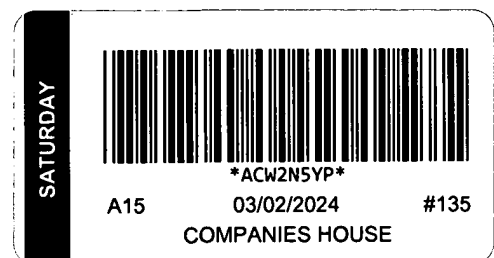


Company Registration Number: 08597878 (England & Wales)

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Lincoln Diocesan Board of Education Andrew Parker Philip Sharpe Amanda Cooke (appointed 22 November 2022)
Trustees	Michelle Morton (resigned 28 September 2023) Katie Gravil, Headteacher and Accounting Officer Philip Drayton Sarah Parkinson David Sykes Philip Sharpe Andrew Parker, Chair of Trustees Victoria Smith
Company Registered Number	08597878
Company Name	Kirkby La Thorpe Church of England Primary Academy
Principal and Registered Office	Church Lane Kirkby La Thorpe Sleaford Lincs NG34 9NU
Headteacher and Accounting Officer	Katie Gravil
Senior Management Team	Katie Gravil, Headteacher Rebecca Brown, SENDCo and Pupil Premium Lead
Independent Auditors	Streets Audit LLP Tower House Lucy Tower Street Lincoln Lincs LN1 1XW
Bankers	Lloyds Bank plc 202 High Street Lincoln LN5 7AP
Legal Adviser	Duncan A Pickering (LLB Hons) 4 Southfields Bourne Lincs PE10 9TZ

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

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

The trust operates a primary academy for pupils aged from 4 to 11 serving a catchment area around Kirkby La Thorpe in Lincolnshire, England. It has a pupil capacity of 140 and had a roll of 122 in the school census on 19th January 2023.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Kirkby La Thorpe Church of England Primary Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Kirkby La Thorpe Church of England Primary Academy Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

The Academy has granted an indemnity to one or more of its trustees against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006.

Method of Recruitment and Appointment or Election of Trustees

The appointment of trustees is dictated by the terms of the Memorandum and Articles. A minimum of 3 trustees must be appointed by the Diocese and one of these will be the Headteacher but trustees appointed by the Diocese must not exceed 25% of all trustees so that determines that the board will have not less than 12 trustees. The Members may appoint up to 3 trustees of which 2 may be staff trustees providing that the total number of staff trustees, including the Headteacher, does not exceed one third of all trustees. There must be at least 2 elected parent trustees and if the number of candidates is less than the number of vacancies the Board of Trustees must appoint by a two thirds majority vote one or more parent governors to meet the minimum requirement. The Board may also appoint up to 2 co-opted trustees who cannot be members of staff if the number of staff trustees, including the Headteacher, would then exceed one third of all trustees.

Policies and Procedures Adopted for the Induction and Training of Trustees

An Induction Policy is in place for newly appointed trustees. All new trustees are given a tour of the Academy and the opportunity to meet with staff and pupils. They are also provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees. Furthermore, the Governor Induction Checklist ensures that all key areas have been outlined and addressed. The induction provided depends on the new trustee's existing experience and, when necessary, will include training on charity and educational legal and financial matters. The Headteacher and Chair of Trustees spend time with new trustees to inform them fully of the workings of the Academy and their responsibilities. External training courses for new trustees is also arranged according to the individual's needs and as part of the continuous training programme that all trustees participate in to improve their knowledge and performance. This is particularly relevant in relation to the Academy's five-year training plan for safeguarding pupils. New trustees are also given login details to access the Academy's National Governors' Association membership.

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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

Organisational Structure

The Board of Trustees sets the budgets within which the Academy operates. Policies are decided or ratified by the Board. The Board monitors the corporate income and expenditure against the agreed budget and has ensured that systems are in place, including operational procedures, in order to minimise risk and to control finances. The Board has established 3 sub-committees (Groups), each with its own Chair, in which the Headteacher and certain trustees participate to more closely examine particular policy and operational matters. These Groups are:

- Academic Performance which is also responsible for pastoral care and community relations.
- Financial and General Purpose responsible for financial planning and monitoring, including strategic investments.
- Health and Safety which manages premises, and health & safety, including safeguarding.

