
SOUTH CHARNWOOD HIGH SCHOOL

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

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SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

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SOUTH CHARNWOOD HIGH SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Geoffrey Suart Rachael Underwood David Critchley Alan May Richard Buckby (resigned 4 September 2023)
Trustees	Simon Andrews, Headteacher and Accounting Officer Richard Buckby, Parent Trustee (resigned 4 September 2023) Tammie Copley, Community Trustee (resigned 26 September 2022) David Critchley, Community Trustee and Vice-Chair of Trustees Kate Everest, Parent Trustee (moved to Community Trustee 23 March 2023) Alan May, Community Trustee David Sprason, Community Trustee Julie Shellard, Community Trustee Geoffrey Suart, Community Trustee Rachael Underwood, Community Trustee and Chair of Trustees Atish Vadher, Community Trustee Jamieson Page, Community Trustee (appointed 14 October 2022) Sandra Hall, Community Trustee (appointed 12 April 2023) Christopher Lambert, Community Trustee (appointed 12 April 2023)
Company registered number	08423539
Company name	South Charnwood High School
Principal and registered office	Broad Lane Markfield Leicestershire LE67 9TB
Company secretary	Alistair Keates
Senior leadership team	Simon Andrews, Headteacher Abigail Lear, Deputy Headteacher Kathryn Juskiewicz, Assistant Headteacher Callum Peake, Assistant Headteacher Christopher Peach, Assistant Headteacher Alistair Keates, Business Manager
Independent auditors	Bates Weston Audit Ltd Statutory Auditors Chartered Accountants The Mills Canal Street Derby DE1 2RJ

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

Bankers	Lloyds Bank Plc Belvoir Road Coalville Leicestershire LE67 3QH
Solicitors	Browne Jacobson LLP Victoria Square House Victoria Square Birmingham B2 4BU

SOUTH CHARNWOOD HIGH SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

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

The Academy Trust operates an Academy for pupils aged 11 to 16 serving a catchment area in Markfield, Thornton, Stanton under Bardon and Leicester Forest East. It has a pupil capacity of 870 and had a roll of 874 in the school census 5th October 2023.

Structure, governance and management

a. Constitution

The Academy is a charitable 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 South Charnwood High School are also the directors of the charitable company for the purposes of company law. The charitable company operates as South Charnwood High School.

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

b. Members' liability

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

c. Trustees' indemnities

Trustees' benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust.

d. Method of recruitment and appointment or election of Trustees

The Board of Trustees of South Charnwood High School is constituted as laid down in its articles of association and is made up of not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum, allowing the school to adjust the membership to reflect the needs of the school as it evolves. All Trustees serve for a term of four years, other than the Headteacher. When their term of office comes to an end they are required to be re-elected / re-appointed if the trustee wishes to stand for a further term.

Community Trustees

The school endeavours to follow a 'skills based' approach in order to appoint Community Trustees and will advertise the position specifying the particular skills required by the Board of Trustees. Community Trustees are appointed by the Board of Trustees. Following an initial expression of interest, potential candidates will be invited to present themselves to the Headteacher, Chair of Trustees and even other Trustees and explain the particular qualities and skills they would bring to the Board of Trustees. A decision is then made by the existing Trustees as to whether the candidate is suitable.

Parent Trustees

Parent Trustees are elected by the Parents/Carers of pupils attending the school. Established procedures are always followed. The role is advertised to parents/carers of the school with a time limit for applications. A single

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

Structure, governance and management (continued)

candidate is automatically approved, but if more than one parent/carer applies then a ballot is held following all correct guidelines and procedures.

e. Policies adopted for the induction and training of Trustees

As soon as possible after a new Trustees appointment has been ratified by the Board of Trustees, the Clerk to the Trustees will send out a Trustees' induction pack. The Clerk will then arrange for the new Trustee to visit the school, meet with the Headteacher and have a tour of the school. The new Trustee will also complete all necessary paperwork. The Clerk will also contact the Link Trustee who will draw up a training plan program depending on the skills and requirements of the new Trustee. The school subscribes to the Governors Development Service based at Leicestershire County Council. Trustees' induction training, alongside a menu of extensive specialised training, is available through this service. The Link Trustee will inform the Board of Trustees at all full meetings about the courses / training available.

f. Organisational structure

The Board of Members, determines the overall direction of the school, with the Trustees to oversee and monitor how the school is run on a day-to-day basis. The day-to-day running of the school is delegated to the Headteacher and Senior Leadership Team. The Headteacher undertakes the key leadership role in consultation with Trustees and Staff, and in line with the agreed policies. The Members meet separately, to consider academy strategic issues, governing body structure and appointments, as well as holding an AGM on an annual basis. Then the Board of Trustees meet at least five times per year and additional strategy meetings may be convened when new strategic plans are at a draft stage. The Board of Trustees is supported by committees covering Finance, Audit and Risk, Quality of Education, Premises, Health and Safety and Personal Development, Behaviour and Attitudes. Each sub-committee has terms of reference. The Headteacher is also the Accounting Officer. The Headteacher oversees the recruitment of all staff and is an ex-officio Trustee.

