
MANOR LEAS INFANT SCHOOL

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

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MANOR LEAS INFANT SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

	D Butler P Bedson J Pass (resigned 11 July 2023) K Ray C Smithers
Trustees	R Colosi-Hubbard L Aherne (appointed 15 June 2023) B Biglands, Staff Trustee (appointed 26 September 2023) M Cruickshank A James D Jones (appointed 26 September 2023) J Kirwan, Head Teacher and Accounting Officer M Massiah (resigned 18 October 2023) L McDonald (resigned 28 February 2023) A Nisevic (resigned 24 April 2023) C Rossington C Turner, Staff Trustee
Company registered number	08041135
Company name	Manor Leas Infant School
Principal and registered office	Hykeham Road Lincoln Lincs LN6 8BE
Headteacher and accounting officer	J Kirwan
Acting Headteacher and accounting officer	C Turner
Senior leadership team	J Kirwan, Headteacher C Turner, Deputy Headteacher (Currently Acting Headteacher)

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Independent auditors Streets Audit LLP
Windsor House
A1 Business Park at Long Bennington
Notts
NG23 5JR

Bankers Lloyds TSB
202 High Street
Lincoln
Lincs
LN5 7AP

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The trust operates an academy for pupils aged 4 to 7 years, serving a catchment area in and around North Hykeham and Lincoln, Lincolnshire. It has a pupil capacity of 180 and had a roll of 156 in the school census on 7 October 2022.

Structure, governance and management

Constitution

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

The charitable company's Memorandum of Association is the primary governing document of the academy.

The Trustees of Manor Leas Infant School are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Manor Leas Infant School.

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

Members' liability

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

Trustees' indemnities

The academy trust has purchased insurance to protect trustees, directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 for any one incident in a year.

Method of recruitment and appointment or election of Trustees

Trustees are appointed under the terms contained within the academy's memorandum and articles of association and membership of the board is in accordance with the structure within this. The members may appoint up to five trustees. The headteacher shall be treated for all purposes as being an ex officio trustee. The parent trustees shall be elected by parents of registered pupils at the academy. A parent trustee must be a parent of a pupil in the academy at the time when they are elected. If the number of parents standing for election is less than the number of vacancies, then the board can appoint them. The board can appoint up to three co opted trustees. Staff trustees cannot exceed more than one third of the board of trustees.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

Policies adopted for the induction and training of Trustees

All trustees are provided with copies of procedures, minutes, accounts, budget plans and other documents that they will need to undertake their role as trustees and directors. Every new trustee is appointed a mentor to provide guidance and support. All trustees are able to undertake any training opportunities required for them to be effective in fulfilling their responsibilities as a member of the board of trustees.

Organisational structure

The organisational structure consists of:

- The board of trustees
- Senior leadership team
- Middle leaders
- Whole staff team

The aim of the structure is to devolve responsibility and encourage decision making at all levels. The board of trustees has delegated the day to day responsibility to the headteacher, as accounting officer, for ensuring financial controls conform with requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the academy and the Secretary of State for Education.

The board of trustees has established a Finance, Audit and Risk Committee to meet in addition to the full board meetings. If necessary, in addition, a working party is set up during the year to deliver specific tasks as set out in the academy scheme of delegation.

Mrs Jacqui Kirwan has been absent from school since November 2022 and Miss Claire Turner has been Acting Headteacher in her absence.

Arrangements for setting pay and remuneration of key management personnel

Manor Leas Infant School has set a pay policy for the remuneration of all teaching personnel in school, including members of the Senior Leadership Team. The Governing Body will ensure that each teacher's salary is reviewed annually, with effect from 1 September and no later than 31 October each year and that all teachers are given a written statement setting out their salary.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities

Objects and aims

The academy's objects and aims are to provide a quality education to children aged 4 to 7 years old as summarised below:

- To ensure that all children are kept safe
- To ensure that all children have access to a high quality education
- To raise the standard of educational achievement of all pupils
- To improve the effectiveness of the academy by keeping the curriculum and organisational structure under review
- To provide value for money
- To comply with all appropriate statutory and curriculum requirements
- To maintain close links with the local community
- To conduct the academy's business in accordance with the highest standards of integrity, probity and openness

Objectives, strategies and activities

At Manor Leas Infant School, our mission is to provide exceptional education within a safe and happy community. We work closely together with families to build foundations to enable children to develop into curious, confident, and aspirational life long learners who achieve their full potential, irrespective of their different starting points.

We provide an environment in which all of our "school family" feel safe, nurtured and valued. We ensure our children's happiness and emotional well-being is at the heart of everything we do, providing support in partnership with parents. We work as a team with our families, trustees and the wider community, ensuring a sense of togetherness.

We promote a love of learning, both indoors and outdoors, through high quality, enthusiastic teaching. We provide a stimulating and engaging curriculum. This enables children to become curious, independent and resilient lifelong learners. We support our staff through high quality continuous professional development to enhance their knowledge and expertise.

We expect good behaviour; our children show politeness, honesty and respect at all times. We value and respect different points of view and beliefs. We help children to respect and look after the environment in which they live.