In addition, a further Staffing and Complaints Group have been identified, should they ever be required.

Each Group meets at least three times an academic year, reporting to Board of Trustees at each subsequent meeting. The Clerk to governors produces a minute after each meeting that is made available to all trustees before the next Board of Trustees meeting.

The Board has delegated the day to day running of the Academy to the Headteacher who is also the Accounting Officer. The Academy has appointed a Bursar, who reports to the Headteacher, to oversee the day to day operation of its finances and to prepare budget proposals, expenditure to budget comparisons and premises reports for consideration at the Financial and General Purpose Group meetings which the Bursar attends.

The Headteacher's senior management team comprises of a senior member of teaching staff responsible for Special Educational Needs and Pupil Premium.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration of key management personnel is addressed through the Academy's Performance Management Policy, comprising of a two-tier system relating to the seniority of the position.

For the Headteacher, two members of the Board and an external consultant, are involved in evaluating and monitoring the Headteacher's performance against her identified targets. Based on the evidence provided, a recommendation is made to the full Board as to whether the Headteacher should be remunerated for her performance. The Board then decide upon 0, 1 or 2 points pay progression. The Headteacher's performance management takes place on an annual basis, completed by 31 December each year.

The Headteacher is responsible for evaluating and monitoring the performance of the Senior Leadership Team, and teaching staff. Staff provide evidence against their identified targets, with the Headteacher deciding whether targets have been met. The Headteacher makes recommendations to the Financial and General Purpose Group as to pay and remuneration. Annual performance management reviews take place by 31 October.

Related Parties and other Connected Charities and Organisations

Trustees and senior management complete annual declarations of business interests and are invited to declare any new business interests at the start of every Board of Trustees meeting. The declarations of interest are held on file in school and are available for inspection. The information is also published on the Academy's website.

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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

Objectives and Activities

Objects and Aims

The principal activity of the Academy, as set out in its Articles of Association and funding agreement with the Secretary of State, is the operation of Kirkby La Thorpe Church of England Primary Academy to provide education for pupils of different abilities between the ages of 4 and 11.

Objectives, Strategies and Activities

To manage, maintain and develop a school with a designated Church of England religious character that offers a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement) and having regard to any advice from the Diocesan Board of Education.

To further improve the quality of leadership and teaching so that all pupils make good or better progress and to build upon the already good levels of behaviour and safety of all pupils at school which contribute to their positive attitudes towards learning.

Public Benefit

The trustees have reviewed the objectives and activities of the Academy detailed above and are satisfied that they are for the public benefit as detailed in the Charity Commission guidance note on the subject.

Achievements and Performance

Key Performance Indicators

2023 was the second year of statutory assessments, following the COVID pandemic.

Within the EYFS, 71% of pupils attained a Good Level of Development, above the 2022 national figure of 65% and 2023 LEA figure of 68%. Compared to Local Authority data, reading was above at 93% (77% locally), writing was in line at 71% (71% locally), number was also in line at 79% (79% locally), and number patterns was below at 71% (78% locally). This data is based on the updated EYFS framework, which came into force from September 2021. The Reception teacher participated in moderation activities with the Local Authority, to validate the submitted data.

For the Year 1 Phonics Screen Check, 87% of pupils, compared to 79% nationally in 2023. 83% of Year 2 pupils retaking the Phonics Screen Check, which was slightly below the national 2023 figure of 89%.

Phonics has been a focus area, which is illustrated in the higher than national Year 1 figure.

At Key Stage 1, expected attainment in reading, writing and maths combined was broadly in line with 2023 national figures (56%) at 54%. Reading was above national (68%) at 77%, maths was in line at 69% (2023 national 70%), and writing was lower at 54%, compared to 60% nationally. At greater depth levels, both reading and maths were higher than national figures, at 23% (reading nationally 19%; maths nationally 16%); no greater depth writers were identified, compared to 8% nationally, resulting in 0% for combined reading, writing and maths at greater depth. Writing continues to be a priority area for the school to address such data. All Key Stage 1 data was validated due to the school being externally moderated by the Local Authority.