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

The pay for members of the Senior Leadership Team who are on the Teachers pay scale are dictated by the calculation for the school group, in which South Charnwood High School is currently located. The Board of Trustees then sets the Individual School Range (ISR) within the school group for each role, ensuring that the required gaps are present between the various roles within a school group. The pay scale for the Business Manager is in line with the Hays job evaluation pay scale. The Headteacher, Deputy Headteacher and Assistant Headteachers are working through the job ISR. All cost of living rises are in line with the agreed national body pay rates, which have been approved by the Unions. The Business Manager, over the past few years has been progressing through his salary grade increment. It is the responsibility of the Board of Trustees to establish a Pay Committee, of no fewer than 3 Trustees, in order to monitor pay decisions. The Pay Committee will take responsibility, in consultation with the Headteacher, for making decisions concerning performance related pay awards for all eligible staff. Members of the Pay Committee does not include staff trustees. The Headteacher will make recommendations to the Pay Committee regarding Performance Related Pay and staff pay progression and the Pay Committee will make a final decision taking into account the Headteacher's recommendations. Pay progression of the Head Teacher is considered by the Headteacher's Performance Management Committee based on the recommendation of the Chair of Trustees with advice from External Educational Adviser

h. Trade union facility time

Relevant union officials

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

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

Structure, governance and management (continued)

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	£000
Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related parties and other connected charities and organisations

South Charnwood High School is an Academy in its own legal identity with no connected charities or organisations.

Objectives and activities

a. Objects and aims

South Charnwood High School's objective is to advance education for the public benefit by maintaining, managing and developing a school offering a broad and balanced curriculum. Also, the school promotes the provision of facilities for recreation or other leisure time occupations for individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances.

South Charnwood is an 11-16 co-educational comprehensive high school. The school currently has 870 pupils who come from diverse cultures and backgrounds. The Trustees want the school to continue to provide an outstanding secondary education for all pupils. The school works as an optimistic, affirmative learning community, seeking continuous improvement. It particularly values high academic achievement and pupils' success in terms of personal growth and confidence. It aims to foster aspiration and give all pupils lifelong resources to achieve their full potential and will work with all pupils to:

- achieve high standards in all areas of the curriculum.
- develop them as self-reliant lifelong learners.
- make effective use of current technology.
- foster powers of imagination and creativity; of questioning and reasoning.
- teach good citizenship, encouraging responsible and compassionate attitudes towards all members of the community.

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

Objectives and activities (continued)

- teach awareness of enduring moral and spiritual values.
- teach appreciation of the strengths of diversity.
- provide opportunities for pupils to exercise responsibility.

b. Objectives, strategies and activities

The school improvement plan identified the following key priorities:

1. Ensure the consistent use of assessment, feedback and analysis of data that results in high quality outcomes for all pupils, particularly disadvantaged pupils.
2. Ensure staff professional development & appraisal translates into improvements in the well being, development and outcomes of pupils.
3. Strengthen the quality and consistency of teaching & learning to ensure it is highly effective, adapted to pupils needs and leads to outstanding outcomes.
4. Ensure that the school has a clear and consistent ethos around expectations of behaviour and attitudes which is embraced by and communicated to pupils, parents, staff and governors.
5. Consistently promote and celebrate the personal development of pupils by developing their unique characters, nurturing their talents and interests.
6. Ensure the long term viability of the school, its ethos and the effectiveness of the new senior leadership team.
7. Continue to ensure that safeguarding procedures are effective and robust.
8. Ensure that the school responds appropriately to national initiatives and government guidance with regards to SEND and Inclusion.

c. Public benefit

South Charnwood High School is a charitable trust which seeks to benefit the school users through the pursuit of its stated aims above. In setting our objective and planning out activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic report

Achievements and performance

The school continues to perform outstandingly well, achieving excellent GCSE results in 2023. Pupils at the school achieve up to half a grade higher in each qualification on average, compared to similar pupils across the country.

a. Key performance indicators

The school is rated as Good by Ofsted. GCSE results in 2023 were outstanding in English, Maths and Science and were well above national averages.

- Progress 8 was +0.31.
- 57% of pupils achieved Grade 5+ in English & Maths.
- Attainment 8 score was 50.7
- EBacc average point score was 4.31
- Destination data for 2021 leavers was outstanding with 95% staying in education, employment or training.

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

Strategic report (continued)

Achievements and performance (continued)

However, the percentage of pupils entering EBacc was 15% and below national average.

b. 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.

c. Promoting the success of the company

Under section 172(1)(a) to (f) of the companies Act 2006, directors of the academy act in a way most likely to promote the success of the academy, and in doing so have regard to:

- the likely consequences of any decision in the long term
- the interest of the academy's employees
- the need to foster the academy's business relationships with suppliers, customers and others
- the compact of the academy's operations on the community and the environment
- the desirability of the academy maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the academy

Financial review

Most of the Academy's income is obtained from the DfE via the ESFA 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.

The number on roll and the demographics are the biggest factors on the Academy Trust's annual level of income from the ESFA. That means the annual demographics of the intake and the current number of pupils on roll are the biggest risk to the long-term financial position of the school. However, the Academy currently is budgeting for a surplus balance over the next three years.

The expenditure ensures the Academy meets its key objectives, with expenditure also linked to the three-year Strategic Plan.

There is a pension asset, restricted to £NIL, for the Academy Trust arising from obligations to a defined local authority pension scheme.

