

Registration number: 08353034

Stonebow Primary School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022

Stonebow Primary School

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 17
Governance Statement	18 to 20
Statement of Regularity, Propriety and Compliance	21
Statement of Trustees' Responsibilities	22
Independent Auditor's Report on the Financial Statements to the Members of Stonebow Primary School	23 to 25
Independent Reporting Accountant's Assurance Report on Regularity to Stonebow Primary School and the Education and Skills Funding Agency	26 to 27
Statement of Financial Activities for the year ended 31 August 2022 (including Income and Expenditure Account)	28 to 29
Balance Sheet as at 31 August 2022	30
Statement of Cash Flows for the year ended 31 August 2022	31
Notes to the Financial Statements	32 to 50

Stonebow Primary School

Reference and Administrative Details

Members	Tim Willson (resigned 16 September 2021) John Hardwick Allison Bourke Graham Bing (appointed 16 September 2021)
Governors and Trustees (Directors)	Graham Bing (Chair of Trustees) John Hardwick (Chair of Resources, Health & Safety Committee) Martin Lees (resigned 6 April 2022) Paul Brockless Bina Mistry (resigned 4 January 2022) Kerry Eason (resigned 24 May 2022) Allison Bourke Lindsay Harper (appointed 16 March 2022)
Head Teacher	Paul Brockless
Senior Management Team	Paul Brockless, Head Teacher Martin Lees, Deputy Head Teacher Bina Mistry, Assistant Deputy Head Teacher
Principal and Registered Office	Stonebow Close Loughborough Leicestershire LE11 4ZH
Company Registration Number	08353034
Auditors	Fortus Audit LLP Chartered Accountants and Registered Auditors Hamilton Office Park 31 High View Close Leicester LE4 9LJ

Stonebow Primary School

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 year ended 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates as an Academy for pupils aged 4 to 11 serving a catchment area of Loughborough. It has a pupil capacity of 336 and a roll of 236 at summer 2022.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 08353034.

The governors act as the trustees for the charitable activities of Stonebow Primary School and are also the directors of the charitable company for the purposes of company law.

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.

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.

Trustees' indemnities

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

In accordance with normal practice the Academy has purchased insurance to protect the Trustees and officers from claims arising from negligent acts, errors or omissions whilst on Academy business. The cover under the policy is £3 million and in the period under review the sum of £14 inclusive of tax was paid.

Method of recruitment and appointment or election of Trustees

On conversion to Academy from 1st February 2013 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed on a term of office that would end when their original term at the predecessor school would have ended. The Academy's Governing Body comprises the Headteacher, a minimum of two Parent Trustees, up to four Staff Trustees.

Trustees are appointed for a four year period, except that this time limit does not apply to the Head Teacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board of Trustees will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board of Trustees has the necessary skills to contribute fully to the Academy's development.

Stonebow Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Policies and procedures adopted for the induction and training of Trustees

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

Organisational structure

The Board of Trustees meets twice in the Autumn and Spring terms and once in the Summer term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of committees and other groups. It receives reports including policies from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings. The Board of Trustees may from time to time establish working groups to perform specific tasks over a limited timescale.

There are two committees as follows:

Terms of reference for Committees of the Governing Body 2021/22

General guidance - Terms of Reference

Most governing bodies carry out much of their business through committees. The governing body decides the constitution, membership and terms of reference of all committees, and must review these annually.

Each committee must have a chair, chosen by the committee members at the first meeting of each year and an external clerk.

The membership of a committee may include associate members, provided that a majority of members of the committee are governors. Even if they are not a member, the Head Teacher is entitled to attend all committee meetings.

Quorum

For committee meetings, the quorum is a minimum of three governors who are members of the committee.

Meetings

The Resources and Health & Safety Committee will typically meet twice per term, the Curriculum Committee once per term

Committee meetings will not be open to the public but minutes shall be made available. Attendees can be invited to attend a committee meeting where appropriate.

Information relating to a named person or any other matter that the committee considers confidential does not have to be made available for inspection. In the absence of the chair, the committee shall choose an acting chair for that meeting from among their number. In the absence of the clerk the committee shall choose a clerk for that meeting from among their number (someone who is not the Head Teacher).

Stonebow Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Any decisions taken must be determined by a majority of votes of committee members present and voting but no vote can be taken unless a majority of those present are governors.

The draft minutes of each meeting will be circulated with the agenda for the next ordinary meeting of the full governing body and will be presented at that meeting by the chair (or in his/her absence another member of the committee).

Committee meetings are arranged by the clerk, who takes instructions from the Governing Body and the Chair of the committee.

The clerk must contact, in writing, each committee member and the Headteacher at least 7 calendar days before the meeting and provide written notice of the meeting, a copy of the agenda and any papers to be considered at the meeting. A shorter period of notice may be allowed if the Chair of the committee considers that there are items requiring urgent consideration.

All committee members have a responsibility for ensuring that meetings are efficiently conducted, focussed and constructive.

Under the Articles of Association, if a committee member has any direct or indirect interest in a matter under discussion at a meeting that may conflict with their duties as a governor, they must declare that interest and absent themselves from any discussion where it is possible that a conflict will arise.

Terms of reference for the Resources and Health & Safety Committee

General Terms

- To contribute to the School/Academy Improvement Plan.
- To consider safeguarding and equalities implications when undertaking all committee functions.

Financial policy and planning

- To review, adopt and monitor a Finance Policy which includes the local scheme of delegation for spending and budgetary adjustments (virements) for the committee, Head Teacher and other nominated staff.
- To review, adopt and monitor all additional financial policies, including a charging and remissions policy.
- To establish and maintain a five-year financial plan, taking into the account priorities of the Academy Improvement Plan, roll projection and signals from central government regarding future years' budgets, within the constraints of available information.
- To draft and propose to the governing body for adoption an annual school budget taking into account the priorities of the School Improvement Plan.
- To make decisions in respect of service level agreements.
- To ensure that sufficient funds are set aside for pay increments as set out in the Pay Policy and as recommended by the Head Teacher.

