

Company registration number 08451827 (England and Wales)

CHARVILLE ACADEMY
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

MONDAY



ACWPA0JV

A3

12/02/2024

#122

COMPANIES HOUSE

CHARVILLE ACADEMY

CONTENTS

	Page
Reference and administrative details	1 - 2
Governors' report	3 - 9
Governance statement	10 - 14
Statement on regularity, propriety and compliance	15
Statement of Governors' responsibilities	16
Independent auditor's report on the accounts	17 - 19
Independent reporting accountant's report on regularity	20 - 21
Statement of financial activities including income and expenditure account	22 - 23
Balance sheet	24
Statement of cash flows	25
Notes to the accounts including accounting policies	26 - 43

CHARVILLE ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mrs B Deane
Mr A S Fazel (Resigned 1 September 2022)
Mr V Purwaha
Mr V Madar
Mrs V Shepherd
Miss P A McGee

Governors

Mrs N Kelly (Accounting Officer and Headteacher)
Mr A S Fazel (Chair of Governors) (Resigned 1 September 2022)
Mrs S Ford (Chair of Governors - Appointed 14 September 2022,
Chair of RARF - Resigned 14 September 2022)
Miss K Hewitt
Mrs H Polyanska
Miss A Booth
Mrs R Chowdhry (Chair of RARF - appointed 14 September 2022)
Mrs R Wilkinson
Mrs S Gemmill (Appointed 14 September 2022)
Mrs C Peattie (Appointed 8 March 2023)

Senior management team

- Headteacher
- Deputy Headteacher
- Assistant Headteacher
- Assistant Headteacher
- Assistant Headteacher
- School Business Manager

Mrs N Kelly
Mrs R Madar (Resigned 31 August 2023)
Miss L Innes
Mrs J Dunmall
Mrs L Newbey (appointed 1 September 2023)
Mr M Wilkinson

Company registration number

08451827 (England and Wales)

Principal address

Charville Academy
Bury Avenue
Hayes
Middlesex
UB4 8LF
United Kingdom

Registered office

Burnham Yard
London End
Beaconsfield
Bucks
HP9 2JH
United Kingdom

Independent auditor

Azets Audit Services
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ
United Kingdom

CHARVILLE ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank PLC
25 Gresham Street
London
EC2V 7HN
United Kingdom

Solicitors

Geldards Law Firm
Enterprise House
1-2 Hatfields
London
SE1 9PG
United Kingdom

CHARVILLE ACADEMY

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Governors present their annual report together with the accounts and auditor's 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 operates an academy for pupils aged 3 to 11 serving a catchment area in Hayes, Middlesex. As at 31 August 2023, total pupils numbered 463 meaning there are 39 spaces, excluding Nursery.

Academy's plan to reduce its Pupil Admission Number (PAN) was consulted on and agreed. As at 1 October 2023, pupil numbers including nursery were 435.

Structure, governance and management

Constitution

The Academy is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy. The trustees of Charville Academy are also the Governors and the Directors of the charitable company for the purposes of company law.

The charitable company operates as Charville Academy.

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

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while 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.

Governors' indemnities

The company subscribes to the Risk Protection Arrangements (RPA) provided by the DfE. The RPA provides Governors Liability which includes Directors within its definitions.

Method of recruitment and appointment or election of Governors

Governors are unpaid volunteers and are appointed for 4 years. Parent governors are appointed by parents by a vote; staff governors by a process as the members may determine; community and partnership governors by the Governing Board. Parent governors can complete their term even if their child leaves the school. The rules for membership of the Governing Board are determined by the Memorandum and Articles of Association, the founding documents of Charville Academy. The balance and number of staff, community and parent governors is approved by the Secretary of State for Education.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring its financial and operational performance and making strategic decisions about the direction of the Academy, approving major items of expenditure and making senior staff appointments, such as Headteacher, Deputy Headteacher and other such senior posts.

The governing board comprises the following governors:

- a. Three Community Governors
- b. The Principal (Headteacher)
- c. Three Parent Governors
- d. One Teaching Staff Governor

CHARVILLE ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Policies and procedures adopted for the induction and training of Governors

The training and induction provided for new and existing Governors will depend on their existing experience. All newly appointed Governors are encouraged to complete an Introduction to Governance course.

Where necessary induction will include training on educational, legal and financial matters. All new Governors will be given the opportunity of a tour of the academy, have the chance to meet with staff and pupils and are provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and other documents they need to undertake their role as Governors. As there is expected to be only a small number of new Governors each year, induction will be carried out informally and will be tailored specifically to the individual.

Training provided by the Governor's Support Services can also be accessed as required by any governor subject to the contract with the school and the service provider.

The Chair of Governors will oversee the training of all Governors and will provide a training schedule and agree Link Governors for individual academy faculties.

Principal Activities

The principal activity of Charville Academy is to provide education for boys and girls of all abilities between the ages of 3 and 11. Funding is obtained from the Department for Education (DfE) through the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes.

Organisational structure

The Governing Board, the majority membership of which is non-executive, comprises those persons appointed under the Articles of Association. The board meets at least six times per year and has three committees including:

- Full Governing Board
- Resources, Audit, Risk and Finance Committee
- Curriculum and Achievement Committee

All these committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

Governors delegate specific responsibilities to its committees, the activities of which are reported to, and discussed at, Full Governing Board meetings. The day-to-day running of the Academy is undertaken by the Headteacher, supported by the Senior Leadership Team.