At Key Stage 2, expected attainment in reading, writing and maths combined was higher than national data (59%) at 67%. Reading attainment at the expected standard was lower than national (73%) at 67%, but higher than national for greater depth at 38%, compared to national at 29%. In writing, pupils attaining the expected standard was slightly above national (71%) at 76%, and broadly inline at the greater depth at 14%, compared to 13% nationally. In maths, the percentage of pupils at the expected standard was higher than national (73%) at 81%, but lower at greater depth at 19%, compared to 23% nationally. From their Key Stage 1 starting points, progress, in all three subjects, was positive, at +0.8 in reading, +0.5 in writing and +1.1 in maths.

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

In March 2023, the academy was Ofsted inspected, the first since the COVID pandemic, and six years after its previous inspection in September 2016. The ungraded inspection took place over one day with one Ofsted inspector and one HMI. Under the most recent framework, the inspecting team agreed with the academy's judgement in all areas, and maintained its 'good' status. The outcome of the inspection further validates the value for money the Academy provides.

Attendance for 2022/23, was 95.6%, above the national figure of 93.9%. The Attendance Officer and Headteacher are focussed on returning to the high level of attendance expected prior to the pandemic and supporting families, as necessary, to minimise pupils' absences.

Going Concern

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

Financial Review

The largest proportion of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of the General Annual Grant (GAG) the use of which is restricted to particular purposes. Grants received from the ESFA during the year are reported and the associated expenditure are both shown as restricted funds in the statement of financial activities.

A number of income and expenditure changes affected the budget throughout this academy year. Excluding actuarial losses, the Academy results show net resources expended of £30,996. Stripping out the effects of pension and fixed asset movements, the overall revenue reserves have decreased by £30,346.

Overall, the Academy's balance sheet shows net assets of £119,287 following gain on defined benefit pension schemes of £39,000 resulting in the LGPS balance at year end of £Nil (2022 - £32,000 deficit). Restricted Funds finished at £102,736 and Fixed Asset Funds at £16,551.

Reserves Policy

The trustees review the reserve levels of the Academy on an annual basis, or more frequently if deemed necessary. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The trustees have determined that the appropriate level of free cash revenue reserves should be around one month's GAG income, approximately £50,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and also to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free cash revenue reserves is approximately £102,736 in addition to which the Academy holds capital reserves of £16,551, of which £11,179 relate to fixed assets which can only be realised by disposing of tangible assets.

Investment Policy

In line with the Academy's Reserves and Investment policy, should the level of free cash reserves held by the Academy exceed that which is necessary to service its ongoing working capital needs, the trustees, with reference to the short and longer term forecasts will consider investment of any excess funds over an appropriate period to maximise the return of any such surplus funds while ensuring that risk is avoided insofar as it is possible. At present the Academy has £40,744 in a 32-day notice account for the benefit of a higher interest rate.

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Principal Risks and Uncertainties

The Academy has carried out its annual, extensive risk assessment based on the ESFA model. The risks are categorised into various headings to permit the trustees to analyse specific risks in detail. The predominant risks are given below:

Strategic and Reputation Risks and Management

1. Competition risk: we need to remain focussed on maintaining our good reputation within the local community to ensure that parents of future children starting school in our catchment area and beyond it see the Academy as a great learning establishment with other important features that set us apart from other schools to which those children might otherwise be sent.
2. Public Profile risk: trustees, staff and pupils must maintain the Academy's concern for the health and safety of all who come onto our site and for our pupils when they go off site on trips. The Academy retains external advisors who inform it when procedures need to improve or when there are new rules to comply with and together with the premises, health and safety functions of the Financial and General Purposes Group of trustees, every precaution is taken to avoid incidents that could generate bad publicity and discourage parents from sending their children to the Academy.
3. Board of Trustees risk: The Board has approved a detailed Scheme of Delegation that minimises the risk that too little or too much delegation within sub-committees (Groups) or between the Board and those Groups or members of staff could result in errors or omissions that may damage the Academy's reputation. To ensure that all trustees are kept informed, the work of each Group is reported verbally by its Chair to the next Board meeting and made available to every trustee by publication of the minute of each Group meeting before that Board meeting

