2,225,000) of land which is not depreciated.

15. Stocks

	2022 £	2021 £
Uniforms	<u><u>1,264</u></u>	<u><u>1,411</u></u>

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

16. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	2,500	2,245
Other debtors	6,844	7,588
Prepayments and accrued income	31,231	32,215
	<u>40,575</u>	<u>42,048</u>

17. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	590	3,119
Other taxation and social security	50,850	47,741
Other creditors	509,175	521,722
Accruals and deferred income	19,473	50,586
	<u>580,088</u>	<u>623,168</u>

Included within other creditors is a balance of £450,000 owed to the ESFA, a repayment plan is currently being agreed.

	2022 £	2021 £
Deferred Income		
Deferred income at 1 September 2021	29,958	11,603
Resources deferred during the year	-	29,958
Amounts released from previous periods	(29,958)	(11,603)
	<u>-</u>	<u>29,958</u>

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

18. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds - all funds	(250,121)	181,293	-	(1,963)	-	(70,791)
Restricted general funds						
General Annual Grant	-	3,093,416	(2,999,236)	-	-	94,180
Other DfE/ESFA grants	31,838	77,546	(109,384)	-	-	-
Local Authority	-	160,800	(160,800)	-	-	-
Other	-	18,451	(18,451)	-	-	-
Pupil Premium	-	93,591	(93,591)	-	-	-
Pension reserve	(547,000)	-	(148,000)	-	641,000	(54,000)
	(515,162)	3,443,804	(3,529,462)	-	641,000	40,180
Restricted fixed asset funds						
DfE/ESFA capital grants	12,478,396	-	(251,938)	41,532	-	12,267,990
Other capital funds	-	14,117	-	(14,117)	-	-
Funded project funds	-	37,810	-	(25,452)	-	12,358
	12,478,396	51,927	(251,938)	1,963	-	12,280,348
Total Restricted funds	11,963,234	3,495,731	(3,781,400)	1,963	641,000	12,320,528
Total funds	11,713,113	3,677,024	(3,781,400)	-	641,000	12,249,737

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

18. Statement of funds (continued)

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

Restricted funds

The General Annual Grant (GAG) represents funding received from the Education and Skills Funding Agency during the period in order to fund the continuing activities of the school. Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Other DfE/ESFA grants represents start-up grants to be used towards the costs of the increasing school years, as well as pupil premium and insurance income to be used towards disadvantaged students and insurance.

Local Authority grants represents money given to the Academy through the grants. This year the grants included income for children who are hard to place i.e children who would otherwise be likely to be refused admission to a suitable school.

Fixed asset funds

Fixed assets purchases from GAG represents amounts spent on fixed assets from the GAG funding received from ESFA.

DfE/ESFA capital grants included Devolved Formula Capital funding and amounts received from Academies Capital Maintenance Fund.

Other capital funds included amounts raised through grants and donations for wellbeing room.

Unrestricted funds

The school management and trustees recognise that there was a deficit for the 21/22 academic year and subsequently there is a need for the careful management and control of available resources. The trustees recognise that for the school to continue to meet the high standards it has set itself, additional funding will be required. There are several options that are being considered including increasing pupil numbers up to the school published admission number of 600 and the establishment of a fund raising committee. These measures are in conjunction with the ongoing control and prioritisation of school expenditure.

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
Unrestricted funds						
General Funds	(195,132)	70,434	-	(125,423)	-	(250,121)

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

	<i>Balance at 1 September 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2021</i>
	£	£	£	£	£	£
Restricted general funds						
General Annual Grant	-	2,751,322	(2,868,898)	117,576	-	-
Other DfE/ESFA grants	-	217,578	(185,740)	-	-	31,838
Local Authority	-	110,461	(110,461)	-	-	-
Other	-	15,937	(15,937)	-	-	-
Pupil Premium	-	60,179	(60,179)	-	-	-
Pension reserve	(360,000)	-	(100,000)	-	(87,000)	(547,000)
	<u>(360,000)</u>	<u>3,155,477</u>	<u>(3,341,215)</u>	<u>117,576</u>	<u>(87,000)</u>	<u>(515,162)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	12,714,030	-	(256,939)	21,305	-	12,478,396
Other capital funds	-	13,458	-	(13,458)	-	-
	<u>12,714,030</u>	<u>13,458</u>	<u>(256,939)</u>	<u>7,847</u>	<u>-</u>	<u>12,478,396</u>
Total Restricted funds	<u>12,354,030</u>	<u>3,168,935</u>	<u>(3,598,154)</u>	<u>125,423</u>	<u>(87,000)</u>	<u>11,963,234</u>
Total funds	<u><u>12,158,898</u></u>	<u><u>3,239,369</u></u>	<u><u>(3,598,154)</u></u>	<u><u>-</u></u>	<u><u>(87,000)</u></u>	<u><u>11,713,113</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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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	(12,357)	-	12,280,348	12,267,991
Current assets	521,654	94,180	-	615,834
Creditors due within one year	(580,088)	-	-	(580,088)
Provisions for liabilities and charges	-	(54,000)	-	(54,000)
Total	(70,791)	40,180	12,280,348	12,249,737