Arrangements for setting pay and remuneration of key management personnel

The Academy abides by Teachers' Pay and Conditions and Performance Management is used to evaluate and assess teacher performance against targets set. All senior leaders (who carry out Performance Management) recommend to the Headteacher regarding pay increases and these are then discussed at the annual meeting of the Pay Committee.

We have a robust pay policy that we review and follow.

CHARVILLE ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period

-

Full-time equivalent employee number

-

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

Total cost of facility time

-

Total pay bill

-

Percentage of the 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

-

Objectives and activities

Objects and aims

The principal objective of the company is to advance, for the public benefit, education in the United Kingdom. It achieves this objective through the operation of Charville Academy, providing education, free of charge, to children aged 3 – 11 years serving a catchment area in Hayes, Middlesex.

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The scheme of government specifies, among other things, the basis for admitting pupils to the Academy, the catchment area from which the pupils are drawn and that the curriculum should comply with the substance of the National Curriculum.

Objectives, strategies and activities

The main objectives of the Academy during the period ended 31 August 2023 are summarised below:

- To ensure that every pupil enjoys the same high-quality education in terms of resourcing, teaching and pastoral care;
- To raise the standard of educational attainment and progress for all pupils;
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended;
- To comply with all appropriate statutory and curriculum requirements; and
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

CHARVILLE ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Strategies and Activities

The Academy commenced its charitable activities on 1 May 2013.

Charville Academy therefore aims to encourage pupils to:

- Develop lively, enquiring minds capable of original thought and well-balanced critical argument.
- Make good or better progress from their starting points.
- Become confident, independent learners, well-equipped for lifelong learning.
- Derive enjoyment from their learning which should extend their intellectual capacity, develop their interest and stimulate their curiosity.
- Embrace the many opportunities afforded by developments in information and communication technologies, whilst fully accepting the responsibilities that go with using them properly.
- Engage in a broad programme of experiences which enable them to appreciate their cultural inheritance and to understand more about themselves and the world in which they live.
- Develop the capacities to make informed, rational and responsible decisions and to work in ways which enhance their self-respect and sensitivity to the needs of others, particularly those less advantaged than themselves.
- Show respect for each other and all people working in the academy, and to appreciate the diverse talents that contribute to our academy community.
- Play a full part in creating a caring, supportive academy environment.
- Develop a range of reasoned beliefs and values and a sympathy and respect for those held by others, which will prepare them to become considerate and responsible citizens.
- Display self-discipline and proper regard for authority.
- Foster good behaviour and avoid all forms of bullying.

Public benefit

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the Governors consider how planned activities will contribute to the aims and objectives they have set.

The school uses the Local Authority coordinated admission services. This ensures that pupils are allocated a place at a school in a fair and consistent manner. The Headteacher and other senior staff show potential parents around the school. The school can currently take up to 60 children each year and has spaces in some year groups.

Strategic report

Achievements and performance

The school has completed its ninth period of operation as an academy and continues to achieve the forecast number of pupils. Total pupils in the period ended 31 August 2023 numbered 463 and the academy has 39 spaces across all year groups.

In May 2023, Ofsted carried out a full section 5 inspection and the academy maintained a rating of 'Good'. Only one development point was raised and that was assessment across the foundation curriculum.

Key performance indicators

The key performance indicators reviewed by the Governors in Resources, Audit, Risk & Finance committee meetings include income from the ESFA (determined broadly by reference to number of pupils on roll); expenditure on staff, utilities and curriculum supplies. The level of capital expenditure and maintenance of facilities is closely monitored. Actual and projected cash flow and reserves are also monitored. These items are all reported in the financial statements.

CHARVILLE ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Going concern

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

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

Financial review

Most of the Academy's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes related to education. 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.

Capital Grants were awarded to the Academy by the DfE to provide fixed assets totalling £30k (2022: £9k) for the Academy. In accordance with the Charities Statement of Recommended Practice (SORP), the DFC (Devolved Formula Capital) Grant received is shown in the Statement of Financial Activities (SOFA) as restricted fixed asset funds.

In addition, the Academy received £312k (2022: £nil) in the form of donated fixed assets. This represents the year end work-in-progress value of building work for the new Specialist Resource Provision (SRP), which is due to open in the 2023/24 academic year. The works are being fully funded by Hillingdon Council.

Expenditure for the year covered by this report was covered by the GAG received from the DfE and other income, such as voluntary income, activities for generating funds and investment income.

The combined General Restricted Fund, Restricted Fixed Asset Fund and Unrestricted Fund show an operating surplus, before the actuarial surplus on defined-benefit pension schemes, of £148k (2022: deficit of £571k).

Reserves policy

The Governors, via the work of their Resources, Audit, Risk and Finance Committee, regularly monitor on-going and projected levels of reserves, to ensure that they are adequate for the continued efficient operation of the Academy. This monitoring process considers shifts in local and national funding policies and developments as well as material expenditure requirements.

The Governors have determined that the preferred level of free reserves, should be the value of £250k, which is approximately one month's academy expenditure. The level of free reserves held at 31 August 2023 totalled £268k (2022: £200k).

The free reserve figure is currently the value of approximately 1 (2022: 0.7) month's academy expenditure, which is in line with the levels that Governors expect to see.

The level of restricted general reserves held at 31 August 2023 totalled £nil (2022: £nil).

The level of restricted fixed asset reserves held at 31 August 2023 totalled £5,374k (2022: £5,236k).