Our children think BIG... and aspire to be the best that they can be

The main objectives of the academy during the year ended 31 August 2023 are summarised below:

- Maintaining the academy's reputation for excellent academic achievements
- Supporting pupils of all abilities to attain their full potential and develop their own specific qualities
- Offering a range of extra curricular activities and sport
- Maintaining the high standards and expectations of the academy
- Developing a positive attitude towards equal opportunities for all
- Expecting pupils to value all members of the academy's community and its environment
- Enabling pupils to develop positive attitudes

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the academy's objectives and aims and in planning future activities for the period. Given the activities of the academy and the pupil population that it services, the trustees consider that the company's aims are demonstrably to the public benefit. The trust has developed links with several local primary schools ensuring sharing of good practice and appropriate support and challenge.

Strategic report

Achievements and performance

The academic year 2022/23 was not impacted due to Covid 19 in the ways previous years have been and we remained fully open throughout the academic year. Whole-school attendance for the year was 95.18%.

An Ofsted inspection was carried out in December 2022 and the school was graded 'good' in all areas.

Alongside this, other significant achievements have included:

- High levels of support for pupils and parents throughout the school year
- A review of our curriculum in light of the changing needs of our pupils
- The academy has a positive surplus position at the end of the year
- Being awarded a fire and electrical CIF bid; some of the work has already been completed and some is due to be completed in October half term.
- Re-furbishing the children's toilet areas throughout school
- Use of the outdoor learning environment to support teaching and learning
- Staff accessed further Talk For Writing training to support oracy and writing developments across the academy
- Staff continued to implement the Little Wandle Letters and Sounds Revised phonics and reading scheme to support teaching and learning
- Emotional Literacy Support has supported children with mental health and wellbeing needs, which has had a positive impact on the pupils who accessed this
- Welcoming parents and carers into school for various events, such as Parents' Evening, Sports Days, Christmas Performances and the Y2 Leavers' Assembly
- Some staff have developed their Leadership skills by completing or embarking on 'National Professional Qualifications'

Key Performance Indicators

The academy increased its number on roll over the school year with a number of in year admissions, from 155 to 162 pupils.

The main costs incurred by the academy are staffing costs. Staffing costs equate to 73% of the academy's revenue income in 2022/23. The academy had a number of pupils with complex needs in school and therefore an increased number of support staff hours were required to meet the needs of individual pupils. We have also needed to fund supply teachers and teaching assistants due to staff absence and changes in role.

In 2022/23 68% of our EYFS cohort achieved a Good Level of Development (GLD) which is in line with the provisional national outcome of 67%. 74% of our Year 1 cohort met the Phonics Screening Check standard which is slightly below the provisional national outcome of 79%. This year's Year 2 cohort had a number of children with complex needs and we were pleased with the progress this cohort made from their starting points.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

However, the data for this year group was below the provisional national outcomes in reading (60%), writing (42%) and maths (65%) and this remains a key focus of the school in 2023-24.

Our latest Ofsted grading (December 2022) determined the academy is good.

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 Accounting Policies note of the financial statements.

Financial review

Most of the Trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities. The Trust also receives a significant amount of funding from Lincolnshire County Council, its local authority.

During the year, the total income being recurrent and other grant funding from the ESFA and other incoming resources were in excess of total expenditure. The excess of expenditure over income for the period was £463,863.

The Trust held fund balances at 31 August 2023 of £2,189,267, comprising £138,830 of restricted funds, a fixed asset reserve of £1,959,172 and £91,265 of unrestricted general funds.

Reserves policy

Subject to ESFA's constraints on permitted balances, the academy's policy is to carry forward a prudent level of resources. Due to anticipated future cuts in funding, the situation will be kept under review. The academy has a target reserve of 2 months' salary costs which equates to approximately £100,000.

Academy reserves in excess of this are targeted for the development of the school. In the year to 31 August 2023, £41k was spent on new toilets for the children and a further £39k was approved for the development of the EYFS outdoor learning area. £20k was also committed as part of a winning CIF bid to improve the school's electrical and fire safety systems. £22k was spent on two new boilers; funding for this was taken from energy efficiency funding and Devolved Formula Capital.

The reserves of the academy are reviewed regularly and are considered to be sufficient for the academy's requirements.

At 31 August 2023, free reserves held amount to £91,265 and restricted general funds amount to £138,830. The amount of funds which can only be realised by disposing of tangible fixed assets amounted to £1,959,172.

Total funds at 31 August 2023 amount to £2,189,267, and the balance on restricted general funds plus unrestricted general funds at 31 August 2023 results on a net surplus of £230,095.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Investment policy

The board of trustees agreed to continue to invest a total of £20,000 into two accounts; a fixed term account and as 32 day notice account. Both investments were reviewed throughout the year and the decision to invest sums of money will continue to be reviewed annually by the Finance, Audit and Risk committee.

Principal risks and uncertainties

The trustees have prepared a risk register and agreed a risk management strategy. These include the financial risks to the academy. The register is reviewed in light of new information. The principal financial risk facing the academy trust is that funding is dependent upon pupil numbers. Historically the academy has been at full capacity and has been rated as 'good' for three consecutive inspections by Ofsted. The trustees do not consider this to be a high risk although are monitoring this carefully in light of some lower admission numbers in recent years. The academy trust's future funding is also dependent upon government policy for education. The impact and reviews of school funding will be assessed accordingly. The Local Government Pension Scheme is currently in deficit. Reviews on the increase are considered to be manageable within the academy's budget.

