

Company Registration No. 07724780 (England and Wales)



**MONTACUTE SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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# **MONTACUTE SCHOOL**

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# MONTACUTE SCHOOL

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Trustees

Virginia Bellard (1) & (2)  
Stephen Butterworth, Chair of Governors (1) & (2)  
Avril Jackson, Vice Chair of Governors (2)  
Paul Collins (1)  
Beverley Gowman (2)  
Tracey Smith (1)  
Wendy Byers (2) (resigned 08 December 2022)  
Patricia Hallmey (1) (term expired 02 July 2023)  
Carolyn Best (2)  
Anthony Flower (1) & (2)  
Thomas Wareham (2) (appointed 14 December 2021,  
resigned 23 September 2022)  
Lisa Griffiths (2)  
Emma Dunn (1) (appointed 01 September 2023)

(1) Members of Resources Committee  
(2) Members of Standards Committee

### Members

Pamela Henderson  
Stephen Butterworth (resigned 28 September 2023)  
Alison Dalton  
Andrew Leakey

### Senior Leadership Team

Virginia Bellard, Headteacher  
Natalie Rule, Deputy Headteacher  
Amy Burkman, Assistant Headteacher  
Sammie Crane, Assistant Headteacher  
Rachel Holland, Support Services Team Leader  
Tracey Smith, Parent Partner/Designated Safeguarding Lead  
Sanjivan Harding, Finance and Business Manager

### Company registration number

07724780 (England and Wales)

### Registered office

Montacute School  
3 Canford Heath Road  
Poole  
Dorset BH17 9NG

### Independent auditor

Baxter & Co  
Lynwood House  
Crofton Road  
Orpington  
BR6 8QE

### Bankers

Lloyds Bank plc  
25 Gresham Street  
London  
EC2V 7HN

### Solicitors'

Browne Jacobson LLP	Stone King LLP
Victoria Square House	Upper Borough Court
Victoria Square	Upper Borough Walls
Birmingham B2 4BU	Bath BA1 1RG

# MONTACUTE SCHOOL

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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The Trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the year 01 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 2 to 19 serving a catchment area in Poole, Bournemouth and East Dorset. It has a pupil capacity of 88 and had a roll of 90 in the school census of January 2023.

#### **Structure, governance and management**

##### Constitution

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

The Trustees of Montacute School are also the directors of the charitable company for the purpose of company law. Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

##### Members' liability

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

##### Trustees' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one claim.

No indemnities or guarantees have been provided to third parties by the charitable company in respect of any of its Trustees.

##### Method of recruitment and appointment or election of Trustees

The Members may appoint one Governor save that no more than one third of the total number of individuals appointed as Governors shall be employees of the Academy Trust (including the Headteacher).

The Headteacher shall be treated for all purposes as being an ex officio Governor.

Parent Governor(s) shall be elected by parents of registered pupils at the Special Academy. A parent Governor must be a parent of a pupil at the Special Academy at the time when he is elected.

The Governing Body shall make all necessary arrangement for, and determine all other matters relating to, an election of Parent Governors, including any questions of whether a person is a parent of a registered pupil at the Special Academy. Any election of Parent Governors, which is contested, shall be held by secret ballot.

The arrangements made for the election of a Parent Governor shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the Academy Trust by a registered pupil at the Special Academy.

Further appointments may be made to the position of Trustee/Governor as the Trustees decided is necessary. This may be for the duration of a project or for a fixed term. None were appointed on this basis during this period. Trustees serve for four years and are eligible for re-election.

# MONTACUTE SCHOOL

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

#### Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training in charity, educational, safeguarding, legal and financial matters, additionally Trustees are inducted by having a mentor from among the governing body to support and guide them. All Trustees are provided with the information needed (including the policies, minutes, budgets) to undertake their role as Trustees.

#### Organisational structure

The Board of Trustees, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The Board meets at least three times a year and has two main committees:

- The Standards Committee
- The Resources Committee

All committees are formally constituted with terms of reference and comprises appropriately qualified and experienced members. The Trust Board delegates specific responsibilities to its committees, the activities of which are reported to and discussed at full Board of Trustee meetings. Trustees review the number and role of committees on a regular basis.

The Senior Leadership Team consists of the Head Teacher, Deputy Head Teacher, two Assistant Headteachers, Support Services Team Leader, Finance and Business Manager, and Parent Partner/Designated Safeguarding Lead. These leaders control the Academy at executive level implementing the policies laid down by the Trustees, regularly reporting back to them. The Head Teacher is the Accounting Officer and is responsible for the authorisation of spending within agreed budgets and the appointment of staff, although the appointment of senior leader posts is referred to Trustees.

Curriculum co-ordinators are responsible for learning areas within the curriculum, in particular organising and reviewing the essential knowledge, understanding and skills that pupils/students need in order to make progress and fulfil their potential.

The Academy has no subsidiaries.

#### Arrangements for setting pay and remuneration of key management personnel

The Pay Policy is reviewed annually by school Trustees. The intention of the Academy is to work to the STPCD as far as is practical and affordable. Appointments of the school's leadership team and senior staff are currently made in accordance with STPCD and with the advice on national pay scales. The Pay Committee meets annually at the beginning of the autumn term to make decisions on all members of staff who are entitled to be considered for discretionary pay awards. A separate Head Teacher Review Committee is supported by an external consultant to set targets for the Head Teacher and make final decisions on pay following the completion of the Head Teacher's performance review.

#### **Trade Union Facility Time**

##### **Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	0.43

# MONTACUTE SCHOOL

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2023**

### Percentage of time spent on facility time

Percentage of time	Number of Employees
0%	1
1% - 50%	0
51% - 99%	0
100%	0

### Percentage of pay bill spent on facility time

Total Cost of facility time	£ 0
Total Pay bill	£2,650k
Percentage of the total pay bill spent on facility time	0%

### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0
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### Related Parties and other Connected Charities and Organisations

None.

### Objectives and activities

#### Objects and aims

The principal object of the charitable company is the advancement of education in the United Kingdom. It achieves this object by maintaining and developing the Montacute Special School Academy. The Academy offers a broad, balanced and relevant curriculum, designed and delivered around the specific needs of the children and young people who attend. The Academy also supports the needs of families where possible and congruent with the education and wellbeing of the children and young people on roll.