Restricted general reserves as at 31 August 2023 were in deficit by £125k (2022: £550k). Although once the effect of the deficit on the defined-benefit pension fund had been taken into account restricted general reserves were £nil (2022: £nil).

Investment policy

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

CHARVILLE ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Principal risks and uncertainties

Governors keep reserves under constant review to ensure that they have sufficient income to run the academy on an efficient basis without affecting the quality of teaching and learning.

The Governors have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

The chief risks identified include:

- Variations year-on-year in the numbers of pupils joining the academy in the Early Years and Reception, with a concomitant effect upon funding levels.
- Deficit in the Local Authority Pension Scheme, possible increase in employer's contribution rates.
- Unfunded percentage increase for the teacher and support staff pay award of 2022.

The Governors have assessed the major risks to which the Academy is exposed, with guidance from the Academies Financial Handbook, and the Governing Board regularly review risk registers specifically for:

1. Financial Risk
2. Compliance Risk
3. Operational Risk
4. Strategic Risk

More specific risks that have been identified by the Governors are those relating to pupil safeguarding, finance process and controls, teaching and learning environments and health and safety (on and off site). The Academy has introduced various systems with regards to the Finance Department and all duties are segregated to minimise the risk of fraud. In addition, policies and procedures have been developed to mitigate these risks. Where significant financial risk still remains, the Academy has ensured that it has adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the statement of internal financial control.

Fundraising

All fundraising for Charville Academy is done through the Charville PTA (Parent Teacher Association), a separately registered charity; charity number 1125902.

Plans for future periods

Charville Academy will continue to work to maintain the performance of its students at all levels. Additionally, it will continue its efforts to improve the achievements of its students, not only in academic subjects but also in extra-curricular activities and in essential life skills; so as to increase the number of opportunities open to its students when they move on to secondary education.

Funds held as custodian trustee on behalf of others

During the year to 31 August 2023, Charville Academy did not hold any funds as a custodian trustee on behalf of any other charitable organisation.

CHARVILLE ACADEMY

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

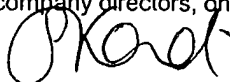
Auditor

Insofar as the Governors are aware:

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

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The Governors' report, incorporating a strategic report, was approved by order of the The Governing Board, as the company directors, on ...22/12/23..... and signed on its behalf by:



Mrs S Ford
Chair of Governors

CHARVILLE ACADEMY

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Charville Academy 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 Governors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Governing Board has delegated the day-to-day responsibility to Mrs N Kelly, 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 Charville Academy and the Secretary of State for Education. She is also responsible for reporting to the Governing Board any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Board has formally met 6 times during the year. Attendance during the year at meetings of the The Governing Board was as follows:

Governors	Meetings attended	Out of possible
Mrs N Kelly (Accounting Officer and Headteacher)	6	6
Mr A S Fazel (Chair of Governors) (Resigned 1 September 2022)	0	0
Mrs S Ford (Chair of Governors - Appointed 14 September 2022, Chair of RARF - Resigned 14 September 2022)	5	6
Miss K Hewitt	6	6
Mrs H Polyanska	6	6
Miss A Booth	6	6
Mrs R Chowdhry (Chair of RARF - appointed 14 September 2022)	6	6
Mrs R Wilkinson	5	6
Mrs S Gemmill (Appointed 14 September 2022)	5	6
Mrs C Peattie (Appointed 8 March 2023)	3	3

Since the departure of several long-standing board members we have identified a loss of key skills. Despite this governance was considered effective by OFSTED in May 2023. However, the new board has undertaken a skills assessment and one governor has taken the lead on identifying and signposting training to all governors to upskill the board and support them to provide appropriate challenge; progress is being monitored and shared at meetings.

The governors have developed an action plan based on the skills audit and this remains work in progress and will be reviewed at each FGB meeting.

The governors will formally revisit the self-evaluation in the summer term (2024).

The board are presented with a wide range of data, including pupil outcome, attendance, financial and staff resource data. Additional data is provided on a case by case basis as required.

As part of our Internal Scrutiny programme the governors commissioned, in May 2021 a review of governance which was generally deemed satisfactory. The one main recommendation around risk management was fully implemented.

CHARVILLE ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Conflicts of Interest

It is important that all staff and Governors, whether they have significant financial or spending powers on behalf of the Academy, or are in a position to order goods for their department, demonstrate that they do not benefit personally from any decisions they make. All staff and Governors will need to declare any financial interests they have in companies/individuals from whom the Academy may purchase goods or services.

The disclosures should also include business interests of relatives or business partners, where influence could be exerted over a Governor or a member of staff by that person. This does not detract from the duties of Governors and staff to declare interests whenever they are relevant to matters being discussed by the Governing Board or a Committee. Where an interest has been declared, Governors and staff should not attend that part of any committee or other meeting.

The Resources, Audit, Risk and Finance Committee is a sub-committee of the main The Governing Board.