The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's Finance policy.

At 31 August 2023 the net book value of fixed assets was £10,397,000. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The in-year deficit figure is £31,000 which is the change in balance of restricted general funds (excluding pension reserve) plus unrestricted funds.

The actual position of reserves (restricted general funds, excluding pension reserves, plus unrestricted funds) as at 31 August 2023 is £902,000.

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

Strategic report (continued)

Key financial policies adopted or reviewed during the year were:

- Data Protection Policy
- Teachers Pay Policy
- Support Staff Pay Policy
- Whistleblowing Policy

The Academy aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the academy aims to invest surplus cash funds to optimise returns, but ensuring the investments are such that there is no risk to the loss of these cash funds. The amount of the surplus is identified on the cash flow spreadsheets.

a. Reserves policy

The Trustees' Finance, Audit and Risk Committee review all reserve levels at all of their meetings. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Trustees ask for 1% of the General Annual Grant to be kept as an accessible contingency in the event of a major premises breakdown e.g. Boiler, sewerage works, roof, etc. In addition, the academy is building up year on year reserves to fund the resurfacing of the 3G pitch and to support the building of a new sports hall.

As part of the reserves policy any surplus or deficit position on the pension scheme, would generally result in a cash flow effect for the academy trust, in the form of an increase or decrease in employers' pension contributions, over a period of years.

At 31 August 2023 the total funds comprised:

Unrestricted	£306,000
Restricted: Fixed asset funds	£10,347,000
Pension reserve	£Nil
Other	£596,000
	<u>£11,249,000</u>

b. Investment policy

The Academy has an investment policy. It aims to invest surplus cash funds to optimise returns, but ensuring the investments are such that there is no risk to the loss of these cash funds. The amount of the surplus is identified on the cash flow spreadsheets. The Academy keeps a running cash flow spreadsheet. Currently, the academy invests £509K in a Lloyds Bank 95 Day Notice Account.

c. Principal risks and uncertainties

Three times a year a detailed Risk Register is assessed and updated by the Senior Leadership Team, then approved via the Finance, Audit and Risk Committee along with an annual audit and statement of internal controls. The register involved identifying the types of risk the school faces, categorising risk into teaching, safeguarding, leadership, resources, financial, IT, premises, health and safety, human resources and other impacts, accessing the likelihood of the occurrence and the impact that the occurrence will have on the school

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

and putting in place controls to mitigate such risks.

The principal risks for the school during the future are:

- A reduction in the pupil numbers on roll – The school closely monitors applications for places in each year group and models the financial implications of any trends.
- Funding formula changes – The Headteacher, Business Manager and Trustees' Finance, Audit and Risk Committee monitor and analyse any national or local changes and make the necessary adjustments to react to these changes.
- Increase in the cost of living - The school is facing the challenge of high inflationary factors (noticeably with energy costs) and staff pay rises. Increases in budget allocation have reflected this challenge in 2023/29 onwards.
- Due to the age of many of the school's buildings, concerns over the growing costs associated with maintaining, servicing and developing these buildings, is always a challenge to maintain a compliant and safe environment that offers an excellent working and learning environment for all.

The school and the Trustees are aware of the significant Local Government Pension Scheme pension fund, which has a net asset restricted to £NIL as at 31 August 2023. This does not mean that this is an immediate benefit as employer contributions have been set at a level which responds to the scheme's future needs and is reviewed three yearly to ensure that this continues to be the case. The school has also mitigated its risk in relation to this pension scheme by taking out insurance against early retirement on the grounds of ill health.

Fundraising

The school undertakes an annual charity sponsored walk and one non-uniform day per term for nominated charities. The first annual sponsored walk for many years took place in June of 2023 and raised in the region of £12K. Further non-uniform days and a sponsored walk are scheduled to take place in the academic year 2023 to 2024.

"The Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees".

Plans for future periods

The Academy will continue its primary objective to foster aspiration and give all pupils lifelong resources to achieve their full potential. The Trust's strategic plan details how its objectives will be achieved over a period of time.

Funds held as custodian on behalf of others

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

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Board of Members agree annually whether to continue using the services of MHA MacIntyre Hudson as its

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

Disclosure of information to auditors (continued)

external auditors. This year they agreed to change external auditors to Bates Weston Audit Limited.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14/12/2023 and signed on its behalf by:

Rachael Underwood

.....
Rachael Underwood
(Chair of Trustees)

SOUTH CHARNWOOD HIGH SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between South Charnwood High School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

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

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

Trustee	Meetings attended	Out of a possible
Simon Andrews, Headteacher and Accounting Officer	6	6
Richard Buckby, Parent Trustee	5	6
Tammie Copley, Community Trustee	1	1
David Critchley, Community Trustee and Vice-Chair of Trustees	5	6
Kate Everest, Parent Trustee (moved to Community Trustee 23 March 2023)	4	6
Alan May, Community Trustee	5	6
David Sprason, Community Trustee	5	6
Julie Shellard, Community Trustee	3	6
Geoffrey Suart, Community Trustee	6	6
Rachael Underwood, Community Trustee and Chair of Trustees	5	6
Atish Vadher, Community Trustee	4	6
Jamieson Page, Community Trustee	4	4
Sandra Hall, Community Trustee	2	2
Christopher Lambert, Community Trustee	1	2

The Board of Trustees has had one resignation and three appointments of Trustees during the year. The Board of Trustees has a number of current vacancies.