#### Objectives, strategies and activities

Building on our 2022 objectives, progress during the year ended 31 August 2023 was as follows:

- Strengthening the Speech and Language provision via commissioning a private specialist therapy team – achieved and extending further into academic year 2023-2024
- Appointment of a specialist SEND Nurse – achieved
- Full review and update of the curriculum across all age phases and category of SEND need – providing sequential learning pathways, age appropriateness and rites of passage – appropriately budgeted for and resourced
- Preparation for and attainment of a successful OFSTED Inspection – achieved
- Commencement of a mental health and wellbeing initiative for the whole organisation – staff and students – achieved
- Extension of the transport fleet for community-based learning – achieved
- Introduction of Careers Week and a Careers Fair with community partners and open to families to plan for next stages in learning for KS3 students and above. Achieved
- Review of certification, accreditation and qualifications for Sixth Form students – including pre-entry level GCSEs (Open Awards – Level 2 GCSE equivalent D-G) – Achieved
- Review of the Physical Development and PE curriculum and its delivery – commenced and rolling into academic year 2023-2024
- Premises refinement and improvement – life-skills room, refurbishment of sixth form, communication room, art room
- Introduction of Pupil Parliament to improve pupil choice and voice throughout the school – achieved
- Overnight education journey – Duke of Edinburgh Award
- Extension of the IT offer – staff and student iPads

# MONTACUTE SCHOOL

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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Objectives for 2023-2024 include:

- Introduction of two new accreditation pathways – Preparing for Adulthood – realising aspirations. Life and living skills – Entry Level 2
- Review of planning standards – planning recording and assessment
- Teacher workload review
- Induction and CPD – including accreditation of TAs in their work
- Shakespeare for Schools
- Rights Respecting Silver Award
- New playground development
- Dining room revamp – including work related learning opportunity
- Inclusion project – into the mainstream arena
- Exploration of modular expansion – middle school concept
- Update the review of school meals provision
- PMLD class inclusion

(Non-exhaustive lists)

#### Public benefit

In setting the objectives and planning our activities the Trustees have carefully considered the Charity Commission's guidance on Public Benefit.

The key public benefit delivered by the Trust is the provision of a high quality of education to its students. Additionally, the swimming pool welcomes swim groups including disabled clubs onto its site throughout the week – including evenings, weekends and school holidays. The site is now also being marketed further for revenue generation by letting the hall and dining room. This is in its infancy and marketing planning emerging. This affords additional revenue generation opportunity to maximise value for money whilst enabling Montacute to be an established part and normalised feature of our local community.

Montacute Academy has planned places for 88 pupils and currently educates 90, all of whom have Complex Learning Difficulties & Disabilities. Numbers are likely to increase across this academic year to accommodate the growing numbers of children and young people who have no school place at all, who are moving into the area, who require their first school placement or who require an alternative placement from their current mainstream setting.

The school has a good working atmosphere, and all in school are committed to this as the foundation for the learning and pastoral partnership. The school is family-friendly within a context of hard and focused work, dedicated to meeting the pupils' and parents' needs, a personalised approach is the core to the pedagogy at Montacute.

At Montacute, pupils are educated in a very inclusive way, both within their own school setting, the local community and using opportunities created in partner schools. Our host local authority, Bournemouth, Christchurch and Poole, relies upon the Academy for extensive training and outreach work with mainstream schools. This is a highly revered and valued service amongst our local mainstream partners.

A person-centred planning approach is used for pupil review meetings. The Academy works with partner agencies to ensure pupils' needs are met holistically, both at school and when young people finally move on to their destinations as young adults. The school, now Post-Covid, is working to increase the level of pupil and LA involvement and attendance at Annual Review meetings as well as broadening, the advice, guidance and support for families in preparation for transitions. This includes the introduction of Careers Fayres and Transition Support events throughout the school year.

# MONTACUTE SCHOOL

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Strategic Report

##### Achievements and performance

During 2022-2023 we had 90 students on roll.

Montacute School reports on progress using a number of approaches. Evidence for Learning and Insights Data Analysis (a web-based platform) enables teachers to record evidence towards individual children and young people's targets. This format supports teachers in the capture of evidence and reports upon progress against M Levels (Montacute Levels – replacement for P Levels), The Engagement Profile, National Curriculum Levels and progress towards EHCP outcomes and IEP Targets. Additionally, teachers meet on a termly basis at Pupil Progress reviews to ensure that all young people are on track. This process ensures that no child is lost or being disenfranchised and that where a young person is not meeting expectations intervention can be swiftly implemented. This process also ensures that stretch and challenge is reviewed for those achieving at above expected levels and supports our work in identifying those whom among our population are 'Gifted and Talented'. As a school Montacute passionately believes in a holistic approach to teaching and learning and aims to secure the progress and development of the 'whole' child. Without this approach and the development of a strong foundation academic progress is thwarted. Such is the nature of the needs of each young person at Montacute the team continually consider the impact of all variables that may impact on a young person's development and progress including medical needs, behaviour, mental health and wellbeing, diagnosis and co morbidity.

In foundation stage children are assessed using the Early Years Foundation Stage Profile, Development Matters, M-levels and teacher judgement. These processes enable triangulation of data and it is noted that Insights data analysis is not of value in this foundation stage as children often appear to make accelerated progress, in the early stages and therefore this information is used as a baseline of M-levels in preparation for their journey through the school.

In Sixth Form young people are assessed using steps towards EHCP outcomes (preparing for adulthood), accreditation frameworks and teacher judgement. Throughout a young person's journey through the school, M-levels are used to assess progress. In sixth form, we note the importance of ensuring that learning is embedded into long term memory and that young people can truly generalise their skills in a range of settings with increased levels of independence, which are assessed through formal accreditation routes. Access to a curriculum beyond the classroom, enabling development of functional skills to further support and enhance preparedness for the work place or further learning.

For the purpose of review and to ensure levels of progress and intended trajectory are maintained the team continue to produce data reports. It is our belief that this process of data collection informs our next steps and ensures that we remain focused on individual pupil progress, are alerted to school wide issues in regards to staff development and training, additional resource requirements and supports us in our work to ensure that every child's needs are fully met and that we fulfil our statutory requirements.

The following data capture identifies progress by department and whole school for the academic year 2022 – 2023.

Students were judged as making;

- ✓ Below Expected Progress
- ✓ Expected Progress
- ✓ Above Expected Progress

In the areas of:

1. Communication and Literacy
    - ✓ Reading
    - ✓ Writing
    - ✓ Speaking
    - ✓ Listening
  2. Cognition and Numeracy
    - ✓ Number
    - ✓ Shape, Space and Measure
    - ✓ Data Handling
  3. Personal, Social, Emotional Development (PSED)
    - ✓ General PSED
    - ✓ Relationship and Sex Education (RSE)
  4. Physical Development
    - ✓ Gross Motor
    - ✓ Fine Motor
-



# MONTACUTE SCHOOL

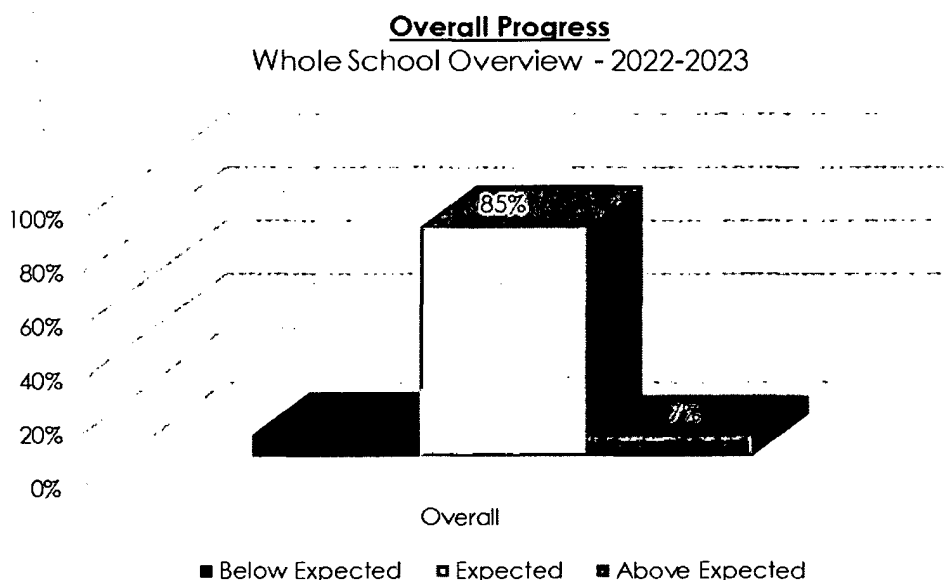
## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

#### ✓ Personal Care

This judgement is formed through teacher judgement, progress towards EHCP outcomes and IEP Targets, progress against M-levels and NC Levels as analysed by Insights, and pupil progress reviews. If necessary, further information was gathered through discussion with teachers and a review of End of Year Reports.

