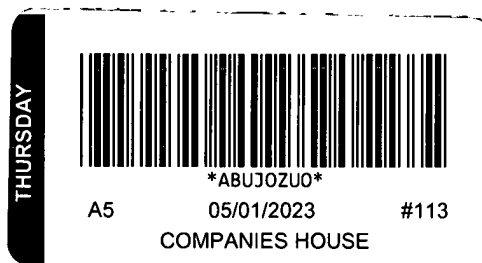


DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022



DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members

C Bruce-Spencer
R Johnson
S Viles
L Hall
G Davis (appointed 21 June 2022)

Trustees

C Bruce-Spencer, Chair
T Orchard
D Roberts, Headteacher
L Chalinder
F Coombs
D Creber
R Greenacre
C Sanders
R Killick (resigned 5 July 2022)
M West
S Moreton, Staff Trustee (resigned 6 October 2022)
S Pentecost (resigned 5 July 2022)
H Price
M Pickersgill (appointed 1 March 2022)

Company registered number

07523546

Company name

Devonport High School For Boys Academy Trust

Principal and registered office

Paradise Road
Plymouth
Devon
PL1 5QP,



DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

Company secretary

G Davis (resigned 11 May 2022)
K Edwards
J Waites (appointed 17 May 2022)

Senior management team

D Roberts, Headteacher
D Adams, Deputy Headteacher
R Edwards, Deputy Headteacher
S Davidson, Assistant Headteacher
S Coombes, Assistant Headteacher
N Berryman, Assistant Headteacher
G Davis, Business Manager (resigned 20 May 2022)
J Waites, Business Manager (appointed 21 May 2022)
S Manley, Assistant Head Pastoral

Independent auditors

Griffin
Chartered Accountants
Silverdown Office Park
Exeter Airport Business Park
Exeter
EX5 2UX

Bankers

HSBC Bank PLC
South Devon Commercial Centre
20 William Prance Road
Plymouth
PL6 5WR

Solicitors

Wolferstans Solicitors
60-66 North Hill
Plymouth
PL4 8EP

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the Financial Year ended 31 August 2022. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Academy Trust operates as a boys' grammar school for pupils aged 11 to 18 serving a catchment area of Plymouth and its environs including the South Hams, West Devon and East Cornwall areas. Entrance at 11 is by selection and progression to the coeducational sixth form is subject to satisfactory GCSE results.

Structure, governance and management

a. Constitution

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum of Association is the primary governing documents of the Academy Trust.

The Trustees of Devonport High School for Boys Academy Trust Limited are also the Directors of the Charitable Company for the purposes of company law.

The Charitable Company is known as Devonport High School for Boys Academy Trust. For local reference purposes, the school will continue to be known as Devonport High School for Boys.

The Trustees delegate the responsibility for the day-to-day governance of Devonport High School for Boys to the Governing Body, and the Trustees are responsible for appointments to the Governing Body.

Details of the Trustees and Governors who served throughout the period, except as noted, are included in the Reference and Administrative Details on page 1.

b. Members' liability

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

c. Trustees' indemnities

In accordance with normal commercial practice the Trust has insurance in place to protect Trustees and officers from claims arising from negligent acts, errors or omissions whilst on Trust business. The limit of the indemnity is £25,000,000 and cover is being provided by Zurich Insurance.

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

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

Trustees can appoint up to nine Trustees, and three staff Trustees. The latter are usually appointed after consultation with or election by the Staff. Parent Trustees are appointed by current parents of boys registered at the School. Governors can co-opt up to three further Trustees.

The two main aims are to ensure that all stakeholders of Devonport High School for Boys are represented on the Governing Body, and that the experience of Trustees is matched to the issues that will need decisions by the Trustees.

e. Policies adopted for the induction and training of Trustees

After appointment, each new Trustee is linked with a Trustee of some years standing on a mentoring basis for an initial period. In addition, the School offers to fund places on relevant training courses, which cover various matters (for example finance, recruitment and chairmanship).

f. Organisational structure

The Trustees hold meetings in both Committees and as a complete Board. The Committees are Standards and Enterprise. Matters needing policy decisions are referred to these Committees by the Headteacher and Leadership Group for consideration. A member of the Leadership Group is present at each of these Committee Meetings. Matters are routinely referred from one Committee to another as circumstances demand. Following this, each Committee reports to the Main Board, and decisions that relate to the Governing Body as a whole are taken by vote, and recorded at Main Board Meetings.

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

Salaries of the School's Leadership Group are set in accordance with the school's pay policy which is periodically reviewed by the Governing Body. Given that staff transferred to the Academy under TUPE arrangements, much of the salary infrastructure is little changed from pre-academy status and continues to work broadly in line with the operation of the School Teachers' Pay Review Body which publishes an annual School Teachers Pay and Conditions Document (STPCD) which forms the basis of the pay policy.

ISRs - Individual Salary Ranges are determined for the Head, Deputy Head and Assistant Heads and movement through the range is reviewed each year with progression subject to the achievement of performance objectives. The Head completes the performance review of the Deputy and Assistant Heads. The Head's performance Management is undertaken by a Strategy Group of Governors consisting of the Chairs of Committees assisted by the expert advice of an independent Educational Adviser who visits the school in advance of the review and provides feedback about the quality of Teaching and Learning.

By way of information, ISR's are developed from the methodology recommended in the STPCD, which arrives at a group total for the school based on the number of students on roll in each key stage. The "group total" for the school determines the salary range for the Head and the differential between Head and Deputy, and Deputy and Assistant Head.

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

| | |
|---|-----|
| Number of employees who were relevant union officials during the year | 2 |
| Full-time equivalent employee number | 116 |

Percentage of time spent on facility time

| Percentage of time | Number of employees |
|--------------------|---------------------|
| 0% | - |
| 1%-50% | 2 |
| 51%-99% | - |
| 100% | - |

Percentage of pay bill spent on facility time **£000**

| | |
|---|-------|
| Total cost of facility time | 3 |
| Total pay bill | 5,724 |
| Percentage of total pay bill spent on facility time | - % |

Paid trade union activities

| | |
|---|-----|
| Time spent on paid trade union activities as a percentage of total paid facility time hours | - % |
|---|-----|

i. Connected organisations including related party relationships

Trustees complete a declaration on an annual basis which sets out any relationship with the School that is not directly related to duties as a Trustee. In addition, each Trustee is required to declare a potential "conflict of interest" if it arises between such declarations. Once such a declaration has been made, the Governor concerned takes no further part in any decision relating to the related matter which has been declared.