Trustees were particularly proactive last year in ensuring their contribution to the strategic direction of the school, especially as regards spending on infrastructure and the creation of a new School Improvement Plan. All committees have terms of reference and vice chairs are appointed to each committee, apart from one where there is a vacancy.

The Board of Trustees are supportive but challenge and question senior leaders to check their own understanding, to ensure they are fully aware of developments and to hold leaders to account.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Financial data is presented at each meeting of the Finance, Audit and Risk sub-committee, circulated to the Chair of Trustees, Chair of the Finance, Audit and Risk Committee and Senior Leadership Team on a monthly basis and is accessible to, and welcomed by, all Trustees.

The Finance, Audit and Risk Committee is a committee of the main Board of Trustees. Its purpose is to have a strategic role in the financial management in schools. Its key responsibilities include:

- Setting financial priorities through the School Improvement Plan, three to five-year financial plan and annual budget.
- Deciding on how the school's delegated budget should be spent in accordance with the School Improvement Plan and the statutory curriculum requirements laid down by the government.
- Approving the annual budget and monitoring expenditure.
- Ensuring the school budget is managed effectively.
- Ensuring the school meets all its statutory obligations and that there is compliance with financial regulations.
- Determining virement and expenditure thresholds through the school's finance policy.
- Evaluating the effectiveness of spending decisions.
- Ensuring scrutiny coverage.
- Reviewing risks to the school at every meeting.

In 2022-23 the committee spent much time in discussion with regards to improvements to the school's infrastructure, budget planning, budget monitoring, terms of reference and new management report format.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Rachael Underwood	5	6
Alan May	3	6
David Critchley (Chair of FAR Committee)	6	6
Julie Shellard	4	6
Richard Buckby (Resigned 4th September 2023)	5	6
Simon Andrews (Accounting Officer)	6	6
Alistair Keates (Chief Finance Officer)	6	6

Review of value for money

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

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

- Ensuring value for money on all building projects and major contracts by gaining three quotations or undertaking a formal tendering process (e.g. the capital projects and new payroll provider contracts this year).
- Accessing additional funding to offset the cost of large capital projects. Examples of this include Section 106 funding, Condition Improvement Fund, Football Foundation and Public Sector Decarbonisation Scheme

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

Grant over recent years.

- Encouraging budget holders and the Finance Assistant to look for the best prices before placing orders. This is normally done on-line.
- Following the restructuring and recruitment of employees into our Premises Team, the skills, knowledge and experience of the new team means many projects, repairs, maintenance and compliance work are now undertaken in house, as opposed to reliance on external contractors, so saving money and getting issues dealt with quicker and more efficiently.
- Following the principles of a paperless environment as reasonably possible.
- Bulk purchasing products to receive maximum discounts (e.g. paper and hygiene products).
- Undertaking on-line purchasing when an obvious lower price is available.
- Encouraging re-cycling of scrap metal, paper etc. to either reduce costs or generate additional funds.

Over the past few years, and going forward, the Chief Finance Officer has been leading a review of the whole school contracts to ensure they are firstly required and secondly they provide good value for money. Examples of savings made during the year include on contracts such as accountancy fees, electrical services, portable appliance testing and several curriculum based contracts cancelled.

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 South Charnwood High School Academy Trust for the period 1st 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 1st September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees

The risk and control framework

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

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

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Board of Trustees has considered the need for an external independent scrutiny service and has decided to commission Diane Kennington of Greenhill Independent Audit Service. Diane has many years' service working for the Internal Audit and Assurance Service at Leicestershire County Council, and understands the school environment and legal requirements and standards the academy works to. This year the internal audit was undertaken during May 2023.

The following scope areas were agreed with the Finance Audit and Risk Committee for this current period:

- Compliance – Monthly Management information is prepared and shared with the governors
- Bank Reconciliations – Reconciliations are prepared on a timely basis and independently reviewed
- Purchase Order System – Orders are raised and authorised
- Payment System – Processing of invoices, payment authorisation and BACS approval
- Credit Card Payments – authorisation and approval
- Payroll – Variations, review and payroll journal posting
- VAT – Process of submitting VAT Return (VAT 126)

On an annual basis, the internal auditor prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. All minutes, supporting papers and agendas are all made available to all Trustees in the Trustees' shared drive.

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 internal auditors;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- benchmarking exercises;
- management reports produced by the Business Manager;
- scrutiny undertaken by the Finance, Audit and Risk Committee;
- weekly meetings with the Business Manager (i.e. Chief Finance Officer)
- the work of the external auditor;
- correspondence and updates from the ESFA

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the committee and a plan to address weaknesses if relevant and ensure continuous improvement of the system is in place.