Raw Data – Whole School (number of pupils)	Overall	
<b>Below Expected Progress</b>	<b>7</b>	<b>8%</b>
<b>Expected Progress</b>	<b>74</b>	<b>85%</b>
<b>Above expected progress</b>	<b>6</b>	<b>7%</b>
Total	87	



- ✓ Students who achieved expected progress in 2 or more areas are judged as making good progress
- ✓ Students who achieved below expected progress in 2 or more areas are judged as requiring additional investigation and possible intervention
- ✓ Students who achieved above expected progress in 3 or more areas are judged as making overall above expected progress and are now considered for the Able, Gifted and Talented Register.

Overall 92% (91% in 2021-2022) of students made expected or above expected progress in the academic year 2022-2023. Under-achiever investigation processes are undertaken and an intervention plan put into place where learning and progress has slowed. In some cases, "under-achievement" can include progress within the range of the target but the target is not quite fully met. Teacher assessment and therapy assessments can indicate finer levels of progress and created a more detailed and accurate picture of pupil performance.

# **MONTACUTE SCHOOL**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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As in last year's report, reasons for pupils not quite meeting their targets might be the complexity of the autism spectrum condition, poor health/hospital stay, an over-ambitious target set by the teacher (which is being addressed via further training) or poor attendance or poor standards of teaching and learning.

Using these judgements, we are able to take a more forensic view of the way in which groups of students performed over the year and analyse to guide us in next steps for support and indeed teacher training.

In the coming academic year 2023-2024, we will be refining our assessment even further – looking increasingly at the individual learning experience and performance whilst reviewing the timings of assessments in order to get a more accurate picture of pupil performance. Currently, the SLT are exploring a move to assessment during the Spring Term to ensure the truest picture of performance and progress.

Focus upon strong practitioners who are fully qualified (or in the process of training) and good or better practitioners has remained this academic year. Teacher performance data has been as follows:

Requires Improvement – 10%

Good – 80%

10% - Outstanding

30% of teachers are Early Careers Teachers. All are progressing very well and presenting teaching and learning experiences to a good or outstanding level.

10% (1 teacher) is performing at the RI level and is being supported to improve.

#### **Pupils**

The school has sadly been forced to permanently exclude one learner this academic year – for persistent and repeated attempts to abscond. Over the course of the academic year we have worked hard to try to engage the family in close partnership working to avoid exclusion and to identify a more suitable education setting.

We have also worked hard to try to gain support from the local education authority to identify and access additional specialist support interventions in order to avoid exclusion.

The destination for our single Montacute Leaver from Sixth Form this year was to Merley College.

#### **Key Performance Indicators**

During the year ended 31 August 2023 the total resources expended of £3,517k (2022: 3,584k) were largely covered by grants from the DfE, local authority income, voluntary income, other trading activities and a small amount of investment income. The surplus of income over expenditure for the year was £138k (2022: deficit £354k) which includes depreciation and LGPS adjustments. The available reserves (excluding depreciation and LGPS adjustments) increased by £187k in the year. The staff costs as a percentage of income received for educational operations was 79.5% (2022: 91%).

#### **Going concern**

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

#### **Financial review**

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as other government grants. Such income is collectively referred to as "Restricted Funds".

# MONTACUTE SCHOOL

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

Other income is received from parents (for example as voluntary contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the Trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of Trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

The following balances held were held at 31 August:

Fund	Category	2023 £'000	2022 £'000
GAG	Restricted General Funds	-	-
Other DfE/ESFA Grants	Restricted General Funds	-	37
Other Government Grants	Restricted General Funds	1,346	1,046
Other restricted funds	Restricted General Funds	11	28
<b>Sub-total – General Restricted Funds</b>		<b>1,357</b>	<b>1,111</b>
Unspent Capital Grants	Restricted Fixed Asset Fund	25	8
Other Income	Unrestricted General Fund	104	163
<b>Sub-Total – Spendable Funds</b>		<b>1,486</b>	<b>1,282</b>
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	6,446	6,418
Share of LGPS Deficit	Restricted Pension Reserve	(837)	(1,442)
<b>Total – All Funds</b>		<b>7,095</b>	<b>6,258</b>

During the year under review there was an increase of £246k (2022: increase of £179k) on general restricted funds, an decrease of £59k (2022: decrease of £8k) on unrestricted funds and after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall increase of £837k (2022: increase of £3,633k).

Our review of significant events and their impact upon the finances of the school includes the following:

- Welcome support received during the Covid pandemic.

Principal risks and uncertainties continue to be:

- Rise in the cost of utilities
- Staffing of vacancies and absences, leading to use of agency staff at higher costs
- Ongoing national recruitment challenge
- Staff salary increase without additional funds to schools to cover costs
- No increase in the funding of pupil places to meet the cost of living/running a school

Plan to manage risks:

- Exploration of energy efficiencies and careful use of lighting and heating. The creation of a sustainability plan will also look into how eco-friendly approaches might also help in our use of utilities
- Monitoring of utility tariffs – swapping onto better rates and packages where possible

# MONTACUTE SCHOOL

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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- Exploration of how staffing can be covered "in-house" and via the creation of a school "supply bank" to avoid/reduce use of agency staff
- Explore innovative and creative ways to recruit new team members to the school in order that the use of agency staff can be reduced
- Explore ways in which the budget can be planned to consider and accommodate rising staffing costs – cost efficiencies, use of grants, fundraising and shared planning across departments/subjects
- Explore longer term opportunities to increase school funds through possible increase in pupil places

#### Reserves policy

The reserves should be sufficient to cover one month of salary costs and ideally two months of salary costs. The Academy Trust Board reviews the level of reserves annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. It is the Trustees' policy to maintain a surplus of unrestricted reserves which can be used to assist in the funding of the Academy's development plan. The Trustees will ensure that the reserves policy continues to conform to the requirements laid down in the Academy Trust Handbook (also known as Academies Financial Handbook) produced by the Education and Skills Funding Agency.

#### Investment policy

The Academy holds reserves and accounts at Lloyds Bank and incurs a £30 monthly charge. Speculative investments are not permitted.