Operational Risks and Management

1. Management risk: currently the senior management has changed throughout the year and whilst the experience and skillset of the new team is more than sufficient for most tasks, a period of adjustment inevitably may affect this aspect of the Academy. This position will be reviewed if more demanding tasks are set by the ESFA.
2. Management risk: the Covid 19 Pandemic has continued to place demands on staffing, due to the absence of team members. Should any members of the management team become unavailable this could impact on the remaining members of the team and the capacity within the Academy to fulfil its duty.
3. Management risk: the school estate and premises have undergone a number of improvements over the past two years including an upgraded heating system, the replacement of our mobile classroom and new windows and doors in the older school building. The management of our estate also includes ensuring that the estate has an ear marked reserve to cover eventualities, and that the time scales of repairs, renewals and maintenance coincide with our conditional survey.

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

Financial Risks and Management

To minimise the overall financial risks to the Academy, the trustees, with the Headteacher, ensure that the following systems are in place to promote financial challenge and accountability at all levels:

- an accurate and up-to-date Trust Handbook, which reflects the most recent requirements outlined by the ESFA;
- clear levels of delegated financial responsibility, as outlined in the Handbook, which are enforced through the finance software employed by the Academy;
- circulation of timely, accurate and up-to-date management accounts, directly from the finance software; and
- the introduction of the balance sheet report, to be circulated to the Financial and General Purposes Group with the management accounts, to ensure that Group has an accurate oversight of the Academies financial position.

Fundraising

The Academy has received additional funds in a number of ways. These include: sale of photographs, a book fair, and donations from the Academy's Friends of School.

Plans for Future Periods

Each year the Academy reviews and develops its School Development Plan the priorities of which in 2023/24 will be:

Quality of Education 1: To ensure that all staff have the appropriate level of subject knowledge to teach and assess all subjects consistently well.

- 1.1 Ensure that all teaching staff have the necessary subject knowledge to plan and deliver high quality learning, across all subject areas, in the context of KLT's subject progression documents and the NC.
- 1.2 Ensure that assessment procedures check how well pupils know and have remembered the essential knowledge with the foundation subjects.

Quality of Education 2: To raise standards in writing to ensure that pupils meet at least age-related expectations and that progress is at least 0.

- 2.1 Ensure that a consistent handwriting style and approach is used across the school.
- 2.2 Ensure that pupils' spelling is age-related through the consistent implementation of the RWInc spelling programme.
- 2.3 Ensure that attainment in writing is in line with national expectations and that progress measures are 0.

Quality of Education 3: To ensure that teaching staff enable all learners to do well within our inclusive school system.

- 3.1 Create inclusive learning environments where adaptations are used to enhance learning for all pupils.
- 3.2 Staff are skilled at using Inclusion Toolkit to support pupils identified as having additional needs.

Behaviour and Attitudes 4: To develop a positive, restorative, whole school ethos, which seeks to improve behaviour with a focus on supporting greater engagement in learning.

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

4.1 Ensure high expectations of behaviour for pupils and staff, with a consistent approach across school.

The Academy will continue to work within its established collaborative partnership, developing monitoring and evaluation activities, to ensure high standards across all of the schools within the cluster. Headteachers and Subject Leaders from all of these schools will exchange experience, observe lessons at schools other than their own and hold peer review meetings to identify strengths that can be transferred and weaknesses that can be addressed to improve the performance of this Academy and the other partner schools.

As identified in the Academy's most recent Ofsted report, leaders intend to develop staff's subject knowledge to ensure that all subjects are taught consistently well. Accurate subject knowledge will enable teachers to then check that all pupils know and remember the most essential knowledge in foundation subjects.

Funds held as Custodian Governor on Behalf of Others

There are no funds held by the Academy as a Custodian Trustee or on behalf of others.

Auditor

Insofar as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 7 December 2023 and signed on its behalf by:



Andrew Parker
Chair of Trustees

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Kirkby La Thorpe Church of England Primary Academy and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 4 times during the year.