Its purpose is to approve and review along with the headteacher:

- The staffing structure, the recruitment, well-being, working conditions, and performance of all the Academy's staff, as their Employer
- The provision of a safe, secure and healthy environment within the school and for its activities
- The provision and maintenance of the school premises
- The provision of financial systems and procedure
- Effectiveness of Financial control
- Risk Management
- Audit

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
Mrs N Kelly (Accounting Officer and Headteacher)	5	5
Mrs S Ford (Chair of Governors - Appointed 14 September 2022, Chair of RARF - Resigned 14 September 2022)	5	5
Miss K Hewitt	5	5
Mrs R Chowdhry (Chair of RARF - appointed 14 September 2022)	5	5
Mrs S Gemmill (Appointed 14 September 2022)	5	5

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 Governing Board 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:

CHARVILLE ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Improving Educational Results

- Reading was identified as a main priority in the school development plan and all teaching staff were upskilled in the teaching of early reading and reading for meaning. Reading data at the end of KS2 2022 was above national at both expected standard and greater depth. Phonics screening data 2022 was also above national.
- Maths No Problem is a proven schematic program for raising standards in Years 1 - 6. This has been embedded in order to raise standards across the academy and lead staff have been trained, reviewed and observed in line with the external validation of the program. KS2 data 2022 for mathematics was significantly above national average at both expected standard and greater depth
- Mathletics is an online tool based on individual tutorials to raise standards in mathematics by identifying gaps in learning. Once the gaps have been identified online sessions are delivered to ensure that these areas are developed.
- Charville is a gold kite school for sport; this has been achieved by developing our commitment to fitness and this has been re-awarded for 2022. This is led by a specialist sports coach.
- Charville is an Arts Mark school and champions the arts through performance, dance, drama and music.
- Speech and Language sessions, which are delivered by an external speech therapist, have been purchased to ensure that all identified children receive support in order to raise their communication levels and therefore impact on their attainment.
- SEND- We have a specialist provision in place for identified pupils with a primary need for language centred support, focussed on developing the readiness to learn. This provision is led by a specialist trained support staff who specialise in children with identified needs such as autism. Pupils visit five times per week for three-hour sessions and carry out a range of academic and social tasks in addition to their regular curriculum. In order to further improve our provision, we are working with the local authority to build and open a Specialist Resource Provision (SRP) for children with an Education, Health & Care Plan (EHCP) and autism which is scheduled to open in September 2023.
- Continuous Professional Development to facilitate up-to-date best practices and teaching. This is led by a Training and Development Co-ordinator who plans whole school and bespoke CPD based on performance management.
- In order to ensure that pupils are secondary ready and achieve in line with National or above at the end of Key Stage 2, funding is used to support progress in the form of additional lessons, targeted small group teaching and the purchase of high-quality resources to support those who are under achieving.

Financial Performance

- Financial Governance is good and continuously improving. The board work collectively to ensure they are skilled and confident to pose challenge with regard to financial matters
- Resources, Audit, Risk and Finance Committee regularly reports back to the Full Governing Board on financial matters and keeps all Governors aware of any significant changes.
- Monthly budget monitoring reports are issued to the Chair of Resources, Audit, Risk and Finance Committee. Half-termly budget monitoring reports are reviewed by the Resources, Audit and Finance Committee.
- Annual internal audit assessment and report provided to the Governors for continual monitoring and improvement.

CHARVILLE ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Purchasing

- Online purchasing methods are used to allow for best value.
- The agreed Finance Policy, which has clear processes for purchasing and tendering procedures, has been followed.
- Rates agreed with suppliers using market testing methods.
- Comparing prices for learning resources.
- Obtaining quotes for major projects.
- Selecting best value for money for redecoration and refurbishment.
- Regularly checking catering supplies to make sure best prices are achieved.

Staffing

- The staffing structure is reviewed annually by Governors and the senior leadership team to ensure staff are deployed in areas to support the raising of achievement. This is fluid within an academic year in order to ensure that staffing meets the needs of the children.
- In response to a falling number of pupils on roll, governors and the head applied to the local authority to reduce the Pupil Admission Number (PAN) with effect from Sept 2023; this was approved.
- The establishment of a Specialist Resource Provision for children with a primary diagnosis of Autism has been agreed and recruitment has been completed for key posts. Capital and revenue costs are to be funded through High Needs Funding from the Local Authority
- The School Business Manager and Headteacher have worked together to plan staffing for a two-form entry school by making individual decisions across all staff groups as natural attrition has allowed.
- The senior leadership team and middle leaders carry out regular observations and performance management to ensure quality of teaching and learning.

Pupil Welfare

- Governors and the senior leadership team review the quality of the premises regularly.
- Designated school staff are continuously trained to the required standards in First Aid, safeguarding and mental health
- The Headteacher ensures a safe and child friendly working environment for pupils conducive to learning and attainment

Future Objectives

- Service contracts continue to be reviewed regularly and negotiated to achieve best value for money.
- The curriculum lead continues to be responsible for individual subject areas and works in collaboration with the Finance team to achieve best value for money.
- Continue with regular and accurate budget reports to Governors.
- 3-year financial forecast has been produced and is amended in line with changing circumstances.
- Develop a succession planning model and implement succession plans for key roles.

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 Charville Academy's 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 Charville Academy for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing board.

Capacity to handle risk

The Governing Board has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The The Governing Board is of the view that there is an on-going process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. The governing board have developed a formal risk management policy, including risk appetite, this work is regularly reviewed by the Resources, Audit, Risk and Finance (RARF) committee and reported to the Full Governing Board (FGB).

CHARVILLE ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 Governing Board;
- regular reviews by the Resources, Audit, Risk and Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Board considered the need for a specific internal audit function in the light of the FRC Ethical Standard for auditors which states that a firm providing external audit to an entity shall not also provide internal audit services to it.

Therefore, the Governing Board appointed Strictly Education 3BM to carry out the internal audit function for the year ending 31 August 2023.