#### Principal risks and uncertainties

The Trustees have a Resources Committee and an Audit and Risk Committee which regularly review and consider the risks to which the Academy is exposed. The main risk remains the Government's current funding mechanism and the prevailing economic climate. It recommends actions accordingly to the Headteacher. The school takes an "active risk assessment approach" to reviewing risk which we recognise can sometimes change quickly and requires a responsive action. Processes and recording and reporting then follow and are shared in full with monitoring governors. More "stable" risks such as a financial or pupil numbers risk that stay "steadier" are noted in the risk register with any new, longer lasting and significant risks – for example Covid – being added accordingly.

We are finding that the close partnership working with the local education authorities (Dorset and BCP) is helping to alleviate financial strain but this is an ongoing task that needs revisiting regularly to secure attainment of funds. Building relationships with recruitment agencies and advertising more widely is also beginning to alleviate the challenge of securing new and suitable staff. Again, this requires consistent attention to maintain.

The principal financial risk faced by the company is that ongoing pressure on funding results in a risk that deficits may be experienced. The budgeting and reporting process, including scrutiny by the Trustees of actual financial performance, mitigates the risk.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), Trustees consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

Most of the company's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

#### **Our fundraising practices**

The approach to fundraising is as follows:

- A fundraiser is employed to organise and co-ordinate all such activity initiated by the academy trust
- Not to use commercial participators / professional fundraisers
- Ensure fundraising conforms to recognised standards

# MONTACUTE SCHOOL

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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- Wherever possible be aware of, approve and monitor fundraising carried out on its behalf
- Fundraising complaints are handled by the head teacher in the first instance, with governor involvement if no satisfactory resolution.
- To ensure the protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

The Trust complies with the Fundraising Regulator's Code of Fundraising Practice and UK law.

Montacute continues to enjoy interest from a number of local charities who are committed to a long-term supportive partnership and who continue to raise funds for key projects across the school. Donations this year have included a new mini-bus as well as additional funds for playground equipment and specialist physiotherapy equipment.

#### Streamlined energy and carbon reporting (SECR)

As the trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

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

The Academy will continue striving to improve the levels of performance of its pupils at all levels and will continue its efforts to ensure that its pupils are ready for the next stage of their education. The school knows its strengths and weaknesses based on continual self-assessment and termly School Improvement Partner performance analysis. The Headteacher is also training to become a School Improvement Partner and this will also add an additional layer of rigour to our work. A more forensic approach to the analysis of pupil progress data is also increasing standards across the school.

Building upon the already strong curriculum and extending this in the areas of accreditation, certification and qualification, work experience and work-related learning, education journeys, mental health, relationships and sex education as well as community-based learning and enrichment continues to be a focus into the next academic year.

There are ongoing discussions with the Bournemouth, Christchurch and Poole Council (BCP) about enlarging the Academy with the construction of a Sixth Form facility on the existing campus. BCP initiated the discussions as they need to expand Sixth Form provision in the borough, due to increasing demand. However, BCP have yet to secure the required funding and so the Academy hasn't applied to the ESFA for their approval.

#### **Funds held as custodian trustee**

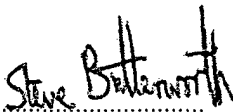
The Academy does not hold funds as custodian trustee on behalf of others.

#### **Auditor**

In so far as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 6th December 2023, and signed on the Board's behalf by:



S Butterworth

Chair of Trustees

# MONTACUTE SCHOOL

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to 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 Montacute School and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### Governance

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

Trustees	Meetings attended	Out of possible
Virginia Bellard	3	4
Stephen Butterworth	4	4
Avril Jackson	2	4
Paul Collins	3	4
Beverley Gowman	2	4
Tracey Smith	3	4
Wendy Byers	2	2
Patricia Hallmey	1	3
Carolyn Best	3	4
Anthony Flower	4	4
Thomas Wareham	0	1
Lisa Griffiths	0	4
Emma Dunn	0	0

There have been several changes to the composition of the Board, including the retirement of Thomas Wareham as a Parent Governor on 23 September 2022; the retirement of Wendy Byers as a Co-Opted (Community) Governor on 08 December 2022; the retirement of Patsy Hallmey on 02 July 2023. Plus, there has been the re-appointment of Tracey Smith as Staff Governor on 18 April 2023 and the appointment of Emma Dunn as Parent Governor on 01 September 2023.

### Conflict of interest

Annually, all trustees are required to complete a declaration of interests form. The Clerk to the Trustees oversees this process and holds the data. At the start of each Standards and Resources committee meetings, members are required to declare any interests.

### Governance reviews

An external review of governance was completed on 8th May 23 by Fritz Penn Barwell, Director of School Improvement, Delta Education Trust. It is anticipated the next external review will be conducted in 2028. The findings are as follows:

### Strategic Leadership and Accountability

The governing body has a clear vision for the school and has short medium and long term goals which it would like to achieve. The governing body holds the school's leaders to account for achieving these goals. For example, the governing body has ambitions to increase the capacity within the 6th form and has planned financially to help secure

# **MONTACUTE SCHOOL**

## **GOVERNANCE STATEMENT**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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this aim. As part of their monitoring the governing body maintains a risk register which allows it to monitor the risks to the school and their strategic plans.

The governing body takes into account the views of stakeholders and has representatives from the staff, parents and community on the board. In addition to this the governors employ a school improvement partner.

The governing body has a clear understanding of the differences between strategic and operational matters and holds the school leaders to account for operational matters. Like all boards, during the pandemic it became difficult to operate an 'eyes on' model of governance. It is important for the governing body to make time to see what is happening in the school and develop the confidence to ask questions like 'show me where' and 'take me to an example of' when they are in school so that they can see first-hand what school leaders describe in meetings.

#### People and Structures

The governing body's records show the board currently has 9 trustees and is carrying 4 vacancies. The board operates a model where committees are delegated responsibility for monitoring aspects of the school's performance such as resources and standards. They also have committees which perform statutory duties such as pay, performance management and exclusions. Individual governors are linked to specific functions such as safeguarding / child protection and finance which allows them to gain greater knowledge and skills in these areas. This is an important responsibility for governors to hold and requires governors to commit to spending significant amount of time on their areas. The governing body should review the expectations for governors and the time commitment needed for governors so they the board can manage their collective capacity.

The board has recognised that you have held the position of Chair for the past 6 years and have started to discuss succession planning. This is an important change for the board to undertake and should be prioritised as a key project for the board. If none of the current members of the board are willing to or have the capacity to take on this role they will need to recruit and train a new chair which will take time.

The board should consider establishing and recruiting to special committees when they need to complete specific tasks. This would add specific capacity to the board and ensure that 'business as usual' is maintained alongside the demands of a special project.

#### Compliance and Evaluation

The board has strength in ensuring compliance, much of which is monitored by the resources committee. This committee has specific expertise in many areas such as health and safety and in areas where they have a lower level of confidence, they take external advice.

The board undergoes periodic external evaluation, such as this review. The board also completes more frequent self-evaluation which identifies training needs and where external support is required. This is excellent practice and should be continued.