Risk Management

A formal review of the charity's risk management processes is undertaken. Risk is managed under the headings of financial, health and safety, IT, business continuity, security of services and loss of reputation. Through the risk management processes established for the academy, the trustees are satisfied that the major risks identified in the risk register have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Financial and Risk Management Objectives and Policies

The academy has a policy that clearly defines its finance procedures. The objectives of this policy are to set guidelines for the establishment of sound and effective financial procedures by complying with the current financial regulations and adopting good working practices such as:

- Establishing proper financial management arrangements and accounting procedures, in line with the ESFA, Ofsted and DFE recommendations
- Maintaining a reliable system of internal controls
- Ensuring that resources are properly allocated and that the principle of best value is adopted
- Outlining the areas of responsibility within the academy
- Ensuring that the requirements of accountability are fulfilled

The document is regularly reviewed and updated as appropriate.

Fundraising

A group of parents volunteer to be part of the Friends of School Association and raise money for the academy for additional equipment and resources as well as to subsidise educational visits and visitors. They run events such as discos, cake sales, treasure hunts and fairs to raise funds throughout the year to support the academy and the pupils that attend there.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Plans for future periods

Our School Development Priorities include our aims to:

1. Ensure that standards in KS1 are consistently in line or above national expectations and that 70% of our Y2 cohort achieve the expected standard in reading and maths; 60% in writing. At least 80% of Y1 children will reach the expected standard in the Y1 Phonics Screening Check
2. Continue to address low level disruption to ensure that no child is left behind in their learning
3. Ensure the curriculum is bespoke and refined to fully meet the needs of the children throughout school
4. Subject leaders to strengthen checking processes so that they can gather and evaluate information that will help them provide more focus to their subject area and identify the important knowledge and skills.
5. Improve Trustee engagement and profile in school through monitoring and evaluation and triangulation of evidence in line with subject leaders
6. Ensure the Early Years curriculum is mapped out in small steps for each ELG termly, identifying starting points and next steps for children's learning

Funds held as custodian on behalf of others

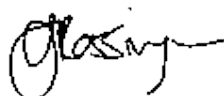
The academy trust is not holding any assets or funds on behalf of anyone else.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on 14 December 2023 and signed on its behalf by:



.....
C Rossington
Chair of Trustees

MANOR LEAS INFANT SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The board of Trustees has delegated the day-to-day responsibility to the Headteacher, 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 Manor Leas Infant 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 7 times during the year, including the AGM.

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

Trustee	Meetings attended	Out of a possible
C Rossington, Chair	7	7
R Colosi-Hubbard	5	7
L Aherne	2	2
M Cruickshank	7	7
A James	4	7
J Kirwan, Head Teacher and Accounting Officer	2	7
M Massiah	2	7
L McDonald	2	3
A Nisevic	2	3
C Turner, Staff Trustee	7	7

The key changes to the board this year are the Chair Laura McDonald resigned in February and Charlotte Rossington was elected to replace her. Angela James was elected by the board as Vice Chair and remained the Chair of the Finance Audit and Risk committee. As a board we have seen two members leave and one join, whilst all required positions are filled Trustee recruitment and building strength in governance remains a high priority for the board.

The Academy has a register of interests that is managed by the clerk to the board, the clerking services are provided by Lincolnshire County Council. Trustees are asked to identify and declare conflicts of interest at the start of all meetings. This is a standard agenda item. The register of interests is kept updated throughout the year and the Academy ensures any interests are published on the Academy website to support transparency. All trustees are given the trust handbook when they join the board and as part of the guidance it advises trustees to declare any interest and withdraw from any decision making where a personal interest or occupation is a conflict.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The main challenges for the board over the year have been:

Pupil numbers: for the third consecutive year the EYFS intake was below the capacity of 60 children. This impacts funding and budget planning.

Trustee numbers and experience: the board need to recruit an additional two Trustees. There is an ongoing recruitment drive in order to support sustainability. The impact of trustee monitoring is under review. The board continues to use Circle Model of Governance to be reviewed October 2023.

Providing support for the Acting Headteacher: the board employed the services of an experienced Headteacher to assist the Deputy Head during the long-term sickness absence of the Headteacher.

The board identified and agreed that a potential Nursery on school site would not be viable. Due to this, some of the funds that were provisionally earmarked for the nursery have been approved for the development of the EYFS outdoor learning environment, due to take place in 2024.

Some trustees have been able to visit the school to carry out monitoring processes. It also gave the trustees the fantastic opportunity to interact with pupils and hear the 'voice of the child' first hand, regarding areas such as safeguarding and learning.

The Finance, Audit and Risk committee have been involved in a number of meetings across the year and reviewed different data sets to inform their work.

The board have carried out a self review of our Circle Model of Governance and this continues to be an annual occurrence in order to inform our strengths and areas for development.

The Finance, Audit & Risk Committee is a sub-committee of the main board of Trustees and meets 3 times per year. The committee reviewed different data sets to inform their work together with internal audit reports.