Stonebow Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Financial monitoring

- To monitor the income and expenditure throughout the year of all delegated and devolved funds against the annual budget plan.
- To receive at least termly budget monitoring reports from the Head Teacher.
- To report back to each meeting of the full governing body and to alert them of potential problems or significant anomalies at an early date.
- To meet with other committees and provide them with the information they need to perform their duties.
- Subject to the local scheme of delegation, to approve any budgetary adjustments that will from time to time be necessary in response to the evolving requirements of the school.
- To prepare the Trustees Report to form part of the Statutory Accounts of the governing body and for filing in accordance with Companies Act requirements.
- To receive auditors' reports and to recommend the governing body action as appropriate in response to audit findings.
- To recommend to the full governing body the appointment or reappointment of the auditors.

Staffing

- To ensure that the school is staffed sufficiently for the fulfilment of the school's development plan and the effective operation of the school.
- To establish and oversee the operation of the school's Appraisal Policy - including the arrangements and operation of the school's appraisal procedures for the Headteacher.
- To establish a Pay Policy for all categories of staff.
- To be responsible for the administration and review of the Pay Policy.
- To ensure that staffing procedures (including recruitment procedures) follow equalities legislation.
- To annually review procedures for dealing with staff discipline and grievances and make recommendations to the governing body for approval.
- To monitor approved procedures for staff discipline and grievance and ensure that staff are kept informed of these.
- To recommend to the governing body staff selection procedures, ensuring that they conform with safer recruitment practice, and to review these procedures as necessary.

Stonebow Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

- In consultation with staff, to oversee any process leading to staff reductions.
- To establish the annual and longer-term salary budgets and other costs relating to personnel, e.g. training.

Health & Safety

- To provide support and guidance for the governing body and the Head Teacher on all matters relating to the maintenance and development of the premises and grounds, including Health and Safety.
- To ensure that an annual inspection of the premises and grounds takes place and a report is received identifying any issues.
- To inform the governing body of the report and set out a proposed order of priorities for maintenance and development, for the approval of the governing body.
- To arrange professional surveys and emergency work as necessary. - The Head Teacher is authorised to commit expenditure without the prior approval of the committee in any emergency where delay would result in further damage or present a risk to the health and safety of pupils or staff. In this event the Head Teacher would normally be expected to consult the committee chair at the earliest opportunity.
- To create a project committee where necessary to oversee any major developments.
- To establish and keep under review an Accessibility Plan and a Building Development Plan.
- To review, adopt and monitor a Health and Safety policy.
- To ensure that the governing body's responsibilities regarding litter, refuse and dog excrement are discharged according to Section 89 of the Environmental Protection Act 1990, so far as is practicable.

Stonebow Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Terms of reference for the Curriculum committee

General Terms

- To contribute to the School Improvement Plan.
- To consider safeguarding and equalities implications when undertaking all committee functions.

Curriculum planning and delivery

- To review, monitor and evaluate the curriculum offer.
- To recommend for approval to the full governing body the Self-evaluation Form, School Improvement Plan and Targets for school improvement to the governing body.
- To develop and review policies identified within the school's policy review programme and in accordance with its delegated powers (e.g. RSHE and pupil behaviour/discipline).
- To ensure that the requirements of children with special needs are met, as laid out in the Code of Practice, and receive termly reports from the Head Teacher/SENCO and an annual report from the SEN governor (where appointed).

Assessment and improvement

- To monitor and evaluate the effectiveness of leadership and management.
- To monitor and evaluate the impact of quality of teaching on rates of pupil progress and standards of achievement
- To monitor and evaluate rates of progress and standards of achievement by pupils, including any underachieving groups.
- To monitor and evaluate the impact of continuing professional development on improving staff performance.
- To set priorities for improvement, and monitor and evaluate the impact of improvement plans which relate to the committee's area of operation.
- To monitor and evaluate provision for all groups of vulnerable children (e.g. looked after children) and ensure all their needs have been identified and addressed, and to evaluate their progress and achievement.
- To regularly review and develop the Assessment Policy and to ensure that the policy is operating effectively.
- To consider recommendations from external reviews of the school (e.g. Ofsted or local school improvement advisers), agree actions as a result of reviews and evaluate regularly the implementation of the plan.
- To ensure that all children have equal opportunities.
- To advise the resources committee on the relative funding priorities necessary to deliver the curriculum.

Stonebow Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Engagement

- To monitor the school's publicity, public presentation and relationships with the wider community.
- To identify and celebrate pupil achievements.
- To oversee arrangements for educational visits, including the appointment of a named co-ordinator.
- To ensure all statutory requirements for reporting and publishing information are met and the school website content is fully compliant and presented in an accessible way.

The following decisions are reserved to the Board of Trustees:

- to consider any proposals for changes to the status or constitution of the Academy and its committee structure;
- to appoint or remove the Chairman and or Vice Chairman;
- to appoint the Headteacher and clerk to the Trustees; and
- to approve the Annual Development Plan and budget.

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

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

The Senior Leadership Team (SLT) consists of the Headteacher, Deputy Headteacher, Assistant Headteacher (SENCO), Maths Coordinator and English Co-ordinator. The SLT controls the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them.

The Headteacher and Resource and Health & Safety Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to budget holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff and a Trustees presence is required for senior appointments. The Headteacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Academy follows the national Teachers Pay and Conditions for teachers pay and set pay increases as agreed through national pay deals, which form part of the Loughborough Primary Academy Partnership (LPAP) Pay Policy. Incremental increases follow successful performance review meetings. For support staff, we follow Leicestershire local government pay scales and implement locally agreed pay increases.

Stonebow Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Connected organisations, including related party relationships

Playfit, the before and after school childcare club use the Academy's facilities.

The Academy also has strong collaborative links with the Academy group Loughborough Primary Academy Partnership (LPAP).

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

The Academy has an active Parents' association, Friends of Stonebow. Currently there are no sponsors associated with the Academy.

The school has a connected charity, Friends of Stonebow which was established for the purpose of supporting the school in a manner as determined by its own independent board. These funds are under the control of this independent board, not the Academy. In line with the Academies Accounts Direction 2020 to 2021 (SORP 2019) some summary details of this charity's activities are included in note 11 to the financial statements.