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

Trustee	Meetings attended	Out of a possible
Michelle Morton	4	4
Katie Grivil, Headteacher and Accounting Officer	4	4
Philip Drayton	3	4
Sarah Parkinson	2	4
David Sykes	4	4
Philip Sharpe	2	4
Andrew Parker, Chair of Trustees	4	4
Victoria Smith	4	4

The Board of Trustees met on 4 occasions during the year, with the Academic Performance Group and Finance and General purposes group met 3 times. The Health Safety and Premises group met 3 times. Trustees have attended a number of training events to support them in their roles and responsibilities. These have included 'Managing Academy Finance', 'Safeguarding: How to fulfil the governance role' and 'Equality, diversity and inclusion: Beyond compliance' all via the NGA learning link.

Trustees continue to use the School Development Plan, the Governor Competency Framework and Good Estate Management for Schools to focus and further develop the knowledge and skills of the trustees to fulfil their duties. Training is in place for the forthcoming year for Trustees, including: units from the NGA's training platform as well as CPD led by external consultants, for example, online safety.

The academy maintains a Register of Business Interests which is held by the finance team and maintained on the academy's website. This is referred to as appropriate. In addition at the start of each committee and board meeting, declaratiare raised and recorded, to avoid any potential conflict of interest.

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Financial and General Purposes Group is a sub-committee of the main Board of Trustees.

Its main purpose is to support the Accounting Officer and the Bursar in their day to day running of the financial affairs of the Academy and to oversee its systems of financial control. In particular it considers management reports to review actual expenditure and income against the budget and is responsible for the annual review of both the Financial Handbook and the Risk Assessments, making recommendations for any changes to the Board of Trustees. Oversight of the financial systems is assisted by reports from an external accountancy firm, who check, when requested, how the systems have been operating during the year. The Group performs the function of an audit committee.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Philip Sharpe	2	3
Philip Drayton	2	3
Katie Grivil, Headteacher	3	3
Andrew Parker	3	3
Sarah Parkinson (Chair)	3	3
Charlotte Whyment, Bursar	3	3

Review of value for money

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

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

- Reviewing the costs of items and ensure best value for the money.
- Minimising supply costs through the use of Teaching Assistants. Where supply cover has been required for short periods of time, either the Headteacher, or experienced Teaching Assistants employed at a higher rate of pay, have been used to cover such classes.
- Review of financial systems. The Bursar has continued to review SLAs to ensure best value for money.
- Utilising the skills of the Caretaker. The Caretaker has continued to undertake maintenance tasks, reducing the need for contractors, and as a consequence, reducing cost. This has allowed for maintenance and repairs to take place to ensure that the estate remains safe and well-maintained.
- Continuing to purchase into Lincolnshire County Council's buyback scheme SEMS (Statutory and Essential Maintenance Scheme) which ensures that the estate meets all required regulatory requirements.
- Conducting a restructuring process to reduce the number of teaching staff to accurately meet the number of pupils on roll for 2023/24.

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

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

Capacity to handle risk

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Financial and General Purpose Group 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; and
- identification and management of risks.

Two internal audits were carried out by Forrester Boyd during the year. The first took place in March 2023 and examined: payroll, the Academy's website, purchase invoices and purchase orders. The second, in June 2023, considered payroll, new starter and leaver controls, Insurance policies and Cyber security and back-up procedures.

The Board of Trustees has decided to employ Forrester Boyd Chartered Accountants as internal auditor.

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the work of the Bursar who has reviewed and developed the internal control framework;
- two internal audits by Forrester Boyd;
- the work of the external auditor by Streets Audit LLP; and
- the work of the external auditors.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Financial and General Purposes Group and a plan to ensure continuous improvement of the system is in place.

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



Andrew Parker
Chair of Trustees
Date: 7 December 2023



Katie Graviil
Headteacher and Accounting Officer

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



Katie Gravit
Accounting Officer
Date: 7 December 2023

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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

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

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

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

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

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

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



Andrew Parker
Chair of Trustees
Date: 7 December 2023

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY (CONTINUED)**

Responsibilities of trustees

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

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

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the academy through discussions with management, and from our knowledge and experience of the sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including relevant DfE and ESFA guidance, the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY (CONTINUED)**

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the governors and other management and the inspection of regulatory and legal correspondence, if any.