In the course of the School's normal activities, the Headteacher maintains collaborative relationships with other secondary schools, particularly those in the Plymouth area, where matters of mutual interest are discussed.

Objectives and activities

a. Objects and aims

Devonport High School for Boys Academy Trust's principal object is the advancement of public benefit education in the United Kingdom and in a way that establishes, maintains and develops a school which offers a broad and balanced curriculum.

In furtherance of this object the School's powers to raise funds, invite contributions, employ staff and provide educational facilities and services to students of all ages and the wider community for the public benefit are documented within the school's Articles of Association.

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

Objectives and activities (continued)

b. Objectives, strategies and activities

The School aims to educate pupils in a holistic manner. A primary aim is to secure the best examination results possible for each pupil by matching the pupil's abilities and aspirations to the appropriate courses. In addition, the education provides for sporting, dramatic and citizenship development in parallel to the academic aims.

c. Public benefit

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

The School is highly conscious of its place as part of the local community. Its main aim is to provide a first class education and, in furtherance of this aim, the School's facilities are continually reviewed and expanded as funds allow. In recent years sporting facilities have been improved by the building of floodlit All Weather Pitches, in addition to a purpose built indoor Sports Hall and a modern Theatre. All of these facilities are available to the local community on a hire basis.

Strategic report

Achievements and performance

a. Key performance indicators

Educational

The importance of data as a trigger for debate, review, intervention, and policy development is well developed at DHSB and important roles have been established to prepare and circulate management information about progress and attainment which assist staff in achieving the best possible outcomes for students. The school has responded to Government measures of progress; Progress 8 and Attainment 8; and systems are in place to provide challenge and support throughout the School to ensure that progress and value added are at or above the expected norm.

Due to the Covid-19 pandemic, continuous disruption to our normal provision continued but we are extremely proud that the School never compromised in the high quality offer of all aspects of education. Our stakeholders are overall extremely satisfied and commend the School during this time.

Financial

The GAG (General Annual Grant) funding received in 2021-22 has been carefully managed. The school has produced an operating revenue surplus of £244,000 in year. The school has comfortable reserves of £683,000 to carry forward.

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

The budget projections for the next three years have been discussed and agreed by the Trustees. Each of these years shows a modest budgetary surplus.

Pay Increases for both teaching and support staff have been agreed by the Trustees along nationally recommended percentages. It is however noted that these are, at the time of writing, unfunded by the DfE. These increases will be built into future projections.

Financial review 2021-22

Post the Covid-19 outbreak, spend patterns have reverted to a more normal profile. Pupil numbers again show an increase in the 6th Form. Possibly as a consequence, the Link Partnership will show a small surplus for the first time.

The Ed Tech Grant has now been received, and will continue into early 2022-23. The DfE IT Grant has been received and utilised. The Capital Grant for the repairs to the Colonnade was partly received, and further receipts will follow as the delayed work progresses in 2022-23.

It has been possible to utilise part of our funds on the premises. The historical Guardroom is now fully converted into a Reception Area. Improvements have been made to the decor of the largely un-redecorated A Block, two brand new laboratories and a small prep room have been completed and added. Utilities have been frequently monitored, and were on budget. The gas supply is locked into a fixed price until March 2023, but when full likely price increases are established the budgets for the remainder of 2022-23 and future years will be appropriately amended.

a. Reserves policy

The School continues to retain a carry forward provision in order to fund specific projects, and to provide sufficient funds to meet the costs of unforeseen circumstances. As already outlined above, we believe that the level is sufficient for both these needs and is within the mandatory percentage limit of Public Funding. The level will be carefully monitored in order to balance the wish to spend carefully on both additional teaching resources and building repairs and improvements against the prudent need to preserve a financial cushion against unknowns such as non teaching staff pension fund actuarial revaluations and increased energy costs.

b. Investment policy

The School regularly monitors its projected cashflow. Short term deposits of the surplus are placed with either a money market facility linked to the School's current account, or a deposit facility with Virgin money. Returns are currently small, but in the current climate may increase.

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

c. Principal risks and uncertainties

The main risk to the school is still the maintenance of pupil numbers. As described above, we have no immediate concerns, the Trustees' aim is to promote the merits of the school by appropriate contact with feeder schools, and suitable publicity. The school is a selective school that offers an academic education, and as such is usually fortunate in that applications often exceed available places.

Funding is from a number of sources, and the Trustees, by means of careful budgeting, balance the available funding to the resources necessary to fulfil the aims of the school.

The control of the spending of this funding is subject to financial controls as set out in the Financial Policy and Procedures Manual, which is reviewed periodically by the Finance and Audit Committee.

We have been supported by the work of the Responsible Officer. This involved regular reporting on matters of financial control, and broadly meets the function known in other organisations as "internal audit".

In addition, the requirements of the Companies Act and the Charity Commissioners mean that there is an external audit performed at the end of each accounting period.

Fundraising

The school does not use any external fundraisers and all fundraising undertaken during the year was monitored by the Trustees and was limited to voluntary donations made by families to support the general work of the school. For tax efficient donations, gift aid was recovered from HMRC as appropriate.

Plans for future periods

The future plan is to maximise post-16 funding and student levels, and to monitor carefully the impact of future formula changes, including, most importantly, the implementation of the National Funding Formula, which provides an improved financial settlement. The cost of maintaining a Covid-19 secure environment is also being carefully monitored.

Disclosure of information to auditors

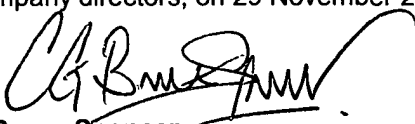
Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Governors 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.

Auditors

The auditors, Griffin, have indicated their willingness to continue in office. The designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 29 November 2022 and signed on its behalf by:


C Bruce Spencer
Chair of Trustees

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Devonport High School for Boys Academy Trust 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 Devonport High School For Boys Academy Trust 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.

Active self review is facilitated at every Committee meeting when, at the end of the business agenda, a review of the decisions taken, and conclusions reached is formally documented.

During the Autumn Term, Governors hold a seminar at which future policy and strategy is discussed. Visiting speakers will often be invited to advise and update Governors on topical issues.

In addition to the seminar, Governors undertake relevant training and updating by using external providers which includes a subscription to the NGA and input where necessary from training providers specialising in School Governance issues.