Objectives and activities

Objects and aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing and maintaining a broad, creative and balanced curriculum catering for all of our children's needs, regardless of their academic ability, social or cultural background.

The principal object and activity of the charitable company is the operation of Stonebow Primary School to provide free education and care for pupils of different abilities between the ages of 4 and 11.

Our aims are enshrined in the following intent statement.

'Building Bridges to a Brighter Future'

Our Intent

For our children to achieve their potential through rich, high quality learning experiences in partnership with parents and the wider community.

At Stonebow:

We nurture

The well-being of all pupils is supported through the provision of effective pastoral care and a strong and rigorous safeguarding ethos.

We enrich

Easy access to the vibrant market town of Loughborough and learning visits to the local 'Washlands' nature reserve and adjacent forest provides opportunities that children will remember for many years. The very name of our school is taken from the ancient stone bridge that spans the nearby Blackbrook. We embrace a wide variety of visitors; celebration days; school productions and sporting endeavours including partnerships with local businesses and the university. Specialist music, languages and sports teaching ensures that these subjects are key parts of developing cultural capital. Residential trips further afield are part and parcel of our school's philosophy. However, we also take full advantage of Leicestershire's own natural and historical wonders. Our children will have many memorable shared experiences to draw upon for years to come.

Stonebow Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

We Inspire

Our commitment to the children at Stonebow is to provide high quality inspirational teaching & learning, building firm foundations for continued growth and development.

We empower

By ensuring that key skills, core subjects and our wider curriculum is delivered to the highest standards, our children are empowered to learn through independent discovery. They are encouraged to take control of their own learning and through our 'Stonebow Powers' which encourages children to learn from their mistakes building on the knowledge they gain from subject to subject and year to year.

We respect

As positive role models, our staff demonstrate and ensure the very highest expectations of behaviour and positive attitudes to learning.

With a curriculum and ethos built around British Values; the principles of the rule of law and democratic society, equality and inclusiveness are at the heart of Stonebow's culture. Our ethos is underpinned by the UNICEF rights respecting school's standards.

We actively care about the environment, which is championed by our environmental ambassador pupil leaders.

We achieve together

A well-rounded depth and breadth of knowledge in the core subjects of Reading, Writing and Mathematics underpin access to the wider world and the wonders it provides.

As our children grow and mature into positive contributors to society; we can be proud that they are well and truly equipped for the many, varied roads (and bridges) ahead.

At Stonebow Primary School we aim to provide the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents have pride in being part of a happy and caring environment.

The above priorities have been shared with staff and governors, these have been incorporated into the wider School Development Plan. The outcome of our most recent Ofsted is below:

Ofsted Inspection dates:	12–13 September 2019
Overall effectiveness	Good
The quality of education	Good
Behaviour and attitudes	Good
Personal development	Good
Leadership and management	Good
Early years provision	Good
Overall effectiveness at previous inspection	Requires improvement

Stonebow Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Public benefit

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

The Academy aims to advance for the public benefit, education in Loughborough and the surrounding area. As an Academy we have a duty to support other schools. We support these schools through use of our premises and specialist skills in music and MFL.

Key financial performance indicators

Key Attainment Data Summary 2022

EYFS 2022 Attainment Profile – with prior data for comparison

<i>X3 Prime Goals</i>	2018	2019	2022	Nat 2022
<i>Comm & Lang</i>	77%	89%	67%	80
<i>Physical Dev</i>	77%	93%	77%	85
<i>Personal, Social & Emotional Dev.</i>	77%	86%	73%	83
Literacy	73%	79%	57%	68
Maths	73%	89%	73%	76
GLD	73%	71%	57%	65
Average Points	34.3	34.7	29.7	31.1

KS 1 2022 with prior data for comparison :

Subject	2018	2019	2022	Nat 2022
Reading Exp+	72	70	71%	67
Reading GDS +	28	26	24%	18
Writing Exp+	66	70	49%	58
Writing GDS +	8	14	2%	8
Maths Exp+	72	70	68%	68
Maths GDS +	22	28	17%	15
Comb RWM Ex +	56	53	44%	
Comb RWM GD +	8	9	2%	

Yr 1 phonics check 2022 with prior data for comparison:

	2017	2018	2019	2022
School pass %	90	89	88%	80
National	81	83	82	75.5

Stonebow Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Multiplication Check Year 4

	2022
School Average Score	19.54
National Av Score	18.4

KS 2 2022 and 3 Year trend :

Subject	2018	2019	2022	Nat 22
Reading Exp+	70	76	69	75
Reading GDS +	26	20	21	28
Average Score	104	103	103.9	104.8
Writing Exp+	74	78	64	70
Writing GDS +	23	15	17	13
Maths Exp+	70	70	69	71
Maths GDS +	19	17	10	23
Average Score	102	103	102.2	103.8
Comb RWM Ex +	56	61	55	59
Comb RWM GD +	9	7	10	7
GPS Ex +	77	83	76	73
GPS GD +	33	24	26	28
Average Score	105	104	105.3	105.1

Going concern

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

Stonebow Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Financial review

The Academy had a net decrease in funds for the year ended 31 August 2022 of £232,529 (2021: £11,839) including fixed assets movements but excluding pension reserve movement. As at 31 August 2022 the Academy held £159,034 (2021: £154,994) of unrestricted reserves plus £231,895 (2021: £250,353) of unspent (non-fixed asset) restricted funds. The Academy therefore held combined unrestricted and non-fixed asset restricted funds, being its available reserves of £390,929 (2021: £405,348).

The Academy Trust had a pension deficit on their Local Government Pension Scheme of £159,000 at 31 August 2022 and a fixed asset reserve of £2,487,296 being the book value of past purchases plus unspent capital funding.

There are no significant factors going forward that are expected to impact on the normal continuing operation of the Academy. The principle financial management policies adopted in the period are included in the Academy's internal financial policies and are typical for an academy trust of this size and type. There were no unusual significant events worthy of comment during the year.

The principal sources of funding for the Academy are the General Annual Grant (GAG) and other ESFA/DfE grants, such as Pupil Premium. This funding has been used to support the key educational objectives of the academy trust, subject to any remaining reserves.