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

- Organisational culture and planning

On an annual basis, the internal auditor reports to the Headteacher, who then presents the report to the Resources, Audit, Risk and Finance Committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and prepares an annual 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.

No significant control issues were reported.

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the School Business Manager within the Academy who has responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the The Governing Board on 20/12/23 and signed on its behalf by:



Mrs N Kelly
Accounting Officer and Headteacher



Mrs S Ford
Chair of Governors

CHARVILLE ACADEMY

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2023

As accounting officer of Charville Academy, I have considered my responsibility to notify the Academy The Governing Board and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the Academy 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's The Governing Board are able to identify any material irregular or improper use of 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 The Governing Board and ESFA.



Mrs N Kelly
Accounting Officer

20/12/23

CHARVILLE ACADEMY

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The Governors (who act as trustees for the charitable activities of Charville Academy and are also the Governors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual 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 Governors to prepare accounts for each financial year. Under company law, the Governors must not approve the accounts 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 accounts, the Governors are required to:

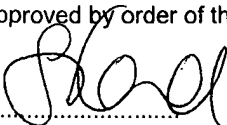
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy's transactions and disclose with reasonable accuracy at any time the financial position of the Academy 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 Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for ensuring that in its conduct and operation, the Academy 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 the ESFA/DfE have been applied for the purposes intended.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the Academy'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 The Governing Board on 20/12/23 and signed on its behalf by:


Mrs S Ford
Chair of Governors


Mrs N Kelly
Accounting Officer and Headteacher

CHARVILLE ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHARVILLE ACADEMY FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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 Governors 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 accounts and our auditor's report thereon. The Governors are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts 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 accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Governors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

CHARVILLE ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHARVILLE ACADEMY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Matters on which we are required to report by exception

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

- 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities, the Governors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Governors 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 Governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

CHARVILLE ACADEMY

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHARVILLE ACADEMY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential 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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Debra Saunders Bsc FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

20 December 2023
.....

Chartered Accountants
Statutory Auditor

Ashcombe Court
Woolsack Way
Godalming
Surrey
United Kingdom
GU7 1LQ

CHARVILLE ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHARVILLE ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 1 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 Charville Academy during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Charville Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Charville Academy's funding agreement with the Secretary of State for Education dated 9 August 2012 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

CHARVILLE ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHARVILLE ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Conclusion

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

Azets Audit Services

Reporting Accountant

Azets Audit Services
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ
United Kingdom

Dated: 20 December 2023

CHARVILLE ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £000	Restricted funds: General £000	Fixed asset £000	Total 2023 £000	Total 2022 £000
Income and endowments from:						
Donations and capital grants	3	10	-	342	352	28
Charitable activities:						
- Funding for educational operations	4	-	2,949	-	2,949	2,805
Other trading activities	5	118	-	-	118	101
Total		<u>128</u>	<u>2,949</u>	<u>342</u>	<u>3,419</u>	<u>2,934</u>
Expenditure on:						
Charitable activities:						
- Educational operations	7	-	3,064	207	3,271	3,505
Total	6	<u>-</u>	<u>3,064</u>	<u>207</u>	<u>3,271</u>	<u>3,505</u>
Net income/(expenditure)		128	(115)	135	148	(571)
Transfers between funds	15	(60)	57	3	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	17	-	483	-	483	2,714
Net movement in funds		68	425	138	631	2,143
Reconciliation of funds						
Total funds brought forward		<u>200</u>	<u>(550)</u>	<u>5,236</u>	<u>4,886</u>	<u>2,743</u>
Total funds carried forward		<u>268</u>	<u>(125)</u>	<u>5,374</u>	<u>5,517</u>	<u>4,886</u>

CHARVILLE ACADEMY

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2022		funds	General	Fixed asset	2022
	Notes	£000	£000	£000	£000
Income and endowments from:					
Donations and capital grants	3	19	-	9	28
Charitable activities:					
- Funding for educational operations	4	-	2,805	-	2,805
Other trading activities	5	101	-	-	101
Total		<u>120</u>	<u>2,805</u>	<u>9</u>	<u>2,934</u>
Expenditure on:					
Charitable activities:					
- Educational operations	7	-	3,294	211	3,505
Total	6	<u>-</u>	<u>3,294</u>	<u>211</u>	<u>3,505</u>
Net income/(expenditure)		120	(489)	(202)	(571)
Transfers between funds	15	(175)	145	30	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	17	-	2,714	-	2,714
Net movement in funds		(55)	2,370	(172)	2,143
Reconciliation of funds					
Total funds brought forward		255	(2,920)	5,408	2,743
Total funds carried forward		<u>200</u>	<u>(550)</u>	<u>5,236</u>	<u>4,886</u>

CHARVILLE ACADEMY

BALANCE SHEET

AS AT 31 AUGUST 2023

		2023		2022	
	Notes	£000	£000	£000	£000
Fixed assets					
Tangible assets	11		5,374		5,236
Current assets					
Debtors	12	59		70	
Cash at bank and in hand		456		285	
		<u>515</u>		<u>355</u>	
Current liabilities					
Creditors: amounts falling due within one year	13	(247)		(155)	
Net current assets			268		200
Net assets excluding pension liability			5,642		5,436
Defined benefit pension scheme liability	17		(125)		(550)
Total net assets			<u>5,517</u>		<u>4,886</u>
Funds of the Academy:					
Restricted funds	15				
- Fixed asset funds			5,374		5,236
- Pension reserve			(125)		(550)
Total restricted funds			5,249		4,686
Unrestricted income funds	15		268		200
Total funds			<u>5,517</u>		<u>4,886</u>