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	-	-	12,478,396	12,478,396
Current assets	373,047	31,838	-	404,885
Creditors due within one year	(623,168)	-	-	(623,168)
Provisions for liabilities and charges	-	(547,000)	-	(547,000)
Total	(250,121)	(515,162)	12,478,396	11,713,113

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

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

	2022 £	2021 £
Net expenditure for the year (as per Statement of financial activities)	(104,376)	(358,785)
Adjustments for:		
Depreciation	251,938	256,938
Capital grants from DfE and other capital income	(51,927)	(13,458)
Interest receivable	(61)	(46)
Defined benefit pension scheme cost less contributions payable	148,000	100,000
Decrease in stocks	147	1,114
Decrease in debtors	1,472	21,554
(Decrease)/increase in creditors	(43,080)	11,584
Net cash provided by operating activities	202,113	18,901

21. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	61	46
Purchase of tangible fixed assets	(41,532)	(21,304)
Capital grants from DfE	14,117	13,458
Capital funding received from sponsors and others	37,810	-
Net cash provided by/(used in) investing activities	10,456	(7,800)

22. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	573,995	361,426

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

23. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	361,426	212,569	573,995
	<u>361,426</u>	<u>212,569</u>	<u>573,995</u>

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 Buckinghamshire 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 £52,733 were payable to the schemes at 31 August 2022 (2021 - £49,509) and are included within creditors.

Teachers' Pension Scheme

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

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £413,363 (2021 - £401,938).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £101,000 (2021 - £96,000), of which employer's contributions totalled £80,000 (2021 - £76,000) and employees' contributions totalled £ 21,000 (2021 - £20,000). The agreed contribution rates for future years are 11.6 per cent for employers and 5.5-8.5 per cent for employees.

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

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

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

24. Pension commitments (continued)

Principal actuarial assumptions

	2022	<i>2021</i>
	%	%
Rate of increase in salaries	3.90	3.85
Rate of increase for pensions in payment/inflation	2.90	2.85
Discount rate for scheme liabilities	4.20	1.70

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

	2022	<i>2021</i>
	Years	Years
<i>Retiring today</i>		
Males	21.7	21.6
Females	25.1	25.0
<i>Retiring in 20 years</i>		
Males	23	22.9
Females	26.5	26.4

Share of scheme assets

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

	At 31	<i>At 31 August</i>
	August 2022	<i>2021</i>
	£	£
Equities	273,840	240,000
Gilts	39,120	40,000
Corporate bonds	63,570	62,000
Property	29,340	27,000
Cash and other liquid assets	9,780	4,000
Other	73,350	72,000
Total market value of assets	489,000	445,000

The actual return on scheme assets was £(30,000) (2021 - £61,000).

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

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

	2022 £	2021 £
Current service cost	(219,000)	(171,000)
Interest income	8,000	6,000
Interest cost	(17,000)	(11,000)
Total amount recognised in the Statement of financial activities	(228,000)	(176,000)

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

	2022 £	2021 £
At 1 September	992,000	649,000
Current service cost	219,000	171,000
Interest cost	17,000	11,000
Employee contributions	21,000	20,000
Actuarial (gains)/losses	(679,000)	142,000
Benefits paid	(27,000)	(1,000)
At 31 August	543,000	992,000

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

	2022 £	2021 £
At 1 September	445,000	289,000
Expected return on assets	8,000	6,000
Actuarial (losses)/gains	(38,000)	55,000
Employer contributions	80,000	76,000
Employee contributions	21,000	20,000
Benefits paid	(27,000)	(1,000)
At 31 August	489,000	445,000

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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	126	16,433
Later than 1 year and not later than 5 years	-	126
	126	16,559
	126	16,559

26. Members' liability

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

27. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

28. Agency arrangements

The Academy distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2022 the Academy received £Nil (2021 - £7,885) and disbursed £1,976 (2021 - £8,433) from the fund. An amount of £6,136 (2021 - £8,112) is included in other creditors relating to undistributed funds.

29. Controlling party

There is no ultimate controlling party.