Governance

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

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

| Trustee | Meetings attended | Out of a possible |
|--------------------------|-------------------|-------------------|
| C Bruce-Spencer, Chair | 6 | 6 |
| T Orchard | 6 | 6 |
| D Roberts, Headteacher | 6 | 6 |
| H Price | 3 | 6 |
| L Chalinder | 2 | 6 |
| F Coombs | 5 | 6 |
| D Creber | 5 | 6 |
| R Greenacre | 5 | 6 |
| C Sanders | 6 | 6 |
| R Killick | 4 | 6 |
| M West | 5 | 6 |
| S Moreton, Staff Trustee | 5 | 6 |
| M Pickersgill | 3 | 3 |
| S Pentecost | 5 | 6 |

Annually a written request is made to all Trustees to declare their interests and this is updated on all relevant information points. As part of the code of conduct for trustees they are made aware that should any conflict arise they are to notify this as soon as possible. Additionally, at the start of each meeting all attendees are formally asked to make any declaration of interests.

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Enterprise Committee is a sub-committee of the main board of Trustees. Its purpose is to deal with finance and estate issues.

Attendance during the year at meetings was as follows:

| Trustee | Meetings attended | Out of a possible |
|------------------|-------------------|-------------------|
| C Bruce-Spencer | 6 | 6 |
| R Greenacre | 6 | 6 |
| S Moreton | 5 | 6 |
| T Orchard, Chair | 6 | 6 |
| S Pentecost | 6 | 6 |
| H Price | 5 | 6 |
| D Roberts | 6 | 6 |
| M Pickersgill | 2 | 3 |

Review of value for money

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

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

- Students achieved strong GCSE results this year against an extremely challenging year due to the Covid-19 pandemic. 99% achieved the equivalent of 5 A*-C (4-9) grades including English and Maths and 58% of grades were at A*-A grade or (7-9).
- At A level, 72% of grades were at A* - B and 88% of students were accepted onto their chosen courses at University.
- Strong results have been achieved in what continues to be a challenging financial climate. It remains a challenge for the school to balance investment between its staffing and general infrastructure, and opportunities to make savings are taken wherever possible.

System of internal control

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

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Trustees has decided to employ Victoria Sewell as internal auditor.

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

- Financial budgeting
- Payroll
- Income and Expenditure
- Related Party Transactions
- Bank reconciliations
- Bromcom updates

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

The internal auditor delivered their schedule of work as intended and a plan is in place to address weaknesses and ensure continuous improvement.

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

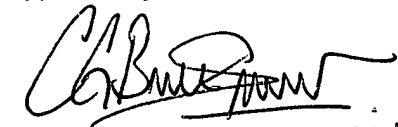
Review of effectiveness

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 Responsible Officer;
- the financial management and governance self-assessment process;
- 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 committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



C Bruce-Spencer
Governor and Trustee

29/11/22



D Roberts
Accounting Officer

29/11/22

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



D Roberts
Headteacher & Accounting Officer
Date: 29 November 2022

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

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

Company law requires the Trustees to prepare financial statements for each financial 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:

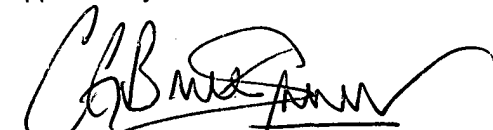
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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



C Bruce Spencer
Chair of Trustees
Date: 29 November 2022

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST (CONTINUED)**

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

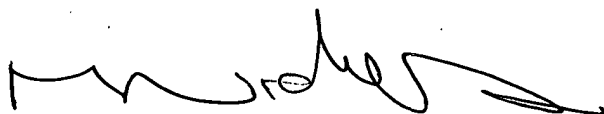
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST (CONTINUED)**

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.



Misty Nickells FCA (Senior statutory auditor)

for and on behalf of

Griffin

Statutory Auditor

Silverdown Office Park

Exeter Airport Business Park

Exeter

EX5 2UX

5 December 2022

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DEVONPORT
HIGH SCHOOL FOR BOYS ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 24 August 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Devonport High School For Boys Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Devonport High School For Boys Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Devonport High School For Boys Academy Trust's funding agreement with the Secretary of State for Education dated 4 February 2011 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw our conclusion includes:

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

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DEVONPORT
HIGH SCHOOL FOR BOYS ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

Conclusion

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



Misty Nickells FCA (Senior statutory auditor)
Reporting Accountant
Griffin
Silverdown Office Park
Exeter Airport Business Park
Exeter
EX5 2UX

Date: 5 December 2022

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

| | Note | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Restricted fixed asset funds 2022 £000 | Total funds 2022 £000 | Total funds 2021 £000 |
|---|------|---------------------------------------|-------------------------------------|--|--------------------------------|--------------------------------|
| Income from: | | | | | | |
| Donations and capital grants | 4 | 19 | 253 | 102 | 375 | 166 |
| Other trading activities | 6 | 319 | - | - | 319 | 217 |
| Investments | 7 | 1 | - | - | 1 | 3 |
| Charitable activities | 5 | 437 | 6,913 | - | 7,350 | 7,116 |
| Total income | | 776 | 7,166 | 102 | 8,044 | 7,502 |
| Expenditure on: | | | | | | |
| Raising funds | 8 | 302 | - | - | 302 | 4 |
| Charitable activities | 9 | 363 | 7,501 | 332 | 8,196 | 7,848 |
| Total expenditure | | 665 | 7,501 | 332 | 8,498 | 7,852 |
| Net income/(expenditure) | | 111 | (335) | (230) | (454) | (350) |
| Transfers between funds | 19 | (20) | 72 | (52) | - | - |
| Net movement in funds before other recognised gains/(losses) | | 91 | (263) | (282) | (454) | (350) |
| Other recognised gains/(losses): | | | | | | |
| Actuarial gains/(losses) on defined benefit pension schemes | 27 | - | 4,235 | - | 4,235 | (197) |
| Net movement in funds | | 91 | 3,972 | (282) | 3,781 | (547) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 330 | (4,896) | 16,441 | 11,875 | 12,422 |
| Net movement in funds | | 91 | 3,972 | (282) | 3,781 | (547) |
| Total funds carried forward | | 421 | (924) | 16,159 | 15,656 | 11,875 |

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

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

The notes on pages 26 to 56 form part of these financial statements.