The accounts set out on pages 22 to 43 were approved by the Governing Board (Trustees) and authorised for issue on 20/12/23 and are signed on its behalf by:



Mrs S Ford
Chair of Governors



Mrs N Kelly
Accounting Officer and Headteacher

Company Number 08451827

CHARVILLE ACADEMY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £000	2022 £000	2022 £000
Cash flows from operating activities				
Net cash provided by/(used in) operating activities	19		174	(87)
Cash flows from investing activities				
Capital grants from DfE Group		30	9	
Purchase of tangible fixed assets		(33)	(39)	
Net cash used in investing activities			(3)	(30)
Net increase/(decrease) in cash and cash equivalents in the reporting period			171	(117)
Cash and cash equivalents at beginning of the year			285	402
Cash and cash equivalents at end of the year			456	285

CHARVILLE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charville Academy is a charitable company, limited by guarantee, registered in England and Wales. The company's registered number, registered office address and address of its principal place of business is given on page 1 and the nature of its operations are set out in the Governors' Report.

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

1.1 Basis of preparation

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

The financial statements are presented in sterling (£), which is also the functional currency for the Academy.

1.2 Going concern

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

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, where conditions have been met to establish entitlement, are included in the statement of financial activities on a receivable basis. Where grants are received but conditions establishing entitlement have not been met, these are deferred. The balance of income receivable for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

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

Donations

Donations are included in the Statement of Financial Activities on a cash received basis (where there are no performance-related conditions) or on an accruals basis where they are assured with reasonable certainty and are receivable at the balance sheet date.

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

CHARVILLE ACADEMY

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

1 Accounting policies

(Continued)

Donated goods, facilities and services

The value of donated services and gifts in kind provided to the Academy is recognised in the statement of financial activities as incoming resources and resources expended at their estimated value to the Academy in the period in which they are receivable, and where the benefit is both quantifiable and material.

Where it has been ascertained that the risks and rewards of property subject to long lease agreements lie substantially with the Academy, a reasonable estimate of the gross value is included within fixed assets and, with an appropriate credit to voluntary income (gift in kind), within the restricted fixed asset fund. The valuation is at an estimation of depreciated replacement cost on the basis that the assets represent specialised property and the open market value for existing use is not readily available.

Donated fixed assets

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

Interest receivable is included within the Statement of Financial Activities on a receivable basis.

1.4 Expenditure

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs. All input VAT is reclaimed.

Expenditure on raising funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

These are costs incurred on the Academy's educational operations.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets

Tangible fixed assets costing £1k or more acquired since the Academy was established are capitalised and carried at cost, net of depreciation and any provision for impairment.

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

Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land.

Freehold land and buildings	2% (Building improvements 10%)
ICT equipment	33.3%
Furniture, fittings, plant and machinery	20%

CHARVILLE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

1.6 Liabilities

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

1.7 Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.8 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 basis are as follows.

Financial assets

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

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

Financial liabilities

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

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

1.9 Taxation

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and, therefore, 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.

1.10 Pensions benefits

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

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

CHARVILLE ACADEMY

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

1 Accounting policies

(Continued)

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

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

1.11 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 Directors.

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the ESFA and DfE.

The defined-benefit pension scheme relates to the pension deficit arising on the LGPS. The fund is in deficit but given the nature of the liability, is not payable immediately.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The Academy 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, 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.

Critical areas of judgement

The Directors consider that the only area of judgement that is critical to the Academy's financial statements is the freehold property valuation, which was determined by the ESFA on conversion to academy status.

CHARVILLE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

3 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Donated fixed assets	-	312	312	-
Capital grants	-	30	30	9
Other donations	10	-	10	19
	<u>10</u>	<u>342</u>	<u>352</u>	<u>28</u>

4 Funding for the Academy's educational operations

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
DfE/ESFA grants				
General annual grant (GAG)	-	2,093	2,093	2,120
Other DfE/ESFA grants:				
- UIFSM	-	50	50	45
- Pupil premium	-	184	184	169
- Others	-	157	157	104
	<u>-</u>	<u>2,484</u>	<u>2,484</u>	<u>2,438</u>
Other government grants				
Local authority grants	-	465	465	367
	<u>-</u>	<u>465</u>	<u>465</u>	<u>367</u>
Total funding	<u>-</u>	<u>2,949</u>	<u>2,949</u>	<u>2,805</u>

5 Other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Hire of facilities	48	-	48	45
Extended schools and parental contributions	70	-	70	56
	<u>118</u>	<u>-</u>	<u>118</u>	<u>101</u>

CHARVILLE ACADEMY

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

6 Expenditure

	Staff costs £000	Non-pay expenditure Premises £000	Other £000	Total 2023 £000	Total 2022 £000
Academy's educational operations					
- Direct costs	2,048	-	247	2,295	2,297
- Allocated support costs	505	332	139	976	1,208
	<u>2,553</u>	<u>332</u>	<u>386</u>	<u>3,271</u>	<u>3,505</u>

Net income/(expenditure) for the year includes:

	2023 £000	2022 £000
Operating lease rentals	9	9
Depreciation of tangible fixed assets	207	211
Fees payable to auditor for:		
- Audit	15	13
- Other services	5	4
Net interest on defined benefit pension liability	24	50
	<u>256</u>	<u>287</u>

7 Charitable activities

	2023 £000	2022 £000
All from restricted funds:		
Direct costs		
Educational operations	2,295	2,297
Support costs		
Educational operations	976	1,208
	<u>3,271</u>	<u>3,505</u>

	2023 £000	2022 £000
Analysis of support costs		
Support staff costs	505	741
Depreciation	207	211
Premises costs	125	88
Other support costs	123	156
Governance costs	16	12
	<u>976</u>	<u>1,208</u>

CHARVILLE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

7 Charitable activities

(Continued)

All charitable activities relate to restricted funds.