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

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

Use of our report

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



Robert Anderson (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

Chartered Accountants & Statutory Auditor

Tower House

Lucy Tower Street

Lincoln

Lincs

LN1 1XW

Date: 12/12/2023

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 16 May 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Kirkby La Thorpe Church of England Primary Academy during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Kirkby La Thorpe Church of England Primary Academy's accounting officer and the reporting accountant

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

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

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KIRKBY LA
THORPE CHURCH OF ENGLAND PRIMARY ACADEMY AND THE EDUCATION & SKILLS FUNDING
AGENCY (CONTINUED)**

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- a review of the Academy systems and controls and confirmation of the operation and effectiveness during the year;
- a review of expenditure to confirm the appropriateness and value for money; and
- a review of connected party arrangements, transactions and balances.

Conclusion

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



Robert Anderson
Streets Audit LLP

Chartered Accountants & Statutory Auditor

Tower House
Lucy Tower Street
Lincoln
Lincs
LN1 1XW

Date: 12/12/2023

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	-	-	10,003	10,003	(2,686)
Other trading activities	5	1,991	-	-	1,991	6,055
Investments	6	642	-	-	642	43
Charitable activities		62,714	742,078	-	804,792	765,590
Total income		65,347	742,078	10,003	817,428	769,002
Expenditure on:						
Charitable activities	7	65,347	780,454	2,623	848,424	948,903
Total expenditure		65,347	780,454	2,623	848,424	948,903
Net (expenditure)/income		-	(38,376)	7,380	(30,996)	(179,901)
Transfers between funds	16	-	1,030	(1,030)	-	-
Net movement in funds before other recognised gains/(losses)		-	(37,346)	6,350	(30,996)	(179,901)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	22	-	107,000	-	107,000	431,000
Defined benefit pension scheme asset not recognised	22	-	(68,000)	-	(68,000)	-
Net movement in funds		-	1,654	6,350	8,004	251,099

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Note					
Reconciliation of funds:					
Total funds brought forward	-	101,082	10,201	111,283	(139,816)
Net movement in funds	-	1,654	6,350	8,004	251,099
Total funds carried forward	-	102,736	16,551	119,287	111,283

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

The notes on pages 27 to 52 form part of these financial statements.

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08597878

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	11,179	10,201
		<u>11,179</u>	<u>10,201</u>
Current assets			
Debtors	14	25,804	54,971
Cash at bank and in hand		152,245	150,399
		<u>178,049</u>	<u>205,370</u>
Creditors: amounts falling due within one year	15	(69,941)	(72,288)
Net current assets		<u>108,108</u>	<u>133,082</u>
Total assets less current liabilities		<u>119,287</u>	<u>143,283</u>
Net assets excluding pension asset / liability		<u>119,287</u>	<u>143,283</u>
Defined benefit pension scheme asset / liability	22	-	(32,000)
Total net assets		<u><u>119,287</u></u>	<u><u>111,283</u></u>

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08597878

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Funds of the Academy			
Restricted funds:			
Fixed asset funds	16	16,551	10,201
Restricted income funds	16	102,736	133,082
Restricted funds excluding pension asset	16	119,287	143,283
Pension reserve	16	-	(32,000)
Total restricted funds	16	119,287	111,283
Unrestricted income funds	16	-	-
Total funds		119,287	111,283

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

The financial statements on pages 22 to 52 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Andrew Parker
Chair of Trustees
Date: 7 December 2023

The notes on pages 27 to 52 form part of these financial statements.

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	18	(4,556)	(6,696)
Cash flows from investing activities	19	6,402	(2,686)
Change in cash and cash equivalents in the year		1,846	(9,382)
Cash and cash equivalents at the beginning of the year		150,399	159,781
Cash and cash equivalents at the end of the year	20, 21	152,245	150,399

The notes on pages 27 to 52 form part of these financial statements

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **Other income**

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

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

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

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

1.7 Tangible fixed assets

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life being no more than 25 years as per the financial handbook, as follows:

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Property Improvements	- Straight Line over 10 Years
Computer equipment	- Straight Line over 3 Years

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

1.8 Debtors

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

1.9 Cash at bank and in hand

Cash at bank and in hand represents amounts held in current account facilities only and cash held at the Academy.