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07523546

BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2022

| | Note | 2022 £000 | 2021 £000 |
|---|------|----------------------|----------------------|
| Fixed assets | | | |
| Tangible assets | 14 | 15,820 | 15,965 |
| | | <u>15,820</u> | <u>15,965</u> |
| Current assets | | | |
| Stocks | 15 | 6 | 12 |
| Debtors | 16 | 294 | 569 |
| Cash at bank and in hand | | 1,286 | 844 |
| | | <u>1,586</u> | <u>1,425</u> |
| Creditors: amounts falling due within one year | 17 | (474) | (437) |
| Net current assets | | <u>1,112</u> | <u>988</u> |
| Total assets less current liabilities | | <u>16,932</u> | <u>16,953</u> |
| Creditors: amounts falling due after more than one year | 18 | - | (3) |
| Net assets excluding pension liability | | <u>16,932</u> | <u>16,950</u> |
| Defined benefit pension scheme liability | 27 | (1,276) | (5,075) |
| Total net assets | | <u><u>15,656</u></u> | <u><u>11,875</u></u> |
| Funds of the Academy | | | |
| Restricted funds: | | | |
| Restricted fixed asset funds | 19 | 16,159 | 16,441 |
| Restricted income funds | 19 | 352 | 179 |
| | | <u>16,511</u> | <u>16,620</u> |
| Restricted funds excluding pension asset | 19 | 16,511 | 16,620 |
| Pension reserve | 19 | (1,276) | (5,075) |
| Total restricted funds | 19 | <u>15,235</u> | <u>11,545</u> |
| Unrestricted income funds | 19 | 421 | 330 |
| Total funds | | <u><u>15,656</u></u> | <u><u>11,875</u></u> |

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

The financial statements on pages 21 to 56 were approved by the Trustees, and authorised for issue on 29 November 2022 and are signed on their behalf, by:


C Bruce Spencer
Chair of Trustees

The notes on pages 26 to 56 form part of these financial statements.

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

| | Note | 2022 £000 | 2021 £000 |
|---|--------|--------------|--------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 21 | 314 | 260 |
| Cash flows from investing activities | 23 | 141 | 45 |
| Cash flows from financing activities | 22 | (13) | (15) |
| Change in cash and cash equivalents in the year | | 442 | 290 |
| Cash and cash equivalents at the beginning of the year | | 844 | 554 |
| Cash and cash equivalents at the end of the year | 24, 25 | 1,286 | 844 |

The notes on pages 26 to 56 form part of these financial statements

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

The Board of Trustees has a reasonable expectation that the trust has adequate resources to continue to operate for the foreseeable future. The Trustees have considered a number of factors in arriving at this conclusion. The Academy had a strong revenue reserves position at 31 August 2022 of £773,000, of which £90,000 is restricted as a 3G sinking fund. A detailed budget for 2022/23 has been prepared and updated to include the impact of inflation, such as additional staffing costs and energy costs. This budget for 2022/23 is forecasting a surplus after taking these additional costs into account. A 3 year budget has also been prepared which shows surpluses in later years. This will leave the trust in a strong position to continue investment in the site and still continue to operate within the Reserves policy.

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.

• **Sponsorship income**

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income (continued)

- **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.

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

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

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

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.7 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

| | |
|---|------------|
| Freehold property (original listed - Not depreciated structure) | |
| Leasehold property | - 4% - 10% |
| Furniture and fixtures | - 20% |
| Computer equipment | - 25% |

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.

1.8 Stocks

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

1.9 Debtors

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

1.10 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.

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.11 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.

1.12 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Academy. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.14 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.

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.15 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 32.

1.16 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.

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy 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 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the academy to determine, based on evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

3. General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy was subject to limits at 31 August 2022 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy has not exceeded these limits during the year ended 31 August 2022.

4. Income from donations and capital grants

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Restricted fixed asset funds 2022 £000 | Total funds 2022 £000 |
|----------------|---------------------------------------|-------------------------------------|--|--------------------------------|
| Donations | 19 | 253 | - | 272 |
| Capital Grants | - | - | 102 | 102 |
| | <u>19</u> | <u>253</u> | <u>102</u> | <u>374</u> |

| | Unrestricted funds 2021 £000 | Restricted fixed asset funds 2021 £000 | Total funds 2021 £000 |
|----------------|---------------------------------------|--|--------------------------------|
| Donations | 43 | - | 43 |
| Capital Grants | - | 123 | 123 |
| | <u>43</u> | <u>123</u> | <u>166</u> |

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

5. Funding for the academy's educational operations

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Total funds 2022 £000 |
|---|---------------------------------------|-------------------------------------|--------------------------------|
| DfE/ESFA grants | | | |
| General Annual Grant | - | 6,517 | 6,517 |
| Other DfE/ESFA grants | | | |
| Other DfE/ESFA Funding | - | 349 | 349 |
| | - | 6,866 | 6,866 |
| Other Government grants | | | |
| High Needs | - | 22 | 22 |
| | - | 22 | 22 |
| Other income from the Academy's educational operations | 437 | 25 | 462 |
| | 437 | 6,913 | 7,350 |
| | 437 | 6,913 | 7,350 |

DEVONPORT HIGH SCHOOL FOR BOYS ACADEMY TRUST
(A company limited by guarantee)

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

5. Funding for the academy's educational operations (continued)

| | <i>Unrestricted funds 2021 £000</i> | <i>Restricted funds 2021 £000</i> | <i>Total funds 2021 £000</i> |
|---|---|---|--|
| DfE/ESFA grants | | | |
| General Annual Grant | - | 6,072 | 6,072 |
| Other DfE/ESFA grants | | | |
| Teachers Pay and Pension Grants | - | 326 | 326 |
| Pupil Premium | - | 111 | 111 |
| Other DfE/ESFA Funding | - | 129 | 129 |
| | - | 6,638 | 6,638 |
| Other Government grants | | | |
| High Needs | - | 46 | 46 |
| | - | 46 | 46 |
| Other income from the Academy's educational operations | 299 | - | 299 |
| COVID-19 additional funding (DfE/ESFA) | | | |
| Catch-up Premium | - | 72 | 72 |
| Covid Mass Testing | - | 39 | 39 |
| | - | 111 | 111 |
| COVID-19 additional funding (non-DfE/ESFA) | | | |
| Coronavirus Job Retention Scheme grant | - | 22 | 22 |
| | - | 22 | 22 |
| | 299 | 6,817 | 7,116 |
| | 299 | 6,817 | 7,116 |

In 2020/21, the academy trust was eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding which was received is shown above under 'Covid-19 additional funding (DfE/ESFA)'.