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

Rachael Underwood

.....
Rachael Underwood
Chair of Trustees
Date: 14/12/2023

S Andrews

.....
Simon Andrews
Accounting Officer

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of South Charnwood High School, I have considered my responsibility to notify the Academy 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 between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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



.....
Simon Andrews
Accounting Officer
Date: 18/12/2023

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

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

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

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

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

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

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

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

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

Rachael Underwood

.....
Rachael Underwood
(Chair of Trustees)

Date: 14/12/2023

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SOUTH CHARNWOOD HIGH SCHOOL

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SOUTH CHARNWOOD HIGH SCHOOL (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charity and sector in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Academy Trust Handbook, Academy Accounts Direction and ESFA/DfE funding agreements. Audit procedures performed by the engagement team included:

- Enquiry of management around actual and potential litigation and claims;

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SOUTH CHARNWOOD HIGH SCHOOL (CONTINUED)

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Wayne Thomas ACA (Senior Statutory Auditor)

for and on behalf of

Bates Weston Audit Ltd

Statutory Auditors

Chartered Accountants

The Mills

Canal Street

Derby

DE1 2RJ

Date: 19 December 2023

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SOUTH CHARNWOOD HIGH SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 22 June 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by South Charnwood High School during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of South Charnwood High School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of South Charnwood High School's funding agreement with the Secretary of State for Education dated 1 April 2013 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

- planned procedures and identified key risks;
- performed systems and controls testing and considered their effectiveness;
- performed substantive testing and reviewed for unusual or irregular transactions;
- reviewed connected party relationships and transactions.

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SOUTH
CHARNWOOD HIGH SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

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

Bates Weston Audit Ltd

Statutory Auditors
Chartered Accountants
The Mills
Canal Street
Derby
DE1 2RJ

Date: 19 December 2023

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

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

		Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	As restated Total funds 2022 £000
	Note					
Income from:						
Donations and capital grants	3	-	-	17	17	696
Other trading activities	5	70	-	-	70	67
Investments	6	8	-	-	8	-
Charitable activities		-	5,428	-	5,428	5,098
Total income		78	5,428	17	5,523	5,861
Expenditure on:						
Raising funds	8	17	-	-	17	21
Charitable activities	7	-	5,351	324	5,675	5,218
Total expenditure		17	5,351	324	5,692	5,239
Net income/(expenditure)		61	77	(307)	(169)	622
Transfers between funds	21	-	(197)	197	-	-
Net movement in funds before other recognised gains/(losses)		61	(120)	(110)	(169)	622
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	29	-	296	-	296	1,857
Pension surplus not recognised	29	-	(158)	-	(158)	-
Net movement in funds		61	18	(110)	(31)	2,479

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

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

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	<i>As restated Total funds</i>
	2023	2023	2023	2023	2022
Note	£000	£000	£000	£000	£000
Reconciliation of funds:					
Total funds brought forward	245	578	10,457	11,280	8,801
Net movement in funds	61	18	(110)	(31)	2,479
Total funds carried forward	306	596	10,347	11,249	11,280

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

The notes on pages 27 to 50 form part of these financial statements.

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 08423539

BALANCE SHEET
AS AT 31 AUGUST 2023

		2023 £000	As restated 2022 £000
Fixed assets	Note		
Tangible assets	14	10,398	10,187
		<u>10,398</u>	<u>10,187</u>
Current assets			
Stocks	15	2	2
Debtors	16	90	561
Investments	17	509	-
Cash at bank and in hand		733	1,299
		<u>1,334</u>	<u>1,862</u>
Creditors: amounts falling due within one year	18	(445)	(614)
Net current assets		<u>889</u>	<u>1,248</u>
Total assets less current liabilities		<u>11,287</u>	<u>11,435</u>
Creditors: amounts falling due after more than one year	19	(38)	(49)
Net assets excluding pension asset / liability		<u>11,249</u>	<u>11,386</u>
Defined benefit pension scheme asset / liability	29	-	(106)
Total net assets		<u><u>11,249</u></u>	<u><u>11,280</u></u>

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 08423539

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £000	As restated 2022 £000
Funds of the Academy			
Restricted funds:			
Fixed asset funds	21	10,347	10,457
Restricted income funds	21	596	684
Restricted funds excluding pension asset	21	10,943	11,141
Pension reserve	21	-	(106)
Total restricted funds	21	10,943	11,035
Unrestricted income funds	21	306	245
Total funds		11,249	11,280

The financial statements on pages 22 to 50 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

Rachael Underwood

.....
Rachael Underwood
 (Chair of Trustees)
 Date: 14/12/2023

S Andrews

.....
Simon Andrews
 (Accounting Officer)

The notes on pages 27 to 50 form part of these financial statements.

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash provided by operating activities	23	505	388
Cash flows from investing activities	25	(551)	145
Cash flows from financing activities	24	(11)	(10)
Change in cash and cash equivalents in the year		(57)	523
Cash and cash equivalents at the beginning of the year		1,299	776
Cash and cash equivalents at the end of the year	26, 27	1,242	1,299

The notes on pages 27 to 50 form part of these financial statements

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

South Charnwood High School meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

This consideration has taken into account as far as possible, the economic and political climate, and its impact on the Academy Trust, as far as it can be determined, and the Trustees remain satisfied that the going concern principle remains appropriate.

1.3 Income

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

• **Grants**

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the 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.

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income (continued)

- **Donations**

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

- **Other income**

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

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

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

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

1.7 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

depreciation and any provision for impairment.

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

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

Depreciation is provided on the following basis:

Long-term leasehold property	-	2% Straight-line per annum
Furniture and equipment	-	15% Straight-line per annum
Plant and machinery	-	15% Straight-line per annum
Computer equipment	-	20% Straight-line per annum

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

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.10 Cash at bank and in hand

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

1.11 Liabilities

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

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.12 Provisions

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

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

1.13 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. 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.