#### Progress against Recommendations

- Review how opportunities are structured for governors to visit the school and see first-hand the daily operation of the school and how this compares to what they are told in meetings. Progress against this recommendation includes a full review of governor responsibilities and planned termly visits throughout the school year to receive updates on the quality of teaching and learning, health and safety (including fire-stoppage and premises developments) to shadow learning and environment walks, to scrutinise the financial stability of the school, to assist in recruitment interviews, to receive updates on safeguarding, wellbeing and medical practices. In addition, the board of governors are always readily available to support parents and staff personnel as and when additional support is required. Governors also attend safeguarding training, teaching and learning training and a range of social events with the staff and students to ensure their profile is maintained. The senior leadership team finds the governing body to be supportive and responsive. Challenge is given in all areas of school life to ensure standards are monitored.
- Continue with the already successful succession planning initiative – shadowing of experienced and senior governors – working in partnership and observing meetings and professional discussions as well as learning about how systems, policies and protocols are written, maintained and reviewed.

# MONTACUTE SCHOOL

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2023

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**The Standards Committee** is a committee to which the main Board of Trustees has delegated responsibility. Its purpose is:

- Responsible for ensuring the trustees monitor the quality of education provided by the school
- To monitor the delivery of the curriculum
- To monitor the progress of students
- To ensure that the health and wellbeing of students and staff has a prominent place in trustee considerations
- To ensure that effective safeguarding measures are in place across the school and other settings where the students work

Attendance during the year at meetings of the Standards Committee was as follows:

Trustees	Meetings attended	Out of possible
Virginia Bellard	4	4
Beverley Gowman	1	4
Avril Jackson	3	4
Wendy Byers	1	2
Carolyn Best	3	4
Stephen Butterworth	4	4
Lisa Griffiths	1	4

**The Resources Committee** is a committee to which the main Board of Trustees has delegated responsibility. Its purpose is:

- Regular monitoring of actual income and expenditure, ensuring effective oversight of funds
- Ensure the school's finances are well managed
- Ensure the school has enough staff
- Ensure all obligations of being an employer are carried out
- Ensure the school building is well maintained and fit for use
- Review and recommendation of the annual budget
- Review the reports of the auditors on the effectiveness of the financial procedures and controls

Non-staff members of the Resources Committee form the Audit and Risk Committee, which meets at the end of every Resources Committee meeting.

Attendance during the year at meetings of the Resources Committee was as follows:

Trustees	Meetings attended	Out of possible
Virginia Bellard	5	6
Paul Collins	3	6
Tracey Smith	2	6
Stephen Butterworth	6	6
Patsy Hallmey	3	6
Anthony Flower	6	6



# **MONTACUTE SCHOOL**

## **GOVERNANCE STATEMENT**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

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#### **Review of Value for Money**

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

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

- Telephone operating lease for two years to reduce costs; ending in June 2023
- Use of skilled in-house site team for refurbishment and adjustments to school facilities
- New catering contract providing better quality of meals for our pupils
- New cleaning contract to provide better quality of service without increase in costs
- Negotiation of funding with BCP education authority
- Review of placement numbers
- Working to secure the safety and security of the whole school site – internally and externally
- Review of recruitment and appointment processes to secure staffing levels and increase numbers of permanent appointments and full-time working arrangements of staff
- Review and re-visiting of directed hours for all staff

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy 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 Montacute School for the period 01 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 01 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees. Active and routinised revisiting of significant risk is considered by the SLT and Governors on a regular basis and will be amended in consultation with the board of trustees accordingly.

#### **The risk and control framework**

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

In particular it includes:

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

# MONTACUTE SCHOOL

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2023

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The school's Responsible Officer, Alan Reed, a qualified accountant, carries out all internal audits.

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

- testing of the payroll system
- producing a trial balance
- testing of the purchasing system
- reviewing the latest VAT return
- reviewing the petty cash
- reviewing the aged debtors and creditors schedules
- reviewing the income and expenditure related to the swimming pool
- reviewing the latest bank reconciliation

Ideally, on a termly basis, the Responsible Officer reports to the board of Trustees, through the Resources committee on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities.

The Responsible Officer retired in March 2023, so only performed two audits visit during the period (on 27<sup>th</sup> February and 6<sup>th</sup> March). A detailed report was subsequently submitted to the Resources Committee and confirmed the accounting records reflected the true position of the school's finances. The academy is currently looking to recruit a Responsible Officer.

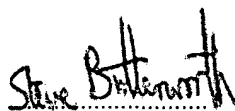
#### **Review of effectiveness**

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

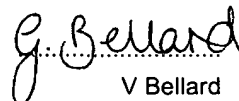
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on . 6th December 2023 ..... and signed on its behalf by:



S Butterworth

Chair of Trustees



V Bellard

Accounting Officer

# **MONTACUTE SCHOOL**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

***FOR THE YEAR ENDED 31 AUGUST 2023***

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

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

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

V Bellard  
Accounting Officer



# MONTACUTE SCHOOL

## STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2023

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The trustees (who are also the directors of Montacute School for the purposes of company law) are responsible for preparing the Trustees' report and the Financial Statements in accordance with the Academies Accounts Direction 2022 to 2023 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:

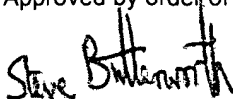
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that 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 on 6th December 2023 and signed on its behalf by:



S Butterworth

**Chair of Trustees**

# **MONTACUTE SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTACUTE SCHOOL FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Opinion**

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

In our opinion the Financial Statements:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy Trust'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.

### **Other information**

The other information comprises the information included in the annual report other than the Financial Statements and our auditor's 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.

### **Opinions 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 incorporated strategic report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

# **MONTACUTE SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTACUTE SCHOOL (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

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

### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. In preparing the Financial Statements, the Trustees are responsible for assessing the Academy Trust'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 charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the Financial Statements**

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

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal assurance reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

# **MONTACUTE SCHOOL**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTACUTE SCHOOL (CONTINUED)**

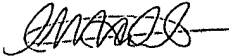
**FOR THE YEAR ENDED 31 AUGUST 2023**

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

### **Use of our report**

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



**Louise Hallsworth FCA (Senior Statutory Auditor)  
for and on behalf of Baxter & Co**

12 December 2023

**Chartered Certified Accountants  
Statutory Auditor**

Lynwood House  
Crofton Road  
Orpington  
Kent  
BR6 8QE

# **MONTACUTE SCHOOL**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MONTACUTE SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2023***

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In accordance with the terms of our engagement letter dated 19 May 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Montacute School during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of Montacute School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Montacute School's funding agreement with the Secretary of State for Education dated 29 July 2011 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of internal scrutiny implemented by the Academy Trust in order to comply with its obligations under 3.1 of the Academy Trust Handbook 2022, issued by the ESFA.