In 2020/21, the academy received £72,000 of funding for catch-up premium and costs incurred in respect of this funding totalled £227,880, with £49,220 remaining unspent at the year end.

In 2020/21, the academy furloughed 11 members of its staff under the government's CJRS. The funding received of £22,290 relates to staff costs in respect of staff which were included within note 11.

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**NOTES TO THE FINANCIAL STATEMENTS
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6. Income from other trading activities

| | Unrestricted funds 2022 £000 | Total funds 2022 £000 |
|--------------------|---|--|
| Hire of facilities | 88 | 88 |
| Other income | 231 | 231 |
| | <u>319</u> | <u>319</u> |

| | <i>Unrestricted funds 2021 £000</i> | <i>Total funds 2021 £000</i> |
|--------------------|---|--|
| Hire of facilities | 50 | 50 |
| Other income | 167 | 167 |
| | <u>217</u> | <u>217</u> |

7. Investment income

| | Unrestricted funds 2022 £000 | Total funds 2022 £000 |
|-------------------|---|--|
| Interest received | <u>1</u> | <u>1</u> |

| | <i>Unrestricted funds 2021 £000</i> | <i>Total funds 2021 £000</i> |
|-------------------|---|--|
| Interest received | <u>3</u> | <u>3</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Expenditure

| | Staff Costs 2022 £000 | Premises 2022 £000 | Other 2022 £000 | Total 2022 £000 |
|--|--------------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| Expenditure on raising voluntary income: | | | | |
| Direct costs | - | - | 302 | 302 |
| Academy's educational operations: | | | | |
| Direct costs | 5,005 | 183 | 651 | 5,839 |
| Allocated support costs | 1,267 | 472 | 618 | 2,357 |
| | <u>6,272</u> | <u>655</u> | <u>1,571</u> | <u>8,498</u> |
| | | | | |
| | Staff Costs 2021 £000 | Premises 2021 £000 | Other 2021 £000 | Total 2021 £000 |
| Expenditure on raising voluntary income: | | | | |
| Direct costs | - | - | 4 | 4 |
| Academy's education operations: | | | | |
| Direct costs | 5,013 | 172 | 562 | 5,747 |
| Allocated support costs | 1,226 | 322 | 553 | 2,101 |
| | <u>6,239</u> | <u>494</u> | <u>1,119</u> | <u>7,852</u> |

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9. Analysis of expenditure by activities

| | Activities undertaken directly 2022 £000 | Support costs 2022 £000 | Total funds 2022 £000 |
|-----------|---|--|--|
| Education | 5,839 | 2,357 | 8,196 |

| | <i>Activities undertaken directly 2021 £000</i> | <i>Support costs 2021 £000</i> | <i>Total funds 2021 £000</i> |
|-----------|---|--|--|
| Education | 5,747 | 2,101 | 7,848 |

Analysis of direct costs

| | Total funds 2022 £000 | Total funds 2021 £000 |
|-----------------------------------|--|--|
| Staff costs | 4,976 | 5,005 |
| Depreciation | 284 | 247 |
| Educational supplies | 76 | 56 |
| Examination fees | 168 | 107 |
| Staff development | 22 | 20 |
| Other costs | 229 | 247 |
| Supply teachers | 29 | 7 |
| Recruitment and other staff costs | 14 | 3 |
| Technology costs | 41 | 55 |
| | 5,839 | 5,747 |

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9. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Total funds 2022 £000 | Total funds 2021 £000 |
|---------------------------------------|--|--|
| Pension finance costs | 82 | 71 |
| Staff costs | 1,266 | 1,226 |
| Depreciation | 48 | 60 |
| Educational supplies | 2 | 2 |
| Other costs | 125 | 80 |
| Maintenance of premises and equipment | 289 | 116 |
| Cleaning | 25 | 26 |
| Rent and rates | 29 | 40 |
| Heat and light | 108 | 98 |
| Insurance | 27 | 19 |
| Security and transport | 37 | 32 |
| Catering | 188 | 152 |
| Technology costs | 73 | 106 |
| Office overheads | 17 | 14 |
| Legal and professional | 25 | 49 |
| Bank interest and charges | 7 | 2 |
| Governance costs | 9 | 8 |
| | 2,357 | 2,101 |

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

| | 2022 £000 | 2021 £000 |
|---------------------------------------|----------------------|----------------------|
| Operating lease rentals | 30 | 23 |
| Depreciation of tangible fixed assets | 333 | 307 |
| Fees paid to auditors for: | | |
| - audit | 7 | 7 |
| - other services | 1 | 1 |

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11. Staff

a. Staff costs

Staff costs during the year were as follows:

| | 2022 | 2021 |
|---------------------------|--------------|--------------|
| | £000 | £000 |
| Wages and salaries | 4,471 | 4,466 |
| Social security costs | 428 | 431 |
| Pension costs | 1,344 | 1,303 |
| | <u>6,243</u> | <u>6,200</u> |
| Agency staff costs | 29 | 7 |
| Staff restructuring costs | - | 32 |
| | <u>6,272</u> | <u>6,239</u> |

Staff restructuring costs comprise:

| | 2022 | 2021 |
|---------------------|-------------|-------------|
| | £000 | £000 |
| Redundancy payments | - | 32 |
| | <u>-</u> | <u>32</u> |

b. Special staff severance payments

Included in staff restructuring costs is one non-contractual staff severance payment totalling £Nil (2021: £5,043).

c. Staff numbers

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

| | 2022 | 2021 |
|----------------------------|-------------|-------------|
| | No. | No. |
| Teachers | 77 | 77 |
| Administration and support | 62 | 66 |
| Management | 8 | 8 |
| | <u>147</u> | <u>151</u> |

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11. Staff (continued)

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

| | 2022 | 2021 |
|--------------------------|-------------|-------------|
| | No. | No. |
| Teachers | 73 | 65 |
| Administration & support | 40 | 44 |
| Management | 8 | 8 |
| | 121 | 117 |

d. Higher paid staff

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

| | 2022 | 2021 |
|---------------------------------|-------------|-------------|
| | No. | No. |
| In the band £60,001 - £70,000 | 3 | 3 |
| In the band £70,001 - £80,000 | 1 | 2 |
| In the band £100,001 - £110,000 | 1 | 1 |

e. 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 £761,753 (2021 £753,390).