1.14 Pensions

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

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

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

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.14 Pensions (continued)

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.

1.15 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy 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 29, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

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3. Income from donations and capital grants

	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Capital Grants	17	17	696
<i>Total 2022</i>	696	696	

4. Funding for the Academy's charitable activities

	Restricted funds 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Educational operations			
DfE/ESFA grants			
General Annual Grants (GAG)	4,735	4,735	4,689
Other DfE/ESFA grants			
Pupil Premium	150	150	112
Schools Supplementary grant	230	230	58
Other ESFA/DfE grants	22	22	56
	5,137	5,137	4,915
Other Government grants			
Local Authority grants	129	129	96
Other income from the Academy's operations	162	162	74
COVID-19 additional funding (DfE/ESFA)			
Other DfE/ESFA COVID-19 funding	-	-	13
	5,428	5,428	5,098
<i>Total 2022</i>	5,098	5,098	

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5. Income from other trading activities

	Unrestricted funds 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Hire of facilities	66	66	62
Other income	4	4	5
	<u>70</u>	<u>70</u>	<u>67</u>
<i>Total 2022</i>	<u>67</u>	<u>67</u>	

6. Investment income

	Unrestricted funds 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Interest from short term deposits	8	8	-
	<u>-</u>	<u>-</u>	
<i>Total 2022</i>	<u>-</u>	<u>-</u>	

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7. Expenditure

	Staff Costs	Premises	Other	Total	<i>As restated</i>
	2023	2023	2023	2023	<i>Total</i>
	£000	£000	£000	£000	<i>2022</i>
					<i>£000</i>
Expenditure on raising voluntary income:					
Direct costs	17	-	-	17	21
Academy Trust's educational operations:					
Direct costs	3,600	292	419	4,311	4,032
Allocated support costs	565	375	424	1,364	1,187
	<u>4,182</u>	<u>667</u>	<u>843</u>	<u>5,692</u>	<u>5,240</u>
<i>Total 2022 as restated</i>	<u>4,087</u>	<u>498</u>	<u>655</u>	<u>5,240</u>	

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds	Total funds	<i>Total funds</i>
	2023	2023	<i>2022</i>
	£000	£000	<i>£000</i>
3G Pitch wages and salaries	16	16	18
3G Pitch pension costs	1	1	3
	<u>17</u>	<u>17</u>	<u>21</u>
<i>Total 2022</i>	<u>21</u>	<u>21</u>	

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9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Educational operations	4,311	1,364	5,675	5,219
<i>Total 2022</i>	<i>4,032</i>	<i>1,187</i>	<i>5,219</i>	

Analysis of support costs

	Educational operations 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Pension finance costs	5	5	30
Staff costs	560	560	512
Support premises costs	375	375	289
Other support costs	424	424	356
	1,364	1,364	1,187
<i>Total 2022</i>	<i>1,187</i>	<i>1,187</i>	

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £000	As restated 2022 £000
Depreciation of tangible fixed assets	324	261
Fees paid to auditors for:		
- audit	8	13
- other services	3	2

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £000	2022 £000
Wages and salaries	3,084	2,865
Social security costs	308	286
Pension costs	716	847
	<u>4,108</u>	<u>3,998</u>
Agency staff costs	69	59
Pension finance costs	5	30
	<u>4,182</u>	<u>4,087</u>

b. Staff numbers

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

	2023 No.	2022 No.
Teaching	51	52
Management	6	2
Administration and support	45	45
	<u>102</u>	<u>99</u>

c. Higher paid staff

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

	2023	2022
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-
In the band £100,001 - £110,000	-	1

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NOTES TO THE FINANCIAL STATEMENTS
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11. Staff (continued)

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £525,631 (2022 - £470,566).

12. Trustees' remuneration and expenses

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

		2023	2022
		£000	£000
Andrew Morris, Headteacher and Accounting Officer	Remuneration		100 - 105
	Pension contributions paid.		20 - 25
Simon Andrews, Headteacher and Accounting Officer	Remuneration	85 - 90	0 - 5
	Pension contributions paid	20 - 25	0 - 5
Julie Shellard, Community Trustee	Remuneration	0 - 5	0 - 5
	Pension contributions paid	0 - 5	0 - 5
David Sprason, Community Trustee	Remuneration	0 - 5	0 - 5
	Pension contributions paid	0 - 5	0 - 5
Jamieson Page, Community Trustee (appointed 14 October 2022)	Remuneration	0 - 5	
	Pension contributions paid	0 - 5	

During the year ended 31 August 2023, expenses for staff gifts totalling £221 were reimbursed or paid directly to 1 Trustee (2022 - £NIL).

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2023 (2022 - £5,000,000). The cost of this insurance is included in the total insurance cost.