# **MONTACUTE SCHOOL**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MONTACUTE SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Conclusion**

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

*Baxter & Co.*

### **Reporting Accountant**

Baxter & Co  
Lynwood House  
Crofton Road  
Orpington  
Kent  
BR6 8QE

Dated: 12 December 2023

# MONTACUTE SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2023 £'000	Total 2022 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	7	64	71	27
Charitable activities:						
- Funding for educational operations	4	-	3,496	-	3,496	3,128
Other trading activities	5	81	-	-	81	75
Investments	6	7	-	-	7	-
<b>Total</b>		<u>88</u>	<u>3,503</u>	<u>64</u>	<u>3,655</u>	<u>3,230</u>
<b>Expenditure on:</b>						
Raising funds	7	14	-	-	14	29
Charitable activities:						
- Educational operations	8	133	3,196	174	3,503	3,555
<b>Total</b>	7	<u>147</u>	<u>3,196</u>	<u>174</u>	<u>3,517</u>	<u>3,584</u>
<b>Net income/(expenditure)</b>		(59)	307	(110)	138	(354)
Transfers between funds	16	-	(155)	155	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	18	-	699	-	699	3,987
<b>Net movement in funds</b>		(59)	851	45	837	3,633
<b>Reconciliation of funds</b>						
Total funds brought forward		163	(331)	6,426	6,258	2,625
Total funds carried forward		<u>104</u>	<u>520</u>	<u>6,471</u>	<u>7,095</u>	<u>6,258</u>

# MONTACUTE SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022		Unrestricted funds	Restricted funds:		Total 2022
	Notes	£'000	General £'000	Fixed asset £'000	£'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	6	4	17	27
Charitable activities:					
- Funding for educational operations	4	-	3,128	-	3,128
Other trading activities	5	75	-	-	75
<b>Total</b>		<u>81</u>	<u>3,132</u>	<u>17</u>	<u>3,230</u>
<b>Expenditure on:</b>					
Raising funds	7	29	-	-	29
Charitable activities:					
- Educational operations	8	60	3,315	180	3,555
<b>Total</b>	7	<u>89</u>	<u>3,315</u>	<u>180</u>	<u>3,584</u>
<b>Net expenditure</b>		(8)	(183)	(163)	(354)
Transfers between funds	16	-	(148)	148	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	18	-	3,987	-	3,987
<b>Net movement in funds</b>		(8)	3,656	(15)	3,633
<b>Reconciliation of funds</b>					
Total funds brought forward		171	(3,987)	6,441	2,625
Total funds carried forward		<u>163</u>	<u>(331)</u>	<u>6,426</u>	<u>6,258</u>

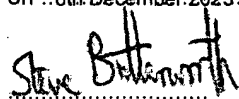
# MONTACUTE SCHOOL

## BALANCE SHEET

AS AT 31 AUGUST 2023

		2023		2022	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	12		6,446		6,418
<b>Current assets</b>					
Debtors	13	126		74	
Cash at bank and in hand		1,662		1,476	
		<u>1,788</u>		<u>1,550</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	(302)		(268)	
<b>Net current assets</b>			1,486		1,282
<b>Net assets excluding pension liability</b>			7,932		7,700
Defined benefit pension scheme liability	18		(837)		(1,442)
<b>Total net assets</b>			<u>7,095</u>		<u>6,258</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	16				
- Fixed asset funds			6,471		6,426
- Restricted income funds			1,357		1,111
- Pension reserve			(837)		(1,442)
<b>Total restricted funds</b>			6,991		6,095
<b>Unrestricted income funds</b>	16		104		163
<b>Total funds</b>			<u>7,095</u>		<u>6,258</u>

The Financial Statements on pages 24 to 48 were approved by the Trustees and authorised for issue on ..6th December 2023..... and are signed on their behalf by:



S Butterworth  
Chair of Trustees

Company registration number 07724780 (England and Wales)

# MONTACUTE SCHOOL

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 AUGUST 2023**

	Notes	2023 £'000	£'000	2022 £'000	£'000
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	19		317		377
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		7		-	
Capital grants from DfE Group		26		8	
Capital funding received from sponsors and others		38		-	
Purchase of tangible fixed assets		(202)		(148)	
<b>Net cash used in investing activities</b>			(131)		(140)
<b>Net increase in cash and cash equivalents in the reporting period</b>			186		237
Cash and cash equivalents at beginning of the year			1,476		1,239
<b>Cash and cash equivalents at end of the year</b>			1,662		1,476

# MONTACUTE SCHOOL

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

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### 1 Accounting policies

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

#### 1.1 Basis of preparation

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

#### 1.2 Going concern

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

#### 1.3 Income

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

##### 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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

##### Donations

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

##### Other income

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

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies

(Continued)

#### Donated fixed assets

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

#### 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

#### 1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more per item 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 that require 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. Where tangible fixed assets have been acquired / funded by other income, the fixed asset fund is also credited. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

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

Freehold Land & Buildings	50 years
Outdoor Area	10%
Computer equipment	20%
Fixtures, fittings & equipment	15%
Motor vehicles	25%

No depreciation is provided in respect of freehold land.

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

### 1 Accounting policies

(Continued)

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.

#### 1.6 Liabilities

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

#### 1.7 Leased assets

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

#### 1.8 Financial instruments

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

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.9 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 1.10 Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets and the liabilities are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The 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 are recognised in the period to which they relate.



# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

---

### 1 Accounting policies

(Continued)

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

#### 1.11 Fund accounting

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

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

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

### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact on 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 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### Critical areas of judgement

In preparing these Financial Statements, the Trustees have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Donated fixed assets	-	-	-	9
Capital grants	-	26	26	8
Other donations	-	45	45	10
	<u>-</u>	<u>71</u>	<u>71</u>	<u>27</u>

### 4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	880	880	880
Other DfE/ESFA grants:				
- UIFSM	-	4	4	5
- Pupil premium	-	37	37	26
- Others	-	44	44	34
	<u>-</u>	<u>965</u>	<u>965</u>	<u>945</u>
<b>Other government grants</b>				
Local authority grants	-	2,491	2,491	2,168
	<u>-</u>	<u>2,491</u>	<u>2,491</u>	<u>2,168</u>
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Other DfE/ESFA COVID-19 funding	-	40	40	14
<b>Non-DfE/ESFA</b>				
Other COVID-19 funding	-	-	-	1
	<u>-</u>	<u>40</u>	<u>40</u>	<u>15</u>
<b>Total funding</b>	<u>-</u>	<u>3,496</u>	<u>3,496</u>	<u>3,128</u>

The Academy Trust has been eligible to claim additional funding in the year from government support schemes in response to the Coronavirus outbreak. The funding received is shown above under "COVID-19 additional funding".

The funding received for coronavirus exceptional support covers £30,139 of Recovery Premium costs and £9,570 of National Tutoring costs. These costs are included in notes 7 and 8 below as appropriate.