Its purpose is to strategically monitor finance, audit and risk within the academy, including:

- To maintain an up to date 'balanced' three year budget plan, which shows clear links to the 'school development plan' and 'staffing' plans
- To report monitoring and rollover to the full board, highlighting any significant variances
- To evaluate any virement recommendations and report to the board
- Analyse and report on tenders for contract services in accordance with board delegated limits
- To keep in school financial procedures under review
- To benchmark school financial performance against similar schools and report to the board
- To evaluate proposed expenditure as set out within the delegated limits following recommendations from the headteacher and present to the board
- To ensure that all spending provides 'value for money' in terms of raising standards in education and is wisely spent
- To monitor benchmarking both locally and nationally and report to the board
- To monitor and evaluate the management of the voluntary fund and to receive the audited accounts
- To monitor the spend of extra funding such as pupil premium, sports premium, ensuring its use has impact
- Review finance policy, lettings policy, whistleblowing policy and governor allowance policy, making recommendations to the board
- Maintain an oversight of the trust's governance systems
- Advise the board on the effectiveness and resources of the external and internal auditors
- Conduct a regular review of the risk register
- Agree an annual programme of internal scrutiny

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

- Advise the board of the effectiveness of the trust's systems of internal control
- Review the business continuity plan making recommendations to the board
- Review compliance audit reports by the internal examiner, ensuring the board follows recommendations and actions
- To make regular reports to the board and ensure that key financial decisions are recorded correctly in the minutes

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
C Turner	3	3
R Colosi-Hubbard	2	3
A James	2	3
C Rossington	3	3
M Massiah	1	3
L Aherne	1	1
M Cruickshank	0	2

Review of value for money

As accounting officer, the Headteacher has responsibility for ensuring that the academy delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

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

Staffing

The trustees and academy leaders effectively deploy staff to provide the best value in terms of quality of teaching and learning, adult pupil ratio and curriculum management. The staffing structure is reviewed constantly throughout the year and in particular during the Spring term to ensure staffing is considered for the known changes due to happen in school.

The academy has made additional investment in staff continuous professional development, particularly to support staff on the NPQ programmes. Teaching Assistant support has been deployed to support with individual and cohort needs and this has allowed for individual children to experience a curriculum that is appropriate to their individual need.

Educational Results

The academy resources are directed where they will be the most effective in meeting the educational requirements of our pupils. The academy works collaboratively with other schools, sharing good practice to improve CPD and standards. The academy has implemented strategies to support with improved attendance for individuals and pastoral support for groups and individuals.

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

Purchasing

The academy reviews contracts and service level agreements to ensure the service remains suitable for the needs of the academy. This year, best value has been sought for PE & Sport consultancy, telephone contracts, toilet refurbishment, new boilers, cleaning contracts, photocopier, school meal providers and EYFS outdoor area contracts.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Manor Leas Infant School for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

The academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

The Board of Trustees has decided to buy-in an internal audit service from Assurance Lincolnshire

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

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

- Governance arrangements
- Budget setting, monitoring and reporting
- Payroll arrangements, including recruitment checks
- Purchasing
- Bank accounts & reconciliation
- VAT
- Income
- Debtor Invoices
- Petty cash

On a semi-annual basis, the reviewer reports to the board of Trustees through the Finance, Audit & Risk committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities. An annual summary report is shared with the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor carried out a 2 day visit to the academy this year. There have been no issues identified by the internal auditor over the financial period that has caused concerns.

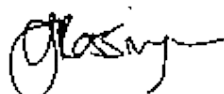
Review of effectiveness

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

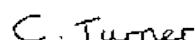
- the work of the reviewer;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit & Risk 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 and signed on their behalf by:



.....
C Rossington
Chair of Trustees



.....
C Turner
Acting Accounting Officer

Date: 14 December 2023

MANOR LEAS INFANT SCHOOL
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Manor Leas Infant School I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2022.

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.

C. Turner

.....
C Turner
Acting Accounting Officer

Date: 14 December 2023

MANOR LEAS INFANT SCHOOL
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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:

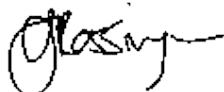
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



.....
C Rossington
Chair of Trustees

Date: 14 December 2023

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MANOR LEAS INFANT SCHOOL**

Opinion

We have audited the financial statements of Manor Leas Infant School (the 'academy') for the year ended 31 August 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MANOR LEAS INFANT SCHOOL (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MANOR LEAS INFANT SCHOOL (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was that we identified the material laws and regulations applicable to the trust through discussions with Trustees and other management, and from our commercial knowledge and experience of the Trust and education sector in which it operates. These were the Companies Act 2006, the Academy Trust Handbook, the Academies Accounts Direction, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety and safeguarding legislation. We then assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

We then assessed the susceptibility of the trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we tested journal entries to identify unusual transactions, we reviewed a sample of grants in the year to allocation and accurate recognition, we agreed a sample of employees on the Trust payroll to existence and agreed the accuracy of their pay, we assessed and reviewed the appropriateness and effectiveness of the key systems and controls. We also assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to agreeing financial statement disclosures to underlying supporting documentation, reading the minutes of meetings of those charged with governance, reviewing internal audit reports for any indication of breaches of laws and regulations, enquiring of management as to actual and potential litigation and claims and reviewing any correspondence with HMRC, relevant regulators and the Trust's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MANOR LEAS INFANT SCHOOL (CONTINUED)**

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

Use of our report

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



Mark Bradshaw (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

Windsor House

A1 Business Park at Long Bennington

Notts

NG23 5JR

Date: 19 December 2023

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MANOR
LEAS INFANT SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 12 July 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Manor Leas Infant School during the year 1 September 2022 to 31 August 2023 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 Manor Leas Infant School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Manor Leas Infant School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Manor Leas Infant School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Manor Leas Infant School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Manor Leas Infant School's funding agreement with the Secretary of State for Education dated 1 June 2012 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- a review of the Trust's systems and controls and confirmation of their operation and effectiveness during the year;
- a review of expenditure to confirm the appropriateness and value for money and that appropriate tendering/quotation procedures had been followed in line with the Trust's finance policy; and
- a review of related party relationships and internal audit reports.