The Academy's investment policy is only to hold cash reserves on deposit with major holding banks so as to minimise risk.

Stonebow Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Financial and risk management objectives and policies

The Academy has agreed a Risk Management Strategy, a Risk Register and a Business Continuity Plan. These have been discussed by Trustees and include the financial risks to the Academy.

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

The Trustees examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees' and Finance Committee meetings. At the year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Governing Body recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 22 to the financial statements, represents a significant potential liability. However as the Governors consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimized.

At 31 August 2022 the pension deficit on the Local Government Pension Scheme stood at £159,000. The Academy has mitigated its risk in relation to this pension scheme by taking out insurance against early retirement on the grounds of ill health. Changes in contributions rates as decided upon by the actuaries of the scheme are budgeted for as soon as they are known, when they are updated every three years.

Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of Academy closure, outstanding pension scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Reserves policy

The Trustees have developed a reserves policy for the school which is reviewed at least annually. The Academy needs to hold reserves to allow for contingencies such as unfunded building repairs, unexpected staffing costs and to allow for some uncertainty in future government funding. The Trustees have determined that the appropriate level of free reserves, which it considers to be unrestricted funds plus unspent General Annual Grant (GAG), should be approximately £130,000.

Actual free reserves plus unspent GAG as at 31 August 2022 were £260,929 being higher than the target level set by the Trustees. The Trustees expect the excess to be used on school expenditure over the next 3 years. Cash at bank at 31 August 2022 was £611,068 higher than total available reserves.

At 31 August 2022 the academy's fixed asset reserve of £2,487,296 represented of funds which could only be realised if the assets were sold plus any unspent capital funding.

The only reserve in deficit at the year end was the pension reserve deficit of £159,000 which will be addressed via contribution rates decided on from time to time by the pension scheme actuaries. This deficit has arisen, as with many other schemes of this type, mainly due to increased life expectancies and reduced investment returns.

Stonebow Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Investment policy

The Finance and Resource Management Committee of the Governing Body, alongside the Academy's Finance Officer is currently exploring ways to ensure that all funds surplus to immediate requirements are invested to optimal effect. The Governors are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Day to day management of the surplus funds will be delegated to the Headteacher and Chair of Finance within strict guidelines approved by the Governing Body.

Principal risks and uncertainties

The Academy has considerable reliance on continued Government funding through the ESFA. In the last year 99% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Changes in special educational needs funding will impact over the next few years.

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

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

Safeguarding and child protection: the Governors 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 and safety and discipline.

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

Fraud and mismanagement of funds: the Academy has appointed the Internal Audit Department at Leicestershire County Council to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

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

Stonebow Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Risk management

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas, and its finances.

The Trustees have implemented a system to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health & safety and trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of Academy grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Academy has an effective system of internal financial controls and this is monitored annually by the Internal Audit Department at Leicestershire County Council.

The Academy has undertaken a full review of the main areas of risks which it faces. This includes all health and safety and child protection policies and procedures. In addition a review of all financial risks is undertaken on a regular basis.

The Academy has a formal risk management process to assess business risks and to implement risk management strategies. This process involves identifying the types of risk the Academy faces, scoring and prioritising the risks in terms of their potential operational and financial impact, assessing the likelihood of occurrence and identifying means of mitigating the risks. A Risk Register is maintained and reviewed on a regular basis.

Fundraising

To support our PSHE curriculum and pupil's Spiritual, Moral, Social and Cultural development, the school raises money for several local and national charities, considering the following under the provisions of the Charities (Protection and Social Investment) Act 2016, section 13:

- Approach to fundraising – inclusive activities involving the whole school community.
- Where appropriate, we work with and oversee fundraising with commercial participators or professional fundraisers.
- All fundraising conforms to recognised standards, detailed in the 2016 Act.
- Any complaints regarding fundraising activities, will be managed under the school's complaints policy.
- We limit the number of fundraising activities, to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

Plans for future periods

The Academy will continue to strive to provide high quality education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives. As pupil numbers on roll are falling, staffing needs careful management. As a result of this, the Academy is seeking to utilise spare classroom capacity for a Nursery provision. The governing body and headteacher are in contact with the building company who are managing a local housing development of several hundred homes, which is within walking distance of the school (which includes the building of a new school at a later stage of the development).

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community.

Stonebow Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Funds held as Custodian Trustee on behalf of others

The Academy does not hold funds on behalf of any other organisations.

Auditor

Insofar as the Trustees are aware:

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

Reappointment of auditor

The auditors Fortus Audit LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees on 8 December 2022 and signed on its behalf by:

.....
Graham Bing (Chair of Trustees)
Governor and trustee

Stonebow Primary School

Governance Statement

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to Paul Brockless, 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 Stonebow Primary School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Graham Bing (Chair of Trustees)	4	4
John Hardwick (Chair of Resources, Health & Safety Committee)	4	4
Paul Brockless	4	4
Martin Lees (resigned 6 April 2022)	2	2
Bina Mistry (resigned 4 January 2022)	1	1
Tim Willson (resigned 16 September 2021)	1	1
Kerry Eason (resigned 24 May 2022)	0	3
Allison Bourke	4	4
Lindsay Harper (appointed 16 March 2022)	3	3

- Changes in the composition of the Board are indicated on page 1 of the financial statements and all were of a routine nature.
- The Board's work was typical for a primary academy trust of its size and type, focusing on the improvement and maintenance of educational standards and on financial and general management. There were no unusual matters worthy of note dealt with by the Trustees during their work.
- A review of the Board's performance in the year is detailed below. Challenges encountered have been of a routine nature concerning finances, staff management and educational standards.
- The quality of data flowing to the Board is considered acceptable by Trustees based on their experience, their own observations, enquiries and judgements.