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Hire of facilities	-	-	-	1
Catering income	8	-	8	10
Income from facilities and services	58	-	58	50
Other income	4	-	4	14
Insurance claims	11	-	11	-
	<u>81</u>	<u>-</u>	<u>81</u>	<u>75</u>

### 6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Short term deposits	<u>7</u>	<u>-</u>	<u>7</u>	<u>-</u>

### 7 Expenditure

	Staff costs £'000	Non-pay expenditure		Total 2023 £'000	Total 2022 £'000
		Premises £'000	Other £'000		
Expenditure on raising funds					
- Direct costs	-	-	14	14	29
Academy's educational operations					
- Direct costs	2,362	139	177	2,678	2,379
- Allocated support costs	453	198	174	825	1,176
	<u>2,815</u>	<u>337</u>	<u>365</u>	<u>3,517</u>	<u>3,584</u>

Net income/(expenditure) for the year includes:

	2023 £'000	2022 £'000
Operating lease rentals	1	1
Depreciation of tangible fixed assets	174	174
Loss on disposal of fixed assets	-	6
Fees payable to auditor for:		
- Audit	6	6
- Other services	5	4
Net interest on defined benefit pension liability	<u>56</u>	<u>79</u>

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 7 Expenditure

(Continued)

Included within expenditure are the following transactions:

	Total 2023 £	Individual items over £5,000 2023 £
Gifts made by the Academy Trust - total	442	

Clarification – While the majority of disclosure in these accounts are rounded to £'000, the disclosure of gifts made is not. The value of gifts for the year is £442 (and not £442k).

### 8 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
<b>Direct costs</b>				
Educational operations	86	2,592	2,678	2,379
<b>Support costs</b>				
Educational operations	47	778	825	1,176
	133	3,370	3,503	3,555
<b>Analysis of costs</b>			<b>2023 £'000</b>	<b>2022 £'000</b>
<b>Direct costs</b>				
Teaching and educational support staff costs			2,362	2,073
Staff development			20	18
Depreciation			139	141
Technology costs			10	32
Educational supplies and services			36	41
Educational consultancy			99	55
Other direct costs			12	19
			2,678	2,379

6th December 2023

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 8 Charitable activities

(Continued)

#### Support costs

Support staff costs	415	353
Defined benefit pension scheme - staff costs (FRS102 adjustment)	38	431
Depreciation	35	33
Loss on disposal of fixed assets	-	6
Technology costs	10	8
Maintenance of premises and equipment	51	61
Cleaning	27	17
Energy costs	57	60
Rent, rates and other occupancy costs	23	24
Insurance	4	5
Security and transport	7	10
Catering	25	28
Defined benefit pension scheme - finance costs (FRS102 adjustment)	56	79
Other support costs	65	51
Governance costs	12	10
	<u>825</u>	<u>1,176</u>

### 9 Staff

#### Staff costs

Staff costs during the year were:

	2023 £'000	2022 £'000
Wages and salaries	1,996	1,819
Social security costs	158	133
Pension costs	458	385
Defined benefit pension scheme - staff costs (FRS102 adjustment)	38	431
Staff costs - employees	<u>2,650</u>	<u>2,768</u>
Agency staff costs	165	89
Total staff expenditure	<u>2,815</u>	<u>2,857</u>

#### Staff numbers

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

	2023 Number	2022 Number
Teachers	16	16
Administration and support	85	83
Management	4	3
	<u>105</u>	<u>102</u>

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 9 Staff

(Continued)

The number of persons employed, expressed as a full time equivalent, was as follows:

	2023 Number	2022 Number
Teachers	14	13
Administration and support	50	46
Management	4	3
	<u>68</u>	<u>62</u>

#### Higher paid staff

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

	2023 Number	2022 Number
£70,001 - £80,000	1	1
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
	<u>2</u>	<u>2</u>

#### Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £563,624 (2022: £505,580).

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 10 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their services as Trustees.

The value of Trustees' remuneration and other benefits was as follows:

V Bellard (Headteacher):

- Remuneration: £100,000 - £105,000 (2022: £90,000 - £95,000)
- Employer's pension contributions: £20,000 - £25,000 (2022: £20,000 - £25,000)

T Smith (Staff trustee - resigned 09 December 2022, re-appointed 18 April 2023):

- Remuneration: £40,000 - £45,000 (2022: £25,000 - £30,000)
- Employer's pension contributions: £5,000 - £10,000 (2022: £5,000 - £10,000)

L Griffiths (Staff trustee - appointed 22 June 2022)

- Remuneration: £15,000 - £20,000 (2022: £0 - £5,000)
- Employer's pension contributions: £0 - £5,000 (2022: £0 - £5,000)

During the year, expenses totalling £1,279 (2022: £80) were reimbursed or paid directly to 2 Trustees (2022: 2 Trustees).

#### 11 Trustees' and officers' insurance

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

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 12 Tangible fixed assets

	Freehold Land & Buildings £'000	Outdoor Area £'000	Computer equipment £'000	Fixtures, fittings & equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>						
At 1 September 2022	7,121	135	62	366	84	7,768
Additions	-	81	13	18	90	202
Disposals	-	-	(2)	(3)	-	(5)
At 31 August 2023	7,121	216	73	381	174	7,965
<b>Depreciation</b>						
At 1 September 2022	919	18	53	276	84	1,350
On disposals	-	-	(2)	(3)	-	(5)
Charge for the year	131	15	3	24	1	174
At 31 August 2023	1,050	33	54	297	85	1,519
<b>Net book value</b>						
At 31 August 2023	6,071	183	19	84	89	6,446
At 31 August 2022	6,202	117	9	90	-	6,418

### 13 Debtors

	2023 £'000	2022 £'000
Trade debtors	-	4
VAT recoverable	24	29
Other debtors	75	18
Prepayments and accrued income	27	23
	126	74

### 14 Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Trade creditors	76	73
Other taxation and social security	35	29
Other creditors	56	59
Accruals and deferred income	135	107
	302	268



# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 15 Deferred income

	2023 £'000	2022 £'000
Deferred income is included within:		
Creditors due within one year	2	3
	<u>2</u>	<u>3</u>
Deferred income at 1 September 2022	3	6
Released from previous years	(3)	(6)
Resources deferred in the year	2	3
	<u>2</u>	<u>3</u>
Deferred income at 31 August 2023	2	3

Deferred income at 31 August 2023 relates to UIFSM income received in advance of £2k (2022: £3k).

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 16 Funds

	Balance at 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2023 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	880	(746)	(134)	-
UIFSM	-	4	(4)	-	-
Pupil premium	-	37	(37)	-	-
Other DfE/ESFA COVID-19 funding	-	40	(40)	-	-
Other DfE/ESFA grants	37	44	(81)	-	-
Other government grants	1,046	2,491	(2,191)	-	1,346
Other restricted funds	28	7	(3)	(21)	11
Pension reserve	(1,442)	-	(94)	699	(837)
	<u>(331)</u>	<u>3,503</u>	<u>(3,196)</u>	<u>544</u>	<u>520</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	6,271	-	(150)	-	6,121
DfE group capital grants	14	26	(2)	-	38
Capital expenditure from GAG and other funds	133	-	(20)	155	268
Donated fixed assets	8	-	(2)	-	6
Private sector capital sponsorship	-	38	-	-	38
	<u>6,426</u>	<u>64</u>	<u>(174)</u>	<u>155</u>	<u>6,471</u>
<b>Total restricted funds</b>	<u>6,095</u>	<u>3,567</u>	<u>(3,370)</u>	<u>699</u>	<u>6,991</u>
<b>Unrestricted funds</b>					
General funds	111	88	(147)	-	52
Amenity	52	-	-	-	52
	<u>163</u>	<u>88</u>	<u>(147)</u>	<u>-</u>	<u>104</u>
<b>Total funds</b>	<u>6,258</u>	<u>3,655</u>	<u>(3,517)</u>	<u>699</u>	<u>7,095</u>

# **MONTACUTE SCHOOL**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **16 Funds**

**(Continued)**

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

The Restricted General Funds are used to fund the general operating costs of the Trust.