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MANOR
LEAS INFANT SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Mark Bradshaw (Senior statutory auditor)
Streets Audit LLP

Windsor House
A1 Business Park at Long Bennington
Notts
NG23 5JR

Date: 19 December 2023

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	-	-	475,773	475,773	5,890
Investments	5	193	5,000	-	5,193	154
Charitable activities		40,325	923,219	-	963,544	960,796
Total income		40,518	928,219	475,773	1,444,510	966,840
Expenditure on:						
Charitable activities		33,599	922,890	24,178	980,667	1,006,310
Total expenditure		33,599	922,890	24,178	980,667	1,006,310
Net income/ (expenditure)		6,919	5,329	451,595	463,843	(39,470)
Transfers between funds	16	-	(48,852)	48,852	-	-
Net movement in funds before other recognised gains/(losses)		6,919	(43,523)	500,447	463,843	(39,470)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	23	-	160,000	-	160,000	599,000
Defined benefit pension scheme asset not recognised		-	(157,000)	-	(157,000)	(90,000)
Net movement in funds		6,919	(40,523)	500,447	466,843	469,530

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Reconciliation of funds:					
Total funds brought forward	84,346	179,353	1,458,725	1,722,424	1,252,894
Net movement in funds	6,919	(40,523)	500,447	466,843	469,530
Total funds carried forward	91,265	138,830	1,959,172	2,189,267	1,722,424

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

The notes on pages 28 to 52 form part of these financial statements.

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 08041135

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	1,959,172	1,456,690
		<u>1,959,172</u>	<u>1,456,690</u>
Current assets			
Debtors	13	426,720	28,292
Cash at bank and in hand		446,535	329,815
		<u>873,255</u>	<u>358,107</u>
Creditors: amounts falling due within one year	14	(638,731)	(85,730)
Net current assets		<u>234,524</u>	<u>272,377</u>
Total assets less current liabilities		<u>2,193,696</u>	<u>1,729,067</u>
Creditors: amounts falling due after more than one year	15	(4,429)	(6,643)
Net assets excluding pension asset		<u>2,189,267</u>	<u>1,722,424</u>
Total net assets		<u><u>2,189,267</u></u>	<u><u>1,722,424</u></u>

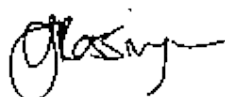
MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 08041135

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Funds of the academy			
Restricted funds:			
Fixed asset funds	16	1,959,172	1,458,725
Restricted income funds	16	138,830	179,353
Total restricted funds	16	2,098,002	1,638,078
Unrestricted income funds	16	91,265	84,346
Total funds		2,189,267	1,722,424

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

The financial statements on pages 23 to 52 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



.....
C Rossington
Chair of Trustees

Date: 14 December 2023

The notes on pages 28 to 52 form part of these financial statements.

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	18	166,005	59,169
Cash flows from investing activities	20	(47,071)	5,004
Cash flows from financing activities	19	(2,214)	(2,215)
Change in cash and cash equivalents in the year		116,720	61,958
Cash and cash equivalents at the beginning of the year		329,815	267,857
Cash and cash equivalents at the end of the year	21, 22	446,535	329,815

The notes on pages 28 to 52 form part of these financial statements

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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.

1.1 Basis of preparation of financial statements

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Manor Leas Infant School meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

1.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.5 Interest receivable

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

1.6 Tangible fixed assets

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

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

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

Leasehold buildings are not depreciated on the grounds of immateriality. Leasehold buildings are subject to regular maintenance and repair such that in the trustees opinion the residual value is not materially different from the value in the financial statements and have a long useful economic life. The trustees consider the need for an impairment review at each period end.

Depreciation is provided on the following bases:

Leasehold Property	- not depreciated
Leasehold Property Improvements	- 10% Straight Line
Furniture and Equipment	- 10% Straight Line
Computer equipment	- 25% Straight Line

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

1.7 Debtors

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

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.8 Cash at bank and in hand

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

1.9 Liabilities

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

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 14 and 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

MANOR LEAS INFANT SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.11 Pensions

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

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

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

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

1.12 Fund accounting

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

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

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

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

MANOR LEAS INFANT SCHOOL
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2. 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.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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.

Critical areas of judgement:

Leasehold buildings are not depreciated on the grounds of immateriality. Leasehold buildings are subject to regular maintenance and repair such that in the trustees opinion the residual value is not materially different from the value in the financial statements and have a long useful economic life. The trustees consider the need for an impairment review at each period end.

At 31 August 2023, the present value of the defined benefit obligation at the reporting date was valued at less than the fair value of plan assets and therefore the plan has a surplus. In accordance with FRS 102, an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. On the basis that the separate triennial valuation is used to calculate future contribution rates on a different valuation basis there is no realistic expectation that the surplus will be realised or will provide future economic benefit to the trust. As a result the pension asset has not been recognised in the balance sheet of the financial statements.