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Tangible fixed assets

	Long leasehold land and property £000	Furniture and equipment £000	Plant and machinery £000	Computer equipment £000	Total £000
Cost					
At 1 September 2022	11,330	197	314	296	12,137
Additions	62	139	286	47	534
At 31 August 2023	<u>11,392</u>	<u>336</u>	<u>600</u>	<u>343</u>	<u>12,671</u>
Depreciation					
At 1 September 2022	1,578	163	8	201	1,950
Charge for the year	201	21	70	32	324
At 31 August 2023	<u>1,779</u>	<u>184</u>	<u>78</u>	<u>233</u>	<u>2,274</u>
Net book value					
At 31 August 2023	<u>9,613</u>	<u>152</u>	<u>522</u>	<u>110</u>	<u>10,397</u>
At 31 August 2022	<u>9,752</u>	<u>34</u>	<u>306</u>	<u>95</u>	<u>10,187</u>

Included in Long leasehold land and property is long leasehold land valued at £1,314,000 on conversion in 2013 by Andrea Hopkins MRICS, using the depreciated replacement cost method.

The freehold of the land and buildings is owned by Leicestershire County Council. The Academy Trust holds a 125 year lease on peppercorn rent from 2013.

15. Stocks

	2023 £000	2022 £000
Book stock	<u>2</u>	<u>2</u>

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

16. Debtors

	2023 £000	2022 £000
Due within one year		
Trade debtors	1	5
VAT recoverable	12	58
Prepayments and accrued income	77	498
	<u>90</u>	<u>561</u>

17. Current asset investments

	2023 £000	2022 £000
Cash on deposit	<u>509</u>	<u>-</u>

18. Creditors: Amounts falling due within one year

	2023 £000	2022 £000
Other loans	11	11
Trade creditors	71	231
Other taxation and social security	72	70
Other creditors	82	75
Accruals and deferred income	209	227
	<u>445</u>	<u>614</u>

	2023 £000	2022 £000
Deferred income at 1 September 2022	23	10
Resources deferred during the year	65	23
Amounts released from previous periods	(23)	(10)
	<u>65</u>	<u>23</u>

At the balance sheet date the academy trust was holding funds in advance for trips and other activities relevant to the next financial year.

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

	2023 £000	2022 £000
Other loans	38	49

Other loans falling due within and over one year relate to the Department for Education's Salix loan scheme. This interest free loan is repayable in instalments over 7 years finishing in 2027.

20. Prior year adjustments

The practice of charging depreciation on the land element of long-term leasehold property ceased during the year. The £99k accumulated depreciation charge was reversed as a prior year adjustment, which increased the brought forward net book value of long-term leasehold property and the brought forward restricted fixed asset fund by an equal amount.

21. Statement of funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Unrestricted funds						
Designated funds						
3G Pitch Replacement Fund- 25K	-	-	-	25	-	25
General funds						
Unrestricted funds	245	78	(17)	(25)	-	281
Total Unrestricted funds	245	78	(17)	-	-	306
Restricted general funds						
General Annual Grant (GAG)	684	4,735	(4,626)	(197)	-	596
Pupil Premium	-	150	(150)	-	-	-

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

21. Statement of funds (continued)

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
School Supplementary grant	-	230	(230)	-	-	-
Other ESFA/DfE grants	-	22	(22)	-	-	-
Other Government grants	-	129	(129)	-	-	-
Other income	-	162	(162)	-	-	-
Pension reserve	(106)	-	(32)	-	138	-
	<u>578</u>	<u>5,428</u>	<u>(5,351)</u>	<u>(197)</u>	<u>138</u>	<u>596</u>
Restricted fixed asset funds						
Net book value of fixed assets	10,187	-	(324)	534	-	10,397
Salix loan	(60)	-	-	10	-	(50)
Capital Grant (CIF)	192	-	-	(192)	-	-
Capital Grant (DFC)	-	17	-	(17)	-	-
Capital Grant (Salix)	138	-	-	(138)	-	-
	<u>10,457</u>	<u>17</u>	<u>(324)</u>	<u>197</u>	<u>-</u>	<u>10,347</u>
Total Restricted funds	<u>11,035</u>	<u>5,445</u>	<u>(5,675)</u>	<u>-</u>	<u>138</u>	<u>10,943</u>
Total funds	<u>11,280</u>	<u>5,523</u>	<u>(5,692)</u>	<u>-</u>	<u>138</u>	<u>11,249</u>

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

Unrestricted funds

Unrestricted funds are to be used towards meeting any of the charitable objectives of the Academy Trust at the discretion of the Trustees.

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

21. Statement of funds (continued)

Restricted general funds

This fund represents grants received for the Academy Trust's operational activities and development. This includes the pension reserve which represents the Academy's share of the assets and liabilities of the Local Government Pension Scheme Liability.

Restricted other funds

From time to time, additional funds are applied as set out above for specific purposes laid down by the grant provider and to be used in the short term.

Restricted fixed asset funds

This fund represents the net book value of fixed assets that were transferred on conversion or the academy purchased out of grants received.

Transfers relate to GAG funds used for capital works.