The Resources and Health and Safety Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist in ensuring financial stability, transparency and effective financial procedures are maintained at Stonebow Primary School. Attendance at meetings during the year was as follows:

Stonebow Primary School

Governance Statement (continued)

Trustee	Meetings attended	Out of a possible
John Hardwick (Chair of Resources, Health & Safety Committee)	4	4
Graham Bing (Chair of Trustees)	4	4
Paul Brockless	4	4
Lindsay Harper	1	2

Review of value for money

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

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

- Appointing a school business manager who will:
- Oversee purchasing processes to ensure the effectiveness of best value
- Undertake a supplier review
- Work with a network of business managers to complete benchmarking exercises and use the data to inform future purchasing decisions

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Stonebow Primary School for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 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 trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the 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;

Stonebow Primary School

Governance Statement (continued)

- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

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

- to appoint Leicestershire County Council as internal auditor

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

On a annual basis, the auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees's financial responsibilities.

There were no material control or other issues reported by the Internal auditor to date.

Review of effectiveness

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

- the work of the internal auditor ;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 8 December 2022 and signed on its behalf by:

.....
Graham Bing (Chair of Trustees)
Governor and trustee

.....
Paul Brockless
Head Teacher

Stonebow Primary School

Statement of Regularity, Propriety and Compliance

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

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

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

.....
Paul Brockless
Accounting officer

8 December 2022

Stonebow Primary School

Statement of Trustees' Responsibilities

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in 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; and
- 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 on 8 December 2022 and signed on its behalf by:

.....
Graham Bing (Chair of Trustees)

Stonebow Primary School

Independent Auditor's Report on the Financial Statements to the Members of Stonebow Primary School

Opinion

We have audited the financial statements of Stonebow Primary School (the 'Academy') for the year ended 31 August 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)

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

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

We have nothing to report in this regard.

Stonebow Primary School

Independent Auditor's Report on the Financial Statements to the Members of Stonebow Primary School (continued)

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 Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' Report.

We have nothing to report in respect of the following matters where 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.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 22], the Trustees 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.

Auditor Responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Stonebow Primary School

Independent Auditor's Report on the Financial Statements to the Members of Stonebow Primary School (continued)

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Academy Trust and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting frameworks.

We understood how the Academy Trust is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assessed the susceptibility of the Academy Trust's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the Academy Trust has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Academy's Trustees, 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 trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Dilun Mistry FCA (Senior Statutory Auditor)
For and on behalf of Fortus Audit LLP, Statutory Auditor

Hamilton Office Park
31 High View Close
Leicester
LE4 9LJ

9 December 2022

Stonebow Primary School

Independent Reporting Accountant's Assurance Report on Regularity to Stonebow Primary School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 22 September 2020 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 Stonebow Primary School during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Board of Trustees's funding agreement with the Secretary of State for Education dated 1 February 2013 and the Academies Financial Handbook extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- On a sample basis testing transactions and balances.
- Making enquiries of the Academy regarding systems and controls in place that are relevant to our regularity conclusion.
- On a sample basis reviewing records for evidence of those systems and controls in operation.

Stonebow Primary School

Independent Reporting Accountant's Assurance Report on Regularity to Stonebow Primary School and the Education and Skills Funding Agency (continued)

Conclusion

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

.....

Dilun Mistry FCA

For and on behalf of Fortus Audit LLP, Chartered Accountants

Hamilton Office Park

31 High View Close

Leicester

LE4 9LJ

9 December 2022

Stonebow Primary School

Statement of Financial Activities for the Year Ended 31 August 2022 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2021/22 Total £
Income and endowments from:					
Donations and capital grants	2	1,007	4,951	306,076	312,034
Other trading activities	4	8,522	7,650	-	16,172
Investments	5	1,564	-	-	1,564
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	1,247,183	-	1,247,183
Total		11,093	1,259,784	306,076	1,576,953
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	-	1,377,296	59,128	1,436,424
Net income/(expenditure)		11,093	(117,512)	246,948	140,529
Transfers between funds		(7,053)	7,053	-	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	22	-	743,000	-	743,000
Net movement in funds		4,040	632,541	246,948	883,529
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021		154,994	(559,646)	2,240,348	1,835,696
Total funds carried forward at 31 August 2022		159,034	72,895	2,487,296	2,719,225

Stonebow Primary School

Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
Income and endowments from:					
Donations and capital grants	2	10,090	510	7,032	17,632
Other trading activities	4	3,428	12,359	-	15,787
Investments	5	4,362	-	-	4,362
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	1,304,933	-	1,304,933
Total		17,880	1,317,802	7,032	1,342,714
Expenditure on:					
Raising funds	6	65	-	-	65
<i>Charitable activities:</i>					
Academy trust educational operations	7	-	1,324,321	71,489	1,395,810
Total		65	1,324,321	71,489	1,395,875
Net income/(expenditure)		17,815	(6,519)	(64,457)	(53,161)
Transfers between funds		(2,530)	(1,963)	4,493	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	22	-	(49,000)	-	(49,000)
Net movement in funds/(deficit)		15,285	(57,482)	(59,964)	(102,161)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		139,709	(502,164)	2,300,312	1,937,857
Total funds/(deficit) carried forward at 31 August 2021		154,994	(559,646)	2,240,348	1,835,696

Stonebow Primary School
(Registration number: 08353034)
Balance Sheet as at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	2,441,540	2,240,349
Current assets			
Debtors	13	28,701	22,491
Cash at bank and in hand		741,068	452,135
		769,769	474,626
Creditors: Amounts falling due within one year	14	(333,084)	(69,279)
Net current assets		436,685	405,347
Total assets less current liabilities		2,878,225	2,645,696
Net assets excluding pension liability		2,878,225	2,645,696
Pension scheme liability	22	(159,000)	(810,000)
Net assets including pension liability		2,719,225	1,835,696
Funds of the Academy:			
Restricted funds			
Restricted general fund		231,895	250,353
Restricted fixed asset fund		2,487,296	2,240,349
Restricted pension fund		(159,000)	(810,000)
		2,560,191	1,680,702
Unrestricted funds			
Unrestricted general fund		159,034	154,994
Total funds		2,719,225	1,835,696

The financial statements on pages 28 to 50 were approved by the Trustees, and authorised for issue on 8 December 2022 and signed on their behalf by:

.....
Graham Bing (Chair of Trustees)
Governor and trustee

Stonebow Primary School

Statement of Cash Flows for the year ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	18	853,764	93,688
Cash flows from investing activities	19	<u>(564,831)</u>	<u>(14,195)</u>
Change in cash and cash equivalents in the year		288,933	79,493
Cash and cash equivalents at 1 September		<u>452,135</u>	<u>372,642</u>
Cash and cash equivalents at 31 August	20	<u><u>741,068</u></u>	<u><u>452,135</u></u>

Stonebow Primary School

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), judgements and key sources of estimation uncertainty, is set out below.