3. Income from donations and capital grants

	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Capital grants	475,773	475,773	5,890

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NOTES TO THE FINANCIAL STATEMENTS
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4. Funding for the academy's educational operations

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Academy's Educational Operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	718,968	718,968	767,534
Other DfE/ESFA grants				
Pupil Premium	-	41,785	41,785	57,102
UIFSM	-	48,767	48,767	41,639
PE & Sports grant	-	17,040	17,040	17,080
Supplementary grant	-	31,608	31,608	8,658
Other DfE/ESFA grants	-	8,683	8,683	15,656
	-	-	866,851	907,669
Other Government grants				
Local Authority funding	-	53,608	53,608	34,247
	-	53,608	53,608	34,247
Other income from the academy's academy's educational operations				
	40,325	2,760	43,085	18,880
	40,325	923,219	963,544	960,796
	40,325	923,219	963,544	960,796
<i>Total 2022</i>	12,030	948,766	960,796	

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5. Investment income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	193	-	193	154
Pension income	-	5,000	5,000	-
	<u>193</u>	<u>5,000</u>	<u>5,193</u>	<u>154</u>
<i>Total 2022</i>	<u>154</u>	<u>-</u>	<u>154</u>	

6. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Academy's Educational Operations:					
Direct costs	588,121	-	74,597	662,718	653,965
Allocated support costs	132,913	39,662	145,374	317,949	352,345
Total 2023	<u>721,034</u>	<u>39,662</u>	<u>219,971</u>	<u>980,667</u>	<u>1,006,310</u>
<i>Total 2022</i>	<u>753,463</u>	<u>35,723</u>	<u>217,124</u>	<u>1,006,310</u>	

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Academy's Educational Operations	<u>662,718</u>	<u>317,949</u>	<u>980,667</u>	<u>1,006,310</u>
<i>Total 2022</i>	<u>653,965</u>	<u>352,345</u>	<u>1,006,310</u>	

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7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	132,913	172,043
Depreciation	20,555	25,784
Premises costs	39,662	35,723
Technology costs	14,252	14,271
Other support costs	101,635	95,435
Governance costs	8,932	9,089
Total 2023	317,949	<u>352,345</u>

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	<i>2022 £</i>
Operating lease rentals	1,614	1,516
Depreciation of tangible fixed assets	20,555	25,784
Fees paid to auditors for:		
- audit	4,675	4,675
- other services	2,475	2,475

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NOTES TO THE FINANCIAL STATEMENTS
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9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023	2022
	£	£
Wages and salaries	530,777	514,958
Social security costs	58,432	43,263
Pension costs	117,366	181,189
	<u>706,575</u>	<u>739,410</u>
Agency staff costs	14,459	14,053
	<u>721,034</u>	<u>753,463</u>

b. Staff numbers

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

	2023	2022
	No.	No.
Teachers	11	11
Admin and Support	23	20
Management	1	1
	<u>35</u>	<u>32</u>

The average headcount expressed as full-time equivalents was:

	2023	2022
	No.	No.
Teachers	8	8
Admin and Support	10	9
Management	1	1
	<u>19</u>	<u>18</u>

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9. Staff (continued)

c. Higher paid staff

No employee received remuneration amounting to more than £60,000 in either year.

d. Key management personnel

The key management personnel of the academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £144,845 (2022 £141,738).

10. Trustees' remuneration and expenses

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

		2023	<i>2022</i>
		£	£
J Kirwan, Head Teacher and Accounting Officer	Remuneration	50,000 -	<i>55,000 -</i>
		55,000	<i>60,000</i>
	Pension contributions paid	10,000 -	<i>10,000 -</i>
		15,000	<i>15,000</i>
C Turner, Staff Trustee	Remuneration	50,000 -	<i>40,000 -</i>
		55,000	<i>45,000</i>
	Pension contributions paid	10,000 -	<i>10,000 -</i>
		15,000	<i>15,000</i>

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

11. Trustees' and Officers' insurance

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

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12. Tangible fixed assets

	Leasehold property £	Leasehold Property Imp'ments £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2022	1,407,000	152,177	4,737	70,544	1,634,458
Additions	-	521,804	-	1,233	523,037
Disposals	-	(39,665)	-	(19,824)	(59,489)
At 31 August 2023	<u>1,407,000</u>	<u>634,316</u>	<u>4,737</u>	<u>51,953</u>	<u>2,098,006</u>
Depreciation					
At 1 September 2022	-	120,075	4,152	53,541	177,768
Charge for the year	-	11,477	474	8,604	20,555
On disposals	-	(39,665)	-	(19,824)	(59,489)
At 31 August 2023	<u>-</u>	<u>91,887</u>	<u>4,626</u>	<u>42,321</u>	<u>138,834</u>
Net book value					
At 31 August 2023	<u>1,407,000</u>	<u>542,429</u>	<u>111</u>	<u>9,632</u>	<u>1,959,172</u>
At 31 August 2022	<u>1,407,000</u>	<u>32,102</u>	<u>585</u>	<u>17,003</u>	<u>1,456,690</u>

Included in Leasehold Property are buildings on a 125 year lease at valuation of £1,407,000 which are not depreciated, in line with the accounting policy.

The buildings have been included in accordance with a valuation at depreciated replacement cost as at 31 March 2013 carried out by the ESFA. The Trustees consider this to be a fair value.