Included within other support costs are governance costs, which are any costs associated with the strategic as opposed to day-to-day management of the charity's activities. These costs will include any employee benefits for trusteeship, the costs of charity employees involved in meetings with trustees, the cost of any administrative support provided to the trustees, and costs relating to constitutional and statutory requirements including audit and preparation of statutory accounts.

8 Staff

Staff costs

Staff costs during the year were:

	2023 £000	2022 £000
Wages and salaries	1,923	1,917
Social security costs	178	180
Pension costs	439	679
Staff costs - employees	2,540	2,776
Agency staff costs	13	6
	2,553	2,782
Staff development and other staff costs	19	14
Total staff expenditure	2,572	2,796

Staff numbers

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

	2023 Number	2022 Number
Teachers	21	22
Administration and support	51	57
Management	5	6
	77	85

Higher paid staff

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

	2023 Number	2022 Number
£60,001 to £70,000	1	-
£70,001 to £80,000	1	1
£90,001 to £100,000	1	1

CHARVILLE ACADEMY

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

8 Staff

(Continued)

Key management personnel

The key management personnel of the Academy comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the Academy was £496k (2022: £512k).

9 Governors' remuneration and expenses

The Headteacher and staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy in respect of their roles as Governors. During the period ended 31 August 2023, training and sundry expenses totalling £182 were reimbursed or paid directly to two Governors (2022: £756 to two Governors).

The two (2022: three) staff Governors who received remuneration are:

Name	2023	2022
Mrs N Kelly (Headteacher)		
Gross salary	£90,001 - £95,000	£90,001 - £95,000
Employer's pension contributions	£20,001 - £25,000	£20,001 - £25,000
Miss A Booth		
Gross salary	£40,001 - £45,000	£35,001 - £40,000
Employer's pension contributions	£ 5,001 - £10,000	£ 5,001 - £10,000

Other related party transactions involving the Governors are set out in note 24.

10 Governors' and officers' insurance

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

CHARVILLE ACADEMY

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

11 Tangible fixed assets

	Freehold land and buildings	ICT equipment	Furniture, fittings, plant and machinery	Total
	£000	£000	£000	£000
Cost				
At 1 September 2022	6,322	279	264	6,865
Additions	332	-	13	345
At 31 August 2023	6,654	279	277	7,210
Depreciation				
At 1 September 2022	1,189	214	226	1,629
Charge for the year	153	33	21	207
At 31 August 2023	1,342	247	247	1,836
Net book value				
At 31 August 2023	5,312	32	30	5,374
At 31 August 2022	5,133	65	38	5,236

12 Debtors

	2023 £000	2022 £000
Other debtors	7	8
Prepayments and accrued income	52	62
	59	70

13 Creditors: amounts falling due within one year

	2023 £000	2022 £000
Trade creditors	16	10
Other taxation and social security	43	43
Other creditors	28	31
Accruals and deferred income	160	71
	247	155

CHARVILLE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

14 Deferred income

	2023 £000	2022 £000
Deferred income is included within:		
Creditors due within one year	134	45
Deferred income at 1 September 2022	45	55
Released from previous years	(45)	(55)
Resources deferred in the year	134	45
Deferred income at 31 August 2023	134	45

Included in deferred income are amounts received in advance for Universal Infant Free School Meals, Free School Meals, and Rates Relief.

Additionally, the academy has deferred income in respect of the SRP provision which opens in financial year 2023/24.

15 Funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2023 £000
Restricted general funds					
General Annual Grant (GAG)	-	2,093	(2,150)	57	-
UIFSM	-	50	(50)	-	-
Pupil premium	-	184	(184)	-	-
Other DfE / ESFA grants	-	157	(157)	-	-
Other government grants	-	465	(465)	-	-
Pension reserve	(550)	-	(58)	483	(125)
	(550)	2,949	(3,064)	540	(125)
Restricted fixed asset funds					
Inherited on conversion	5,868	-	(106)	(1,012)	4,750
DfE group capital grants	(700)	30	-	670	-
General fixed assets	68	312	(101)	345	624
	5,236	342	(207)	3	5,374
Total restricted funds	4,686	3,291	(3,271)	543	5,249
Unrestricted funds					
General funds	200	128	-	(60)	268
Total funds	4,886	3,419	(3,271)	483	5,517

CHARVILLE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

15 Funds

(Continued)

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

General funds represent those resources that may be used towards meeting any of the objects of the Academy at the discretion of the Directors.

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

Restricted general funds comprise all other restricted funds received and include grants from the ESFA and DfE.

The pension reserve relates to the pension deficit arising on the LGPS. The fund is in deficit but given the nature of the liability, this is not payable immediately.

The transfer of funds relates to the purchase of fixed assets during the period and to supplement charitable activities not funded by GAG.