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Stonebow Primary School constitutes a public benefit entity as defined by FRS 102.

Going concern

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

The trustees have considered the impact of COVID-19 in relation to their assessment of going concern and in their opinion have taken all reasonable steps to mitigate these factors. As at the point of authorising the accounts, and for the foreseeable future, the trustees consider the going concern assumption to still be appropriate. The trustees acknowledge that given the currently rapidly changing business and social environment, there are likely to be significant unknown factors which may present themselves. Such factors are considered by the trustees to represent a general inherent level of risk in relation to the going concern assumption albeit not quantifiable at this time.

Income

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

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

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 period is deducted from income and recognised as a liability.

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

Donations

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

Other income

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

Donated fixed assets

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

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Charitable activities

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

Tangible fixed assets

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

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

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

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

Asset class	Depreciation method and rate
Leasehold building	2% straight line
Leasehold land (125 year lease)	over 125 years
Furniture and fixtures	25% straight line
Computer equipment	33% straight line

Liabilities

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

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

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

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pension benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary 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 trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to 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.

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

Defined benefit pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 2020 has been used by the actuary in valuing the pensions liability at 31/08/2022. 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.

Tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property plant and equipment, and note 1 for the useful economic lives for each class of assets.

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2021/22 Total £	2020/21 Total £
Educational trips and visits	-	4,951	-	4,951	510
Capital grants	-	-	306,076	306,076	7,032
Donations received	1,007	-	-	1,007	10,090
	<u>1,007</u>	<u>4,951</u>	<u>306,076</u>	<u>312,034</u>	<u>17,632</u>

The income from donations and capital grants was £312,033 (2021: £17,632) which was allocated between the funds as follows; £1,007 unrestricted funds (2021: £10,090), £4,951 restricted funds (2021: £510), £306,076 restricted fixed asset funds (2021: £7,032) and £Nil endowment funds (2021: £Nil).

3 Funding for the Academy Trust's educational operations

	Restricted funds £	2021/22 Total £	(As restated) 2020/21 Total £
DfE/ESFA revenue grants			
General Annual Grant	1,053,360	1,053,360	1,046,506
Other DfE Group grants	46,743	46,743	73,753
UIFSM	37,588	37,588	39,835
Pupil Premium	54,006	54,006	61,059
	<u>1,191,697</u>	<u>1,191,697</u>	<u>1,221,153</u>
Other government grants			
Other government grants	55,486	55,486	60,295
Covid-19 additional funding (DfE/ESFA)			
Catch-up premium	-	-	23,485
Total grants	<u>1,247,183</u>	<u>1,247,183</u>	<u>1,304,933</u>

The funding for educational operations was £1,247,183 (2021: £1,304,933) which was allocated between the funds as follows; £Nil unrestricted funds (2021: £Nil), £1,247,183 restricted funds (2021: £1,304,933), £Nil restricted fixed asset funds (2021: £Nil) and £Nil endowment funds (2021: £Nil).

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Hire of facilities	5,106	-	5,106	3,428
Catering income	-	7,650	7,650	-
Recharges and reimbursements	-	-	-	12,359
Other sales	3,416	-	3,416	-
	<u>8,522</u>	<u>7,650</u>	<u>16,172</u>	<u>15,787</u>

The income from other trading activities was £16,172 (2021: £15,787) which was allocated between the funds as follows; £8,522 unrestricted funds (2021: £3,428), £7,650 restricted funds (2021: £12,359), £Nil restricted fixed asset funds (2021: £Nil) and £Nil endowment funds (2021: £Nil).

5 Investment income

	Unrestricted funds £	2021/22 Total £	2020/21 Total £
Short term deposits	<u>1,564</u>	<u>1,564</u>	<u>4,362</u>

The income from other trading activities was £1,564 (2021: £4,362) which was allocated between the funds as follows; £1,564 unrestricted funds (2021: £4,362), £Nil restricted funds (2021: £Nil), £Nil restricted fixed asset funds (2021: £Nil) and £Nil endowment funds (2021: £Nil).

6 Expenditure

	Non Pay Expenditure			2021/22 Total £	2020/21 Total £
	Staff costs £	Premises £	Other costs £		
Expenditure on raising funds					
Direct costs	-	-	-	-	65
Academy's educational operations					
Direct costs	877,695	49,315	87,581	1,014,591	987,648
Allocated support costs	<u>213,863</u>	<u>75,796</u>	<u>132,174</u>	<u>421,833</u>	<u>408,162</u>
	<u>1,091,558</u>	<u>125,111</u>	<u>219,755</u>	<u>1,436,424</u>	<u>1,395,875</u>

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2021/22 £	2020/21 £
Depreciation	59,128	71,489
Fees payable to auditor - audit	6,000	5,600
- other audit services	850	750

7 Charitable activities

	2021/22 £	2020/21 £
Direct costs - educational operations	1,014,591	987,648
Support costs - educational operations	421,833	408,162
	<u>1,436,424</u>	<u>1,395,810</u>

	Educational operations £	2021/22 Total £	2020/21 Total £
Analysis of support costs			
Support staff costs	213,863	213,863	208,497
Depreciation	9,813	9,813	18,598
Technology costs	9,188	9,188	11,081
Premises costs	65,983	65,983	60,546
Other support costs	116,336	116,336	102,254
Governance costs	6,650	6,650	7,186
Total support costs	<u>421,833</u>	<u>421,833</u>	<u>408,162</u>

8 Staff

Staff costs

	2021/22 £	2020/21 £
Staff costs during the year were:		
Wages and salaries	774,294	789,798
Social security costs	60,116	61,333
Operating costs of defined benefit pension schemes	256,042	237,552
	<u>1,090,452</u>	<u>1,088,683</u>
Supply staff costs	1,106	3,421
	<u>1,091,558</u>	<u>1,092,104</u>

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

8 Staff (continued)

Staff numbers

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

	2021/22 No	2020/21 No
Teachers	11	13
Administration and support	23	29
Management	3	3
	<u>37</u>	<u>45</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2022 No	2021 No
£60,001 - £70,000	<u>1</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2022, pension contributions for this staff member amounted to £16,351 (2021: £16,351).