13. Debtors

	2023 £	2022 £
Due within one year		
Other debtors	82,038	4,446
Prepayments and accrued income	344,682	23,846
	<u>426,720</u>	<u>28,292</u>

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NOTES TO THE FINANCIAL STATEMENTS
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14. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Other loans	2,214	2,214
Trade creditors	468,422	15,470
Other taxation and social security	9,216	9,659
Other creditors	13,957	13,181
Accruals and deferred income	144,922	45,206
	638,731	85,730
	638,731	85,730
	2023	2022
	£	£
Deferred income at 1 September 2022	27,007	37,717
Resources deferred during the year	37,717	27,007
Amounts released from previous periods	(27,007)	(37,717)
	37,717	27,007
	37,717	27,007

Deferred income relates to Universal Infant Free School Meal funding and after school club income received for the 2023/24 academic year.

Included in other loans is a loan of £2,214 (2022 - £2,214) from ESFA (Salix) which is provided on the following terms:

- repayable in 6 monthly installments;
- no interest is charged;
- the loan is due to mature in 2025.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

15. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Other loans	<u>4,429</u>	<u>6,643</u>

Included in other loans is a loan of £4,429 (2022 - £6,643) from ESFA (Salix) which is provided on the following terms:

- repayable in 6 monthly installments;
- no interest is charged;
- the loan is due to mature in 2025.

16. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds	<u>84,346</u>	<u>40,518</u>	<u>(33,599)</u>	<u>-</u>	<u>-</u>	<u>91,265</u>
	<u>179,353</u>	<u>928,219</u>	<u>(922,890)</u>	<u>(48,852)</u>	<u>3,000</u>	<u>138,830</u>
Restricted general funds						
General Annual Grant (GAG)	147,605	718,968	(709,374)	(48,852)	-	108,347
Other DfE/ESFA Grants	27,420	147,883	(144,820)	-	-	30,483
Other Government Grants	-	53,608	(53,608)	-	-	-
Other Activities	4,328	2,760	(7,088)	-	-	-
Pension reserve	-	5,000	(8,000)	-	3,000	-
	<u>179,353</u>	<u>928,219</u>	<u>(922,890)</u>	<u>(48,852)</u>	<u>3,000</u>	<u>138,830</u>

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FOR THE YEAR ENDED 31 AUGUST 2023

16. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Restricted fixed asset funds						
Assets						
Transferred on Conversion	1,407,000	-	-	-	-	1,407,000
Capital Expenditure from GAG	16,190	-	(8,889)	48,852	-	56,153
ESFA Capital Grants	25,211	475,773	(13,267)	-	-	487,717
Other Government Grants	10,324	-	(2,022)	-	-	8,302
	<u>1,458,725</u>	<u>475,773</u>	<u>(24,178)</u>	<u>48,852</u>	<u>-</u>	<u>1,959,172</u>
Total Restricted funds	<u>1,638,078</u>	<u>1,403,992</u>	<u>(947,068)</u>	<u>-</u>	<u>3,000</u>	<u>2,098,002</u>
Total funds	<u><u>1,722,424</u></u>	<u><u>1,444,510</u></u>	<u><u>(980,667)</u></u>	<u><u>-</u></u>	<u><u>3,000</u></u>	<u><u>2,189,267</u></u>

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

Unrestricted funds

Unrestricted funds represent both those resources, as well as funds transferred to the Academy from the Local Authority upon conversion, which may be used towards meeting any of the objects of the Academy at the discretion of the Trustees. These are not currently designated for particular purposes.

Restricted Fixed Asset funds

Transfer from Local Authority on conversion represents the assets transferred to the Academy from the Local Authority upon conversion.

Capital expenditure from GAG represents fixed asset expenditure transferred from other restricted income.

Restricted Revenue funds

General Annual Grant (GAG) is made up of a number of different funding streams, all of which are used to cover the running costs of the Academy.

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16. Statement of funds (continued)

Other ESFA Grants, other government grants and other restricted funds represent monies received for specific purposes.

Pension Reserve represents the current balance of the Local Government Pension Scheme (LGPS).

Transfers between funds represent the use of recurrent income being used to fund capital expenditure.

Summary

The balance on restricted general funds plus unrestricted general funds at 31 August 2023 results in a net surplus of £230,095.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds					
General Funds	79,896	12,184	(7,734)	-	84,346
Restricted general funds					
General Annual Grant (GAG)	98,630	767,534	(718,559)	-	147,605
Other DfE/ESFA Grants	28,606	140,135	(141,321)	-	27,420
Other Government Grants	4,328	34,247	(34,247)	-	4,328
Other Activities	-	6,850	(6,850)	-	-
Pension reserve	(440,000)	-	(159,000)	599,000	-
	<u>(308,436)</u>	<u>948,766</u>	<u>(1,059,977)</u>	<u>599,000</u>	<u>179,353</u>
Restricted fixed asset funds					
Assets Transferred on Conversion	1,407,000	-	-	-	1,407,000
Capital Expenditure from GAG	28,890	-	(12,700)	-	16,190
ESFA Capital Grants	33,095	5,890	(13,774)	-	25,211
Other Activities	12,449	-	(2,125)	-	10,324
	<u>1,481,434</u>	<u>5,890</u>	<u>(28,599)</u>	<u>-</u>	<u>1,458,725</u>

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16. Statement of funds (continued)

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Total Restricted funds	1,172,998	954,656	(1,088,576)	599,000	1,638,078
Total funds	1,252,894	966,840	(1,096,310)	599,000	1,722,424