1.10 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.

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Operating leases

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

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.13 Pensions

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

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

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

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

1.14 Fund accounting

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

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

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

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

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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3. Income from donations and capital grants

	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Capital Grants	10,003	10,003	(2,686)

4. Funding for the Academy's Educational Operations

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	621,616	621,616
Other DfE/ESFA grants			
Pupil Premium	-	32,542	32,542
Universal Infant Free School Meals	-	18,545	18,545
PE & Sports Premium	-	17,010	17,010
Others	-	20,571	20,571
	-	710,284	710,284
Other Government grants			
SEN Funding	-	31,794	31,794
	-	31,794	31,794
Other income from the Academy's educational operations	62,714	-	62,714
	62,714	742,078	804,792
	62,714	742,078	804,792

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4. Funding for the Academy's Educational Operations (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	-	609,856	609,856
Other DfE/ESFA grants			
Pupil Premium	-	45,965	45,965
Universal Infant Free School Meals	-	15,755	15,755
PE & Sports Premium	-	17,180	17,180
	-	688,756	688,756
Other Government grants			
SEN Funding	-	26,484	26,484
	-	26,484	26,484
Other income from the Academy's educational operations	50,350	-	50,350
	50,350	715,240	765,590
	50,350	715,240	765,590

5. Income from other trading activities

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>	<i>Total funds 2022 £</i>
Hire of Facilities	492	492	384
Insurance Claims	1,499	1,499	5,671
	1,991	1,991	6,055

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6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank Interest Received	642	642	43
	<u>642</u>	<u>642</u>	<u>43</u>

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
Educational Operations:				
Direct costs	543,693	-	53,177	596,870
Allocated support costs	116,001	33,677	101,876	251,554
	<u>659,694</u>	<u>33,677</u>	<u>155,053</u>	<u>848,424</u>

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Educational Operations				
Direct costs	510,439	-	53,510	563,949
Allocated support costs	142,836	146,630	95,488	384,954
	<u>653,275</u>	<u>146,630</u>	<u>148,998</u>	<u>948,903</u>

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8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Educational Operations	596,870	251,554	848,424

	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Educational Operations	563,949	384,954	948,903

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8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	543,693	510,439
Educational Supplies	14,623	20,065
Staff Development	6,980	4,881
Educational Consultancy	25,129	19,270
Other Direct Costs	6,445	8,404
Other Staff Costs	-	890
	596,870	563,949

Analysis of support costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
Pension Finance Cost	1,000	6,000
Staff costs	109,716	141,946
Depreciation	2,623	2,623
Repairs and Maintenance	15,553	132,069
Rates	3,375	2,944
Insurance	6,533	6,545
Water	1,385	1,614
Heat and Light	6,831	3,458
Catering	29,236	30,690
Educational Visits	19,349	17,601
Other Support Costs	6,665	5,620
Technology	21,277	10,628
Other Support Costs	17,998	13,818
Governance Costs	10,013	9,398
	251,554	384,954

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9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2023	2022
	£	£
Operating lease rentals	1,872	2,040
Depreciation of tangible fixed assets	2,623	2,623
Fees paid to auditors for:		
- audit	4,200	3,300
- other services	4,300	3,650
	<u>4,300</u>	<u>3,650</u>

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10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	497,807	464,234
Social security costs	42,169	37,241
Pension costs	113,433	150,910
	<u>653,409</u>	<u>652,385</u>
Agency staff costs	6,285	890
	<u>659,694</u>	<u>653,275</u>

b. Staff numbers

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

	2023 No.	2022 No.
Teachers	10	10
Administration and Support	16	15
Management	2	2
	<u>28</u>	<u>27</u>

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10. Staff (continued)

c. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	-	1

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £174,000 (2022 - £177,000).