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12. Trustees' remuneration and expenses

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

| | | 2022 | 2021 |
|--|----------------------------|------------------|------------------|
| | | £000 | £000 |
| D Roberts, Headteacher | Remuneration | 105 - 110 | 100 - 105 |
| | Pension contributions paid | 25 - 30 | 25 - 30 |
| S Moreton, Staff Trustee (resigned 6 October 2022) | Remuneration | 25 - 30 | 25 - 30 |
| | Pension contributions paid | 5 - 10 | 5 - 10 |
| R Donnelly, Staff Trustee (resigned 17 June 2021) | Remuneration | | 25 - 30 |
| | Pension contributions paid | | 0 - 5 |

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

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £25,000,000 on any one claim and this cover is provided by Zurich. The cost for the year ended 31 August 2022 was £25,197 however this was 'All Risk Insurance' and hence it isn't possible to quantify the trustees' and officers' indemnity element from the overall cost of the insurance.

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14. Tangible fixed assets

| | Freehold property £000 | Furniture and equipment £000 | Computer equipment £000 | Total £000 |
|--------------------------|------------------------------|---------------------------------------|-------------------------------|---------------|
| Cost or valuation | | | | |
| At 1 September 2021 | 17,576 | 353 | 711 | 18,640 |
| Additions | 3 | 36 | 149 | 188 |
| At 31 August 2022 | 17,579 | 389 | 860 | 18,828 |
| Depreciation | | | | |
| At 1 September 2021 | 1,853 | 326 | 496 | 2,675 |
| Charge for the year | 214 | 14 | 105 | 333 |
| At 31 August 2022 | 2,067 | 340 | 601 | 3,008 |
| Net book value | | | | |
| At 31 August 2022 | 15,512 | 49 | 259 | 15,820 |
| At 31 August 2021 | 15,723 | 27 | 215 | 15,965 |

15. Stocks

| | 2022 £000 | 2021 £000 |
|------------|--------------|--------------|
| Shop stock | 6 | 12 |

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Debtors

| | 2022 £000 | 2021 £000 |
|--------------------------------|----------------------|----------------------|
| Due within one year | | |
| Trade debtors | 19 | 3 |
| Other debtors | 72 | 40 |
| Prepayments and accrued income | 203 | 526 |
| | <u>294</u> | <u>569</u> |

17. Creditors: Amounts falling due within one year

| | 2022 £000 | 2021 £000 |
|---|----------------------|----------------------|
| Trade creditors | 128 | 14 |
| Other taxation and social security | 107 | 118 |
| Obligations under finance lease and hire purchase contracts | 10 | 15 |
| Other creditors | 138 | 116 |
| Accruals and deferred income | 91 | 174 |
| | <u>474</u> | <u>437</u> |

| | 2022 £000 | 2021 £000 |
|--|----------------------|----------------------|
| Deferred income | | |
| Deferred income at 1 September 2021 | 121 | 101 |
| Resources deferred during the year | 7 | 121 |
| Amounts released from previous periods | (121) | (101) |
| Deferred income at 31 August 2022 | <u>7</u> | <u>121</u> |

At the balance sheet date the academy was holding funds received in advance of the 2022/23 financial year, in relation to other trading activities.

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17. Creditors: Amounts falling due within one year (continued)

Effective from September 2019, the school entered into recurring leasing arrangements for the supply of personal devices (1:1 Chromebooks) for use in school in support of teaching and learning. The scheme has proved to be highly successful and was instrumental in maintaining student engagement throughout lockdown. Devices are supplied to the school, and parents either purchase outright or make instalment payments in accordance with the scheme. Any liabilities arising from the finance lease are secured on the assets to which they relate. Any risk associated with the scheme is further mitigated by GAP insurance that will pay the difference between an outstanding lease commitment and what a parent has paid by way of a parental donation, in the situation where a parent terminates their donation direct debit and returns the device to the school.

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

| | 2022 | 2021 |
|---|-------------|-------------|
| | £000 | £000 |
| Net obligations under finance lease and hire purchase contracts | - | 3 |

Effective from September 2019, the school entered into recurring leasing arrangements for the supply of personal devices (1:1 Chromebooks) for use in school in support of teaching and learning. The scheme has proved to be highly successful and was instrumental in maintaining student engagement throughout lockdown. Devices are supplied to the school, and parents either purchase outright or make instalment payments in accordance with the scheme. Any liabilities arising from the finance lease are secured on the assets to which they relate. Any risk associated with the scheme is further mitigated by GAP insurance that will pay the difference between an outstanding lease commitment and what a parent has paid by way of a parental donation, in the situation where a parent terminates their donation direct debit and returns the device to the school.

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

| | Balance at 1 September 2021 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2022 £000 |
|-------------------------------------|---|----------------|---------------------|-----------------------------|----------------------------|---|
| Unrestricted funds | | | | | | |
| General Funds | 330 | 776 | (665) | (20) | - | 421 |
| Restricted general funds | | | | | | |
| General Annual Grant (GAG) | 60 | 6,517 | (6,367) | 52 | - | 262 |
| Teacher Pay and Pension Grants | - | 92 | (92) | - | - | - |
| Pupil Premium | - | 108 | (108) | - | - | - |
| Other Grants and Donations | - | 393 | (393) | - | - | - |
| Special Educational Needs | - | 23 | (23) | - | - | - |
| Educational Operations | - | 25 | (25) | - | - | - |
| Catch-up Premium | 49 | - | (49) | - | - | - |
| Covid Mass Testing | - | 8 | (8) | - | - | - |
| 3G Sinking fund | 70 | - | - | 20 | - | 90 |
| Pension reserve | (5,075) | - | (436) | - | 4,235 | (1,276) |
| | (4,896) | 7,166 | (7,501) | 72 | 4,235 | (924) |

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19. Statement of funds (continued)

| | Balance at 1 September 2021 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 August 2022 £000 |
|---|---|----------------|---------------------|-----------------------------|----------------------------|---|
| Restricted fixed asset funds | | | | | | |
| Transfer on conversion | 13,680 | - | (89) | - | - | 13,591 |
| DfE/ESFA capital grants | 1,733 | 27 | (19) | - | - | 1,741 |
| Capital expenditure from GAG | 875 | - | (157) | (52) | - | 666 |
| Other capital expenditure | 153 | 75 | (67) | - | - | 161 |
| | 16,441 | 102 | (332) | (52) | - | 16,159 |
| Total Restricted funds | 11,545 | 7,268 | (7,833) | 20 | 4,235 | 15,235 |
| Total funds | 11,875 | 8,044 | (8,498) | - | 4,235 | 15,656 |

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

General Annual Grant (GAG)

Income from the ESFA which is to be used for the normal running costs of the academy, including education and support costs.