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

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

	<i>Balance at 1 September 2021 £000</i>	<i>Income £000</i>	<i>As restated Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2022 £000</i>
Unrestricted funds						
Unrestricted funds	199	67	(21)	-	-	245
Restricted general funds						
General Annual Grant (GAG)	431	4,689	(4,303)	(133)	-	684
Pupil Premium	-	112	(112)	-	-	-
School Supplementary grant	-	114	(114)	-	-	-
Other ESFA/DfE grants	-	96	(96)	-	-	-
Other Government grants	-	13	(13)	-	-	-
Other income	-	74	(74)	-	-	-
Pension reserve	(1,718)	-	(245)	-	1,857	(106)

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

	<i>Balance at 1 September 2021 £000</i>	<i>Income £000</i>	<i>As restated Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2022 £000</i>
	(1,287)	5,098	(4,957)	(133)	1,857	578
Restricted fixed asset funds						
Net book value of fixed assets	9,908	-	(272)	551	-	10,187
Salix loan	(70)	-	-	10	-	(60)
Capital Grant (CIF)	62	192	-	(62)	-	192
Capital Grant (DFC)	-	19	-	(19)	-	-
Capital Grant (Salix)	-	475	-	(337)	-	138
Capital Grant (3G Pitch)	-	10	-	(10)	-	-
	9,900	696	(272)	133	-	10,457
Total Restricted funds	8,613	5,794	(5,229)	-	1,857	11,035
Total funds	8,812	5,861	(5,250)	-	1,857	11,280

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	10,398	10,398
Current assets	306	1,028	-	1,334
Creditors due within one year	-	(432)	(13)	(445)
Creditors due in more than one year	-	-	(38)	(38)
Total	306	596	10,347	11,249

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	10,187	10,187
Current assets	245	1,287	330	1,862
Creditors due within one year	-	(603)	(11)	(614)
Creditors due in more than one year	-	-	(49)	(49)
Provisions for liabilities and charges	-	(106)	-	(106)
Total	245	578	10,457	11,280

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

	2023	<i>As restated</i> 2022
	£000	£000
Net (expenditure)/income for the year (as per Statement of financial activities)	(169)	622
Adjustments for:		
Depreciation	324	261
Capital grants from DfE and other capital income	17	(696)
Defined benefit pension scheme cost less contributions payable	27	215
Defined benefit pension scheme finance cost	5	30
Decrease/(increase) in debtors	471	(363)
(Decrease)/increase in creditors	(170)	319
Net cash provided by operating activities	505	388

24. Cash flows from financing activities

	2023	2022
	£000	£000
Repayments of borrowing	(11)	(10)
Net cash used in financing activities	(11)	(10)

25. Cash flows from investing activities

	2023	2022
	£000	£000
Purchase of tangible fixed assets	(534)	(551)
Capital grants from DfE Group	(17)	696
Net cash (used in)/provided by investing activities	(551)	145

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26. Analysis of cash and cash equivalents

	2023 £000	2022 £000
Cash in hand and at bank	1,242	1,299
Total cash and cash equivalents	1,242	1,299

27. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash at bank and in hand	1,299	(566)	733
Debt due within 1 year	(11)	-	(11)
Debt due after 1 year	(49)	11	(38)
Liquid investments	-	509	509
	1,239	(46)	1,193

28. Capital commitments

	2023 £000	2022 £000
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	378

29. Pension commitments

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

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

Contributions amounting to £80,206 were payable to the schemes at 31 August 2023 (2022 - £73,000) and are included within creditors.

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**NOTES TO THE FINANCIAL STATEMENTS
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29. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £513,000 (2022 - £476,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £214,000 (2022 - £188,000), of which employer's contributions totalled £171,000 (2022 - £151,000) and employees' contributions totalled £43,000 (2022 - £37,000). The agreed contribution rates for future years are 24.4 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who

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29. Pension commitments (continued)

were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.50	3.55
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	5.20	4.25

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	21.5	21.5
Females	22.0	24.0
<i>Retiring in 20 years</i>		
Males	24.6	22.4
Females	25.7	25.7

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate -0.1%	52	57
Mortality assumption - 1 year increase	96	101
CPI rate +0.1%	50	53

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29. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £000	<i>At 31 August 2022 £000</i>
Equities	1,458	1,480
Bonds	870	679
Property	179	218
Cash	51	49
Total market value of assets	2,558	2,426

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

	2023 £000	<i>2022 £000</i>
Current service cost	(198)	(366)
Interest income	107	39
Interest cost	(112)	(69)
Total amount recognised in the Statement of financial activities	(203)	(396)

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

	2023 £000	<i>2022 £000</i>
At 1 September	2,532	3,986
Current service cost	198	366
Interest cost	112	69
Employee contributions	43	37
Actuarial gains	(456)	(1,899)
Benefits paid	(29)	(27)
At 31 August	2,400	2,532

SOUTH CHARNWOOD HIGH SCHOOL
(A company limited by guarantee)

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

29. Pension commitments (continued)

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

	2023	2022
	£000	£000
At 1 September	2,426	2,268
Actuarial losses	(160)	(42)
Employer contributions	171	151
Employee contributions	43	37
Benefits paid	(29)	(27)
Interest income	107	39
Pension surplus not recognised	(158)	-
At 31 August	2,400	2,426

The Academy's share of scheme assets as disclosed in the actuarial report were £2,558k and contributed to a £158k net asset. As a result, the actuary prepared asset ceiling calculations for a range of scenarios. The trustees opted to consider the minimum funding requirement for future service in the LGPS and that determined an asset ceiling adjustment of £158k. The net asset has been restricted to £NIL with a corresponding entry on the SOFA.

30. Company limited by guarantee

The Academy Trust is a company limited by guarantee and does not have share capital.

31. Members' liability

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

32. Related party transactions

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