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	1,959,172	1,959,172
Current assets	91,265	468,237	313,753	873,255
Creditors due within one year	-	(324,978)	(313,753)	(638,731)
Creditors due in more than one year	-	(4,429)	-	(4,429)
Total	91,265	138,830	1,959,172	2,189,267

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	1,456,690	1,456,690
Current assets	84,346	271,726	2,035	358,107
Creditors due within one year	-	(85,730)	-	(85,730)
Creditors due in more than one year	-	(6,643)	-	(6,643)
Total	84,346	179,353	1,458,725	1,722,424

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18. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of financial activities)	463,843	(39,470)
Adjustments for:		
Depreciation	20,555	25,784
Capital grants from DfE and other capital income	(475,773)	(5,890)
Interest receivable	(193)	(154)
Defined benefit pension scheme cost less contributions payable	7,000	61,000
Defined benefit pension scheme finance (income)/cost	(5,000)	7,000
Increase in debtors	(398,428)	(6,348)
Increase in creditors	553,001	16,247
Administrative cost of defined benefit pension scheme	1,000	1,000
Net cash provided by operating activities	166,005	59,169

19. Cash flows from financing activities

	2023 £	2022 £
Repayments of borrowing	(2,214)	(2,215)
Net cash used in financing activities	(2,214)	(2,215)

20. Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	193	154
Purchase of tangible fixed assets	(523,037)	(1,040)
Capital grants from DfE Group	475,773	5,890
Net cash (used in)/provided by investing activities	(47,071)	5,004

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21. Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash in hand and at bank	446,535	329,815
Total cash and cash equivalents	446,535	329,815

22. Analysis of changes in net debt

	At 1 September 2022	Cash flows	At 31 August 2023
	£	£	£
Cash at bank and in hand	329,815	116,720	446,535
Debt due within 1 year	(2,214)	-	(2,214)
Debt due after 1 year	(6,643)	2,214	(4,429)
	320,958	118,934	439,892

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23. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2019 and of the LGPS 31 March 2022.

Contributions amounting to £13,788 were payable to the schemes at 31 August 2023 (2022 - £12,422) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

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23. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £71,854 (2022 - £78,100).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £56,000 (2022 - £52,000), of which employer's contributions totalled £45,000 (2022 - £41,000) and employees' contributions totalled £ 11,000 (2022 - £11,000). The agreed contribution rates for future years are 25.6 per cent for employers and various per cent for employees.

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

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on gov.uk.

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23. Pension commitments (continued)

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.85	3.25
Rate of increase for pensions in payment/inflation	2.85	2.95
Discount rate for scheme liabilities	5.30	4.25
Inflation assumption (CPI)	2.85	2.95

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	19.5	21.2
Females	22.6	23.7
<i>Retiring in 20 years</i>		
Males	20.8	22.1
Females	24.0	25.1

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate -0.1%	17	18
Mortality assumption - 1 year increase	24	23
CPI rate +0.1%	15	16

The pension scheme surplus/deficit is based on the actuarial assumptions used as at the 31 August 2023. These can, and do, change after the year end. The above sensitivity analysis shows how the position stated can change significantly based on changes to the actuarial assumptions. A change in the markets is likely to result in an increased pension scheme deficit by next year end. Post year end valuations could be obtained to provide an indication, however, it is considered that the cost would outweigh the benefit to the users of the accounts, and would not be value for money.

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23. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023	<i>At 31 August 2022</i>
	£	£
Equities	686,000	620,000
Corporate bonds	146,000	100,000
Property	83,000	107,000
Cash and other liquid assets	196,000	20,000
Total market value of assets	1,111,000	<i>847,000</i>

The actual return on scheme assets was £24,000 (2022 - £2,000).

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

	2023	<i>2022</i>
	£	£
Current service cost	(52,000)	<i>(102,000)</i>
Interest income	38,000	<i>14,000</i>
Interest cost	(33,000)	<i>(21,000)</i>
Administrative expenses	(1,000)	<i>(1,000)</i>
Total amount recognised in the Statement of financial activities	(48,000)	<i>(110,000)</i>

At 31 August 2023, the present value of the defined benefit obligation at the reporting date was valued at less than the fair value of plan assets and therefore the plan has a surplus. In accordance with FRS 102, an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. On the basis that the separate triennial valuation is used to calculate future contribution rates on a different valuation basis there is no realistic expectation that the surplus will be realised or will provide future economic benefit to the trust. As a result the pension asset has not been recognised in the balance sheet of the financial statements. The asset and liability movements as included in the FRS 102 valuation report has been disclosed below for transparency.

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23. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	757,000	1,293,000
Current service cost	52,000	102,000
Interest cost	33,000	21,000
Employee contributions	11,000	11,000
Actuarial gains	(15,000)	(611,000)
Benefits paid	26,000	(59,000)
At 31 August	864,000	757,000

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

	2023 £	2022 £
At 1 September	847,000	853,000
Interest income	38,000	14,000
Actuarial gains/(losses)	145,000	(12,000)
Employer contributions	45,000	41,000
Employee contributions	11,000	11,000
Benefits paid	26,000	(59,000)
Administration expense	(1,000)	(1,000)
At 31 August	1,111,000	847,000

24. Operating lease commitments

At 31 August 2023 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	1,560	1,516
Later than 1 year and not later than 5 years	3,276	-
	4,836	1,516

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25. 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.

26. Related party transactions

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

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