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

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit.

The Restricted Fixed Asset Fund represents the net book value of fixed assets plus the unspent element of Capital funds. When assets are purchased the fund is increased and depreciation charges reduce the fund.

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Trustees, to support any of the Academy's charitable purposes.

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 16 Funds

(Continued)

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

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	880	(792)	(88)	-
UIFSM	-	5	(5)	-	-
Pupil premium	-	26	(26)	-	-
Catch-up premium	21	-	(21)	-	-
Other DfE/ESFA COVID-19 funding	-	14	(14)	-	-
Other Coronavirus funding	-	1	(1)	-	-
Other DfE/ESFA grants	-	34	3	-	37
Other government grants	790	2,168	(1,912)	-	1,046
Monty's Appeal	121	4	(37)	(60)	28
Pension reserve	(4,919)	-	(510)	3,987	(1,442)
	<u>(3,987)</u>	<u>3,132</u>	<u>(3,315)</u>	<u>3,839</u>	<u>(331)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	6,431	-	(160)	-	6,271
DfE group capital grants	7	8	(1)	-	14
Capital expenditure from GAG and other funds	3	-	(18)	148	133
Donated fixed assets	-	9	(1)	-	8
	<u>6,441</u>	<u>17</u>	<u>(180)</u>	<u>148</u>	<u>6,426</u>
<b>Total restricted funds</b>	<u>2,454</u>	<u>3,149</u>	<u>(3,495)</u>	<u>3,987</u>	<u>6,095</u>
<b>Unrestricted funds</b>					
General funds	112	75	(76)	-	111
Amenity	59	6	(13)	-	52
	<u>171</u>	<u>81</u>	<u>(89)</u>	<u>-</u>	<u>163</u>
<b>Total funds</b>	<u>2,625</u>	<u>3,230</u>	<u>(3,584)</u>	<u>3,987</u>	<u>6,258</u>

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 17 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	-	-	6,446	6,446
Current assets	104	1,659	25	1,788
Current liabilities	-	(302)	-	(302)
Pension scheme liability	-	(837)	-	(837)
<b>Total net assets</b>	<b>104</b>	<b>520</b>	<b>6,471</b>	<b>7,095</b>
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	6,418	6,418
Current assets	228	1,314	8	1,550
Current liabilities	(65)	(203)	-	(268)
Pension scheme liability	-	(1,442)	-	(1,442)
<b>Total net assets</b>	<b>163</b>	<b>(331)</b>	<b>6,426</b>	<b>6,258</b>

#### 18 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2022.

Contributions amounting to £50k were payable to the schemes at 31 August 2023 (2022: £44k) and are included within creditors.

##### Teachers' Pension Scheme

###### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. 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.

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Pension and similar obligations

(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% employer 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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to the TPS in the period amounted to £177k (2022: £163k).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 23.6% for employers and 5.5% to 12.5% for employees.

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

Total contributions made	2023 £'000	2022 £'000
Employer's contributions	281	222
Employees' contributions	71	59
	<hr/>	<hr/>
Total contributions	352	281
	<hr/>	<hr/>

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.90	3.95
Rate of increase for pensions in payment/inflation	2.90	2.95
Discount rate for scheme liabilities	5.30	4.25
CPI inflation	2.90	2.95

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

	2023 Years	2022 Years
Retiring today		
- Males	21.8	22.1
- Females	23.9	24.2
Retiring in 20 years		
- Males	23.1	23.4
- Females	25.3	25.6

Scheme liabilities would have been affected by changes in assumptions as follows:

	2023 £'000	2022 £'000
Discount rate + 0.1%	4,307	4,613
Discount rate - 0.1%	4,477	4,842
Mortality assumption + 1 year	4,518	4,875
Mortality assumption - 1 year	4,268	4,581
Salary rate + 0.1%	4,395	4,734
Salary rate - 0.1%	4,387	4,718
Pensions rate + 0.1%	4,476	4,836
Pensions rate - 0.1%	4,309	4,619

#### Defined benefit pension scheme net liability

	2023 £'000	2022 £'000
Scheme assets	3,554	3,284
Scheme obligations	(4,391)	(4,726)
Net liability	(837)	(1,442)

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Pension and similar obligations

(Continued)

#### The Academy Trust's share of the assets in the scheme

	2023 Fair value £'000	2022 Fair value £'000
Equities	2,194	1,772
Bonds	233	151
Cash	53	50
Property	312	339
Other assets	762	972
	<u>3,554</u>	<u>3,284</u>
Total market value of assets	<u>3,554</u>	<u>3,284</u>

The actual return on scheme assets was £1,000 (2022: £(138,000)).

#### Amount recognised in the statement of financial activities

	2023 £'000	2022 £'000
Current service cost	317	651
Interest income	(145)	(55)
Interest cost	201	134
Administration expenses	2	2
	<u>375</u>	<u>732</u>
Total operating charge	<u>375</u>	<u>732</u>

#### Changes in the present value of defined benefit obligations

	2023 £'000
At 1 September 2022	4,726
Current service cost	317
Interest cost	201
Employee contributions	71
Actuarial (gain)	(843)
Benefits paid	(81)
	<u>4,391</u>
At 31 August 2023	<u>4,391</u>



# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 18 Pension and similar obligations

(Continued)

##### Changes in the fair value of the Academy Trust's share of scheme assets

	2023 £'000
At 1 September 2022	3,284
Interest income	145
Actuarial (loss)	(144)
Employer contributions	281
Employee contributions	71
Benefits paid	(81)
Administration expenses	(2)
At 31 August 2023	3,554

#### 19 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Notes	2023 £'000	2022 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		138	(354)
Adjusted for:			
Capital grants from DfE and other capital income		(64)	(17)
Investment income receivable	6	(7)	-
Defined benefit pension costs less contributions payable	18	38	431
Defined benefit pension scheme finance cost	18	56	79
Depreciation of tangible fixed assets		174	174
Loss on disposal of fixed assets		-	6
(Increase) in debtors		(52)	(45)
Increase in creditors		34	103
Net cash provided by operating activities		317	377

#### 20 Analysis of changes in net funds

	1 September 2022 £'000	Cash flows £'000	31 August 2023 £'000
Cash	1,476	186	1,662

# MONTACUTE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 21 Long-term commitments

#### Operating leases

At 31 August 2023 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £'000	2022 £'000
Amounts due within one year	1	1
Amounts due in two and five years	1	2
	<u>2</u>	<u>3</u>

### 22 Related party transactions

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

### 23 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

### 24 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 2023 the trust had unspent funding brought forward of £5k (2022: £4k), received £2k (2022: £1k) and disbursed £2k (2022: £nil) from the fund. An amount of £5k (2022: £5k) is included within creditors: amounts falling due in less than one year.