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £235,243 (2021: £224,413).

9 Related party transactions - trustees' remuneration and expenses

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

Paul Brockless (Head teacher):

Remuneration: £65,000 - £70,000 (2021 - £65,000 - £70,000)

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

Martin Lees (Deputy head teacher):

Remuneration: £30,000 - £35,000 (2021 - £55,000 - £60,000)

Employer's pension contributions: £5,000 - £10,000 (2021 - £10,000 - £15,000)

Bina Mistry (Staff trustee):

Remuneration: £15,000 - £20,000 (2021 - £45,000 - £50,000)

Employer's pension contributions: £0 - £5,000 (2021 - £10,000 - £15,000)

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

9 Related party transactions - trustees' remuneration and expenses (continued)

During the year ended 31 August 2022, travel and subsistence expenses totalling £Nil (2021 - £Nil) were reimbursed or paid directly to 0 trustees (2021 - 0).

Other related party transactions involving the trustees are set out in note 23.

10 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2022 was £14 (2021 - £15).

The cost of this insurance is included in the total insurance cost.

11 Connected charities

Friends of Stonebow School is a connected charity and it is related to the academy, it raises money for the school and then, in line with its own board decisions, donates funds for particular projects, or assets for the benefit of the academy.

- The aggregate amount of the entity's funds is £7,462
- The total turnover of the entity is £1,391
- The total expenditure of the entity is £1,861
- Loss for the year is £470

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

12 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2021	2,644,545	73,354	88,337	2,806,236
Additions	258,018	-	2,301	260,319
At 31 August 2022	2,902,563	73,354	90,638	3,066,555
Depreciation				
At 1 September 2021	419,887	70,528	75,472	565,887
Charge for the year	49,315	2,538	7,275	59,128
At 31 August 2022	469,202	73,066	82,747	625,015
Net book value				
At 31 August 2022	2,433,361	288	7,891	2,441,540
At 31 August 2021	2,224,658	2,826	12,865	2,240,349

13 Debtors

	2022 £	2021 £
Trade debtors	1,152	-
VAT recoverable	4,920	3,043
Prepayments	14,908	9,534
Accrued grant and other income	7,721	9,914
	28,701	22,491

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	15,070	13,917
Other creditors	276,419	19,621
Accruals	9,912	10,968
Deferred income	31,683	24,773
	333,084	69,279

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

14 Creditors: amounts falling due within one year (continued)

	2022 £	2021 £
Deferred income		
Deferred income at 1 September 2021	(24,773)	(19,452)
Resources deferred in the period	31,683	24,773
Amounts released from previous periods	<u>24,773</u>	<u>19,452</u>
Deferred income at 31 August 2022	<u>31,683</u>	<u>24,773</u>

The closing balance of deferred income relates to Universal Infant Free School Meals and School Trips income received in advance of the 2022/23 academic year.

15 Funds

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General annual grant	250,354	1,053,360	(1,155,234)	68,442	216,922
Pupil premium	-	54,006	(1,987)	(52,019)	-
Other DfE group grants	-	46,743	(23,705)	(8,065)	14,973
Other government grants	-	55,486	(60,295)	4,809	-
UIFSM	-	37,588	(37,022)	(566)	-
Other income	-	12,601	-	(12,601)	-
	<u>250,354</u>	<u>1,259,784</u>	<u>(1,278,243)</u>	<u>-</u>	<u>231,895</u>
Restricted fixed asset funds					
Transfer from local authority	2,231,974	-	-	209,566	2,441,540
DfE group capital grants	8,374	6,824	(59,128)	48,452	4,522
CIF funding	-	299,252	-	(258,018)	41,234
	<u>2,240,348</u>	<u>306,076</u>	<u>(59,128)</u>	<u>-</u>	<u>2,487,296</u>
Restricted pension funds					
Pension reserve	<u>(810,000)</u>	<u>-</u>	<u>(92,000)</u>	<u>743,000</u>	<u>(159,000)</u>
Total restricted funds	1,680,702	1,565,860	(1,429,371)	743,000	2,560,191
Unrestricted funds					
Unrestricted general funds	<u>154,994</u>	<u>11,093</u>	<u>(7,053)</u>	<u>-</u>	<u>159,034</u>
Total funds	<u>1,835,696</u>	<u>1,576,953</u>	<u>(1,436,424)</u>	<u>743,000</u>	<u>2,719,225</u>

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

15 Funds (continued)

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

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General annual grant	193,838	1,046,505	(988,027)	(1,963)	250,353
Pupil premium	-	61,059	(61,059)	-	-
Other DfE group grants	-	73,723	(73,723)	-	-
Other government grants	-	72,654	(72,654)	-	-
Catch-up premium	-	23,485	(23,485)	-	-
UIFSM	-	39,835	(39,835)	-	-
	<u>193,838</u>	<u>1,317,261</u>	<u>(1,258,783)</u>	<u>(1,963)</u>	<u>250,353</u>
Restricted fixed asset funds					
Transfer from local authority	2,231,974	-	-	-	2,231,974
DfE group capital grants	<u>68,338</u>	<u>7,032</u>	<u>(71,488)</u>	<u>4,493</u>	<u>8,375</u>
	2,300,312	7,032	(71,488)	4,493	2,240,349
Restricted pension funds					
Pension reserve	<u>(696,000)</u>	<u>-</u>	<u>(65,000)</u>	<u>(49,000)</u>	<u>(810,000)</u>
Total restricted funds	1,798,150	1,324,293	(1,395,271)	(46,470)	1,680,702
Unrestricted funds					
Unrestricted general funds	<u>139,708</u>	<u>17,881</u>	<u>(65)</u>	<u>(2,530)</u>	<u>154,994</u>
Total funds	<u>1,937,858</u>	<u>1,342,174</u>	<u>(1,395,336)</u>	<u>(49,000)</u>	<u>1,835,696</u>

The academy trust is not subject to GAG carried forward limits.