Teachers Pay and Pension Grants

Income from the ESFA which is provided to support schools and local authorities with the cost of the increase in teachers' pay and employer contributions to the teachers' pension scheme.

Pupil Premium

Funding received from the ESFA for children that qualify for free school meals to enable the academy to address the current underlying inequalities between those children and their wealthier peers.

Other Grants and Donations

This income represents money received from the ESFA, or other sources, in relation to other immaterial grants or donations. This includes a 3G sinking fund, for which the academy are saving £20,000 a year for a replacement of the carpet on the 3G pitch.

Special Educational Needs

Income received from the Local Authority to fund further support for pupils with additional needs.

Educational Operations

This includes the academy's income from sales, such as uniform and general sales.

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19. Statement of funds (continued)

Catch-up Premium

Income received from the ESFA to help pupils and disadvantaged young people catch up on missed education because of coronavirus (Covid-19).

Covid Mass Testing

Income received in order to allow the implementation of mass testing procedures at schools during 2021.

Coronavirus Job Retention Scheme

Income received in order to support staff members, through paying a proportion of their wage whilst they were unable to work due to the coronavirus pandemic.

Pension Reserve

The academy's share of the assets and liabilities in the Local Government Pension Scheme. This is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy.

Fixed assets transferred on conversion

This represents the buildings and equipment donated to the school on conversion to an academy trust.

DfE/ESFA capital grants

Funding received from the DfE/ESFA to cover the maintenance and purchase of the school's assets.

Capital expenditure from GAG

Funds transferred from the restricted GAG fund to purchase fixed assets.

Other capital grants

This represents money from a variety of grants, as well as the academy's unrestricted reserves, that have been used to fund capital improvements.

Under the funding agreement with the Secretary Of State, the academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 2022 Note 3 discloses whether the limit was exceeded.

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19. Statement of funds (continued)

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

| | <i>Balance at 1 September 2020 £000</i> | <i>Income £000</i> | <i>Expenditure £000</i> | <i>Transfers in/out £000</i> | <i>Gains/ (Losses) £000</i> | <i>Balance at 31 August 2021 £000</i> |
|----------------------------------|---|------------------------|-----------------------------|--------------------------------------|-------------------------------------|---|
| Unrestricted funds | | | | | | |
| General Funds | 309 | 562 | (521) | (20) | - | 330 |
| Restricted general funds | | | | | | |
| General Annual Grant (GAG) | - | 6,073 | (5,954) | (59) | - | 60 |
| Teacher Pay and Pension Grants | - | 326 | (326) | - | - | - |
| Pupil Premium | - | 111 | (111) | - | - | - |
| Other Grants and Donations | - | 98 | (98) | - | - | - |
| Special Educational Needs | - | 46 | (46) | - | - | - |
| Educational Operations | - | 30 | (30) | - | - | - |
| Catch-up Premium | - | 72 | (23) | - | - | 49 |
| Covid Mass Testing | - | 39 | (39) | - | - | - |
| Coronavirus Job Retention Scheme | - | 22 | (22) | - | - | - |
| 3G Sinking fund | 50 | - | - | 20 | - | 70 |
| Pension reserve | (4,503) | - | (375) | - | (197) | (5,075) |
| | <u>(4,453)</u> | <u>6,817</u> | <u>(7,024)</u> | <u>(39)</u> | <u>(197)</u> | <u>(4,896)</u> |

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19. Statement of funds (continued)

| | <i>Balance at 1 September 2020 £000</i> | <i>Income £000</i> | <i>Expenditure £000</i> | <i>Transfers in/out £000</i> | <i>Gains/ (Losses) £000</i> | <i>Balance at 31 August 2021 £000</i> |
|-------------------------------------|---|------------------------|-----------------------------|--------------------------------------|-------------------------------------|---|
| Restricted fixed asset funds | | | | | | |
| Transfer on conversion | 13,769 | - | (89) | - | - | 13,680 |
| DfE/ESFA capital grants | 1,628 | 123 | (20) | - | - | 1,731 |
| Capital expenditure from GAG | 959 | - | (142) | 59 | - | 876 |
| Other capital expenditure | 210 | - | (56) | - | - | 154 |
| | <u>16,566</u> | <u>123</u> | <u>(307)</u> | <u>59</u> | <u>-</u> | <u>16,441</u> |
| Total Restricted funds | <u>12,113</u> | <u>6,940</u> | <u>(7,331)</u> | <u>20</u> | <u>(197)</u> | <u>11,545</u> |
| Total funds | <u>12,422</u> | <u>7,502</u> | <u>(7,852)</u> | <u>-</u> | <u>(197)</u> | <u>11,875</u> |

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Restricted fixed asset funds 2022 £000 | Total funds 2022 £000 |
|--|---|---|---|--------------------------------------|
| Tangible fixed assets | - | - | 15,820 | 15,820 |
| Current assets | 895 | 352 | 339 | 1,586 |
| Creditors due within one year | (474) | - | - | (474) |
| Provisions for liabilities and charges | - | (1,276) | - | (1,276) |
| Total | <u>421</u> | <u>(924)</u> | <u>16,159</u> | <u>15,656</u> |

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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | <i>Unrestricted funds 2021 £000</i> | <i>Restricted funds 2021 £000</i> | <i>Restricted fixed asset funds 2021 £000</i> | <i>Total funds 2021 £000</i> |
|--|---|---|---|--|
| Tangible fixed assets | - | - | 15,965 | 15,965 |
| Current assets | 770 | 179 | 476 | 1,425 |
| Creditors due within one year | (437) | - | - | (437) |
| Creditors due in more than one year | (3) | - | - | (3) |
| Provisions for liabilities and charges | - | (5,075) | - | (5,075) |
| Total | 330 | (4,896) | 16,441 | 11,875 |