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

CHARVILLE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

15 Funds

(Continued)

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2022 £000
Restricted general funds					
General Annual Grant (GAG)	-	2,120	(2,209)	89	-
UIFSM	-	45	(45)	-	-
Pupil premium	-	169	(169)	-	-
Teachers pension grants	-	8	(8)	-	-
Teachers pay grants	-	3	(3)	-	-
PE and sports premium	16	20	(36)	-	-
Rates	-	13	(13)	-	-
Other DfE / ESFA grants	20	60	(80)	-	-
Other government grants	-	367	(367)	-	-
Other restricted funds	-	56	(56)	-	-
Pension reserve	(2,956)	-	(308)	2,714	(550)
	<u>(2,920)</u>	<u>2,861</u>	<u>(3,294)</u>	<u>2,803</u>	<u>(550)</u>
Restricted fixed asset funds					
Transfer on conversion	5,868	-	-	-	5,868
DfE group capital grants	(528)	9	(211)	30	(700)
General fixed assets	68	-	-	-	68
	<u>5,408</u>	<u>9</u>	<u>(211)</u>	<u>30</u>	<u>5,236</u>
Total restricted funds	<u>2,488</u>	<u>2,870</u>	<u>(3,505)</u>	<u>2,833</u>	<u>4,686</u>
Unrestricted funds					
General funds	<u>255</u>	<u>64</u>	<u>-</u>	<u>(119)</u>	<u>200</u>
Total funds	<u>2,743</u>	<u>2,934</u>	<u>(3,505)</u>	<u>2,714</u>	<u>4,886</u>

CHARVILLE ACADEMY

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

16 Analysis of net assets between funds

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	5,374	5,374
Current assets	268	247	-	515
Current liabilities	-	(247)	-	(247)
Pension scheme liability	-	(125)	-	(125)
Total net assets	268	(125)	5,374	5,517
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	5,236	5,236
Current assets	200	155	-	355
Current liabilities	-	(155)	-	(155)
Pension scheme liability	-	(550)	-	(550)
Total net assets	200	(550)	5,236	4,886

17 Pension and similar obligations

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 Hillingdon Borough Council (HBC). Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

At the year end, there were outstanding contributions of £28k (2022: £31k)

Teachers' Pension Scheme

Introduction

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

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

CHARVILLE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £218k (2022: £258k).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy 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 contributions are as noted below. The agreed contribution rates for future years are 34.5% for employers and 5.5 to 12.5% for employees.

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

Total contributions made	2023 £000	2022 £000
Employer's contributions	187	163
Employees' contributions	49	41
Total contributions	236	204

CHARVILLE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.50	3.35
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	3.00	3.05

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

	2023 Years	2022 Years
Retiring today		
- Males	21.8	22.1
- Females	23.5	24.5
Retiring in 20 years		
- Males	21.7	22.8
- Females	25.3	25.5

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

	2023 £'000	2022 £'000
Discount rate - 0.1%	76	86
Mortality assumption + 1 year	134	143
Salary increase rate + 0.1%	6	5
Pension increase rate + 0.1%	71	82

The Academy's share of the assets in the scheme

	2023 Fair value £000	2022 Fair value £000
Equities	1,610	1,423
Bonds	934	848
Cash	161	151
Property	515	605
Total market value of assets	3,220	3,027

The actual return on scheme assets was £19,000 (2022: £(171,000)).

CHARVILLE ACADEMY

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

17	Pension and similar obligations	(Continued)		
	Amount recognised in the statement of financial activities	2023	2022	
		£000	£000	
	Current service cost	221	421	
	Interest income	(132)	(52)	
	Interest cost	156	102	
	Total operating charge	<u>245</u>	<u>471</u>	
	Changes in the present value of defined benefit obligations		2023	
			£000	
	At 1 September 2022		3,577	
	Current service cost		221	
	Interest cost		156	
	Employee contributions		49	
	Actuarial gain		(596)	
	Benefits paid		(62)	
	At 31 August 2023		<u>3,345</u>	
	Changes in the fair value of the Academy's share of scheme assets		2023	
			£000	
	At 1 September 2022		3,027	
	Interest income		132	
	Actuarial loss		(113)	
	Employer contributions		187	
	Employee contributions		49	
	Benefits paid		(62)	
	At 31 August 2023		<u>3,220</u>	
18	Analysis of changes in net funds	1 September	Cash flows	31 August
		2022		2023
		£000	£000	£000
	Cash	285	171	456

CHARVILLE ACADEMY

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

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

	Notes	2023 £000	2022 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		148	(571)
Adjusted for:			
Capital grants from DfE and other capital income		(342)	(9)
Defined benefit pension costs less contributions payable	17	34	258
Defined benefit pension scheme finance cost	17	24	50
Depreciation of tangible fixed assets		207	211
Decrease/(increase) in debtors		11	(5)
Increase/(decrease) in creditors		92	(21)
Net cash provided by/(used in) operating activities		174	(87)

20 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Children, Schools and Families the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

21 Long-term commitments

Operating leases

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

	2023 £000	2022 £000
Amounts due within one year	2	8

CHARVILLE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

22 Related party transactions

Owing to the nature of the academy trust and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the governors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the 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 trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

M Wilkinson, spouse of R Wilkinson, a governor, is employed by the academy trust as School Business Manager. M Wilkinson's appointment was made in open competition and before the appointment of R Wilkinson as governor, therefore R Wilkinson was not involved in the decision-making process regarding appointment. M Wilkinson is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a governor.

23 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one period 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.