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

15 Funds (continued)

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

Restricted general funds

The General Annual Grant (GAG) relates to the school's development and operational activities.

Pupil Premium relates to additional funding received to raise the attainment of disadvantaged pupils of all abilities and to close the gaps between them and their peers. All funds have been spent in full within the year.

The other DfE Group restricted funds grants consists of Universal Infant Free School Meals (UFSM), and PE Sport Grant. All funds have been spent in full within the year.

Other government grants consists of Special Educational Needs Allowance (SENA) and Pupil Premium Plus income. All grants were fully spent in the year.

Other donations consist of income received from Friends of Stonebow towards the costs for the provision of the library for the year. This income was fully spent in the year.

The pension reserve relates to the school's share of the deficit of the Leicestershire County Council's Local Government Pension Scheme.

Restricted fixed asset funds

The transfer from Local Authority relates to the value of leasehold land and buildings transferred from the Local Authority to the Academy on conversion. The closing balance relates to the netbook value of the assets concerned.

DfE Group capital grants relate to funding received from these sources to purchase fixed assets. The closing balance relates to the net book value of the assets concerned.

Capital expenditure from GAG relates to capitalised expenditure allocated to the GAG within this grant's terms. The income element is shown as a transfer from restricted funds, where the GAG is received, to the restricted fixed assets fund where it has been spent.

Capital expenditure from Friends of Stonebow is funds raised by the them towards the cost of capitalised expenditure. The closing balance relates to the net book value of the assets concerned. 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.

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

16 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	2,441,540	2,441,540
Current assets	159,034	564,979	45,756	769,769
Current liabilities	-	(333,084)	-	(333,084)
Pension scheme liability	-	(159,000)	-	(159,000)
Total net assets	<u>159,034</u>	<u>72,895</u>	<u>2,487,296</u>	<u>2,719,225</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	2,240,349	2,240,349
Current assets	134,086	340,540	-	474,626
Current liabilities	-	(69,279)	-	(69,279)
Pension scheme liability	-	(810,000)	-	(810,000)
Total net assets	<u>134,086</u>	<u>(538,739)</u>	<u>2,240,349</u>	<u>1,835,696</u>

17 Long-term commitments, including operating leases

Operating leases

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

	2022 £	2021 £
Amounts due within one year	3,892	3,892
Amounts due between one and five years	<u>973</u>	<u>4,865</u>
	<u>4,865</u>	<u>8,757</u>

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

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

	2021/22	2020/21
	£	£
Net income/(expenditure)	140,529	(53,161)
Depreciation	59,128	71,488
Capital grants from DfE and other capital income	306,076	7,032
Interest receivable	(1,564)	(4,362)
Defined benefit pension scheme cost less contributions payable	78,000	53,000
Defined benefit pension scheme finance cost	14,000	12,000
(Increase)/decrease in debtors	(6,210)	3,577
Increase in creditors	263,805	4,115
Net cash provided by Operating Activities	<u>853,764</u>	<u>93,689</u>

19 Cash flows from investing activities

	2021/22	2020/21
	£	£
Purchase of tangible fixed assets	(260,319)	(11,525)
Capital grants from DfE Group	(306,076)	(7,032)
Interest receivable	1,564	4,362
Net cash used in investing activities	<u>(564,831)</u>	<u>(14,195)</u>

20 Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash in hand and at bank	<u>741,068</u>	<u>452,135</u>
Total cash and cash equivalents	<u>741,068</u>	<u>452,135</u>

21 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.

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

22 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Leicestershire 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.

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

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 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 member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £113,334 (2021: £118,487).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

22 Pension and similar obligations (continued)

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £80,000 (2021 - £82,000), of which employer's contributions totalled £65,000 (2021 - £67,000) and employees' contributions totalled £15,000 (2021 - £15,000). The agreed contribution rates for future years are 23.6 per cent for employers and 5.5 - 12.5 per cent for employees.

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

Principal actuarial assumptions

	2022 %	2021 %
Rate of increase in salaries	3.70	3.40
Rate of increase for pensions in payment/inflation	3.20	2.90
Discount rate for scheme liabilities	4.30	1.70
Inflation assumptions (CPI)	3.20	2.90
Commutation of pensions to lump sums	<u>50.00</u>	<u>50.00</u>

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

	2022	2021
Retiring today		
Males retiring today	21.50	21.70
Females retiring today	24.00	24.20
Retiring in 20 years		
Males retiring in 20 years	22.40	22.60
Females retiring in 20 years	<u>25.70</u>	<u>25.90</u>

The academy trust's share of the assets in the scheme were:

	2022 £	2021 £
Equities	692,350	630,460
Government bonds	317,800	315,230
Property	102,150	76,090
Cash and other liquid assets	<u>22,700</u>	<u>65,220</u>
Total market value of assets	<u>1,135,000</u>	<u>1,087,000</u>

The actual return on scheme assets was (£2,000) (2021 - £190,000).

Stonebow Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

22 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2021/22 £	2020/21 £
Current service cost	(143,000)	(120,000)
Interest income	18,000	15,000
Interest cost	(32,000)	(27,000)
Total amount recognized in the SOFA	<u>(157,000)</u>	<u>(132,000)</u>

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

	2021/22 £	2020/21 £
At start of period	1,897,000	1,536,000
Current service cost	143,000	120,000
Interest cost	32,000	27,000
Employee contributions	15,000	15,000
Actuarial (gain)/loss	(763,000)	224,000
Benefits paid	(30,000)	(25,000)
At 31 August	<u>1,294,000</u>	<u>1,897,000</u>

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

	2021/22 £	2020/21 £
At start of period	1,087,000	840,000
Interest income	18,000	15,000
Actuarial gain/(loss)	(20,000)	175,000
Employer contributions	65,000	67,000
Employee contributions	15,000	15,000
Benefits paid	(30,000)	(25,000)
At 31 August	<u>1,135,000</u>	<u>1,087,000</u>

23 Related party transactions

Owing to the nature of the academy trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. No further related party transactions took place in the period.