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

| | 2022 £000 | 2021 £000 |
|---|----------------------|----------------------|
| Net expenditure for the year (as per Statement of financial activities) | (454) | (350) |
| Adjustments for: | | |
| Depreciation | 332 | 307 |
| Capital grants from DfE and other capital income | (102) | (123) |
| Interest receivable | - | (3) |
| Defined benefit pension scheme cost less contributions payable | 354 | 304 |
| Defined benefit pension scheme finance cost | 82 | 71 |
| Decrease in stocks | 5 | 7 |
| Decrease in debtors | 81 | 14 |
| Increase in creditors | 16 | 33 |
| Net cash provided by operating activities | 314 | 260 |

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Cash flows from financing activities

| | 2022 | 2021 |
|--|-------------|-------------|
| | £000 | £000 |
| New finance leases | - | 17 |
| Repayments of finance leases | (13) | (32) |
| Net cash used in financing activities | (13) | (15) |

23. Cash flows from investing activities

| | 2022 | 2021 |
|--|-------------|-------------|
| | £000 | £000 |
| Dividends, interest and rents from investments | - | 3 |
| Purchase of tangible fixed assets | (159) | (106) |
| Capital grants from DfE Group | 300 | 148 |
| Net cash provided by investing activities | 141 | 45 |

24. Analysis of cash and cash equivalents

| | 2022 | 2021 |
|--|--------------|-------------|
| | £000 | £000 |
| Cash in hand and at bank | 1,286 | 844 |
| Total cash and cash equivalents | 1,286 | 844 |

25. Analysis of changes in net debt

| | At 1 September 2021 £000 | Cash flows £000 | At 31 August 2022 £000 |
|--------------------------|---|----------------------------|---------------------------------------|
| Cash at bank and in hand | 844 | 442 | 1,286 |
| Finance leases | (18) | 8 | (10) |
| | 826 | 450 | 1,276 |

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Capital commitments

| | 2022 | 2021 |
|--|-------------|-------------|
| | £000 | £000 |
| Contracted for but not provided in these financial statements | | |
| Acquisition of tangible fixed assets | 323 | 171 |

27. Pension commitments

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

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

Contributions amounting to £110,993 were payable to the schemes at 31 August 2022 (2021 - £113,730) and are included within creditors.

Teachers' Pension Scheme

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

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

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27. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £792,989 (2021 - £796,176).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £259,000 (2021 - £263,000), of which employer's contributions totalled £199,000 (2021 - £201,000) and employees' contributions totalled £ 60,000 (2021 - £62,000). The agreed contribution rates for future years are 17.6 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note 27 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

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27. Pension commitments (continued)

Principal actuarial assumptions

| | 2022 | 2021 |
|--|-------------|-------------|
| | % | % |
| Rate of increase in salaries | 3.95 | 3.90 |
| Rate of increase for pensions in payment/inflation | 2.95 | 2.90 |
| Discount rate for scheme liabilities | 4.25 | 1.65 |
| Inflation assumption (CPI) | 2.95 | 2.90 |

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

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

| | 2022 | 2021 |
|-----------------------------|--------------|--------------|
| | Years | Years |
| <i>Retiring today</i> | | |
| Males | 21.7 | 22.7 |
| Females | 22.9 | 24.0 |
| <i>Retiring in 20 years</i> | | |
| Males | 23.0 | 24.0 |
| Females | 24.3 | 25.4 |

Sensitivity analysis

| | 2022 | 2021 |
|--|--------------|-------------|
| | £000 | £000 |
| Discount rate +0.1% | (121) | (216) |
| Discount rate -0.1% | 124 | 221 |
| Mortality assumption - 1 year increase | 159 | 372 |
| Mortality assumption - 1 year decrease | (154) | (358) |
| CPI rate +0.1% | 113 | 191 |
| CPI rate -0.1% | (110) | (187) |

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27. Pension commitments (continued)

Share of scheme assets

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

| | At 31 August 2022 £000 | <i>At 31 August 2021 £000</i> |
|-------------------------------------|---------------------------------------|---------------------------------------|
| Equities | 2,218 | 2,756 |
| Gilts | - | 564 |
| Corporate bonds | 831 | 83 |
| Property | 727 | 565 |
| Cash and other liquid assets | 60 | 27 |
| Other | 348 | 409 |
| Total market value of assets | 4,184 | 4,404 |

The actual return on scheme assets was £(436,000) (2021 - £217,000).

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

| | 2022 £000 | <i>2021 £000</i> |
|---|----------------------|----------------------|
| Current service cost | (551) | (503) |
| Interest income | 72 | 57 |
| Interest cost | (154) | (128) |
| Administrative expenses | (2) | (2) |
| Total amount recognised in the Statement of financial activities | (635) | (576) |

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

| | 2022 £000 | <i>2021 £000</i> |
|--------------------------|----------------------|----------------------|
| At 1 September | 9,479 | 7,974 |
| Current service cost | 551 | 503 |
| Interest cost | 154 | 128 |
| Employee contributions | 60 | 62 |
| Actuarial (gains)/losses | (4,462) | 858 |
| Benefits paid | (322) | (46) |
| At 31 August | 5,460 | 9,479 |

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27. Pension commitments (continued)

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

| | 2022 | 2021 |
|--------------------------|--------------|--------------|
| | £000 | £000 |
| At 1 September | 4,404 | 3,471 |
| Interest income | 72 | 57 |
| Actuarial (losses)/gains | (227) | 661 |
| Employer contributions | 199 | 201 |
| Employee contributions | 60 | 62 |
| Benefits paid | (322) | (46) |
| Administration expenses | (2) | (2) |
| At 31 August | 4,184 | 4,404 |

28. Operating lease commitments

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

| | 2022 | 2021 |
|--|-------------|-------------|
| | £000 | £000 |
| Not later than 1 year | 30 | 30 |
| Later than 1 year and not later than 5 years | 48 | 69 |
| Later than 5 years | 15 | 25 |
| | 93 | 124 |

29. Finance lease commitments

Commitments of £9,915 (2021 - £17,804) exist at the balance sheet date in respect of finance leases. Finance leases were entered into to purchase laptops for the pupils. The cost of these laptops has been passed to the parents and hence the net cost to the school is £nil. There is a corresponding debtor amount included within other debtors for amounts due from parents of £10,969 (2021 - £6,026).

30. 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.

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31. 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.

32. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2022 the trust received £34,059 and disbursed £11,126 from the fund.

The Academy distributes income received as an agent in respect of certain activities and trips undertaken by pupils of the school.