11. Trustees' remuneration and expenses

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

		2023	2022
		£	£
Katie Gravil, Headteacher	Remuneration	50,000 -	60,000 -
		55,000	65,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
Sophie Ashton, Staff Trustee (resigned 31 August 2022)	Remuneration		30,000 -
			35,000
	Pension contributions paid		5,000 -
			10,000
Anita Huckle, Staff Trustee (resigned 31 August 2022)	Remuneration		20,000 -
			25,000
	Pension contributions paid		0 - 5,000

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

12. Trustees' and Officers' insurance

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

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13. Tangible fixed assets

	Long-term leasehold property £	Computer equipment £	Total £
Cost or valuation			
At 1 September 2022	16,629	18,489	35,118
Additions	-	3,601	3,601
At 31 August 2023	<u>16,629</u>	<u>22,090</u>	<u>38,719</u>
Depreciation			
At 1 September 2022	7,419	17,498	24,917
Charge for the year	1,663	960	2,623
At 31 August 2023	<u>9,082</u>	<u>18,458</u>	<u>27,540</u>
Net book value			
At 31 August 2023	<u>7,547</u>	<u>3,632</u>	<u>11,179</u>
At 31 August 2022	<u>9,210</u>	<u>991</u>	<u>10,201</u>

The land and buildings from which the Academy operates are owned by the Lincoln Diocesan Trust and Board of Finance Limited and used under the terms of a supplemental agreement. The terms of the agreement do not transfer the benefits of ownership to the academy and, consequently, the value of these assets has not been recognised in the financial statements. The valuation obtained by the ESFA was £1,368,000 of which £159,000 relates to land.

14. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	302	885
VAT Recoverable	10,690	11,444
Prepayments and accrued income	14,812	42,642
	<u>25,804</u>	<u>54,971</u>

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15. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	10,289	13,753
Other taxation and social security	12,646	11,836
Other creditors	12,894	10,388
Accruals and deferred income	34,112	36,311
	69,941	72,288
	2023	2022
	£	£
Deferred Income		
Deferred income at 1 September	10,572	7,781
Resources deferred during the year	12,292	10,572
Amounts released from previous periods	(10,572)	(7,781)
Deferred income at 31 August	12,292	10,572

At the year end, the Academy had received funds in advance relating to Universal Infant Free School Meals and other collections.

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

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds	-	65,347	(65,347)	-	-	-
Restricted general funds						
General Annual Grant (GAG)	133,082	621,616	(652,992)	1,030	-	102,736
Other ESFA Grants	-	88,668	(88,668)	-	-	-
Other Government Income	-	31,794	(31,794)	-	-	-
Pension reserve	(32,000)	-	(7,000)	-	39,000	-
	<u>101,082</u>	<u>742,078</u>	<u>(780,454)</u>	<u>1,030</u>	<u>39,000</u>	<u>102,736</u>
Restricted fixed asset funds						
NBV of Fixed Assets	10,201	-	(2,623)	3,601	-	11,179
Unspent Capital Grants	-	10,003	-	(4,631)	-	5,372
	<u>10,201</u>	<u>10,003</u>	<u>(2,623)</u>	<u>(1,030)</u>	<u>-</u>	<u>16,551</u>
Total Restricted funds	<u>111,283</u>	<u>752,081</u>	<u>(783,077)</u>	<u>-</u>	<u>39,000</u>	<u>119,287</u>
Total funds	<u><u>111,283</u></u>	<u><u>817,428</u></u>	<u><u>(848,424)</u></u>	<u><u>-</u></u>	<u><u>39,000</u></u>	<u><u>119,287</u></u>

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16. Statement of funds (continued)

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

Unrestricted Funds

All funds relate to those resources which may be used towards meeting any of the objects of the academy at the discretion of the trustees.

Restricted Funds

General Annual Grant (GAG) - made up of a number of different funding streams from the ESFA, all of which are to be used to cover the running costs of the academy.

Other ESFA Grants - represent ESFA grants received for specific purposes.

Other Government income - represents income received for specific purposes.

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

Restricted Fixed Asset Funds

NBV of Fixed Assets - represents the net book value of assets

DFC Grants Unspent - represents unspent grants received for which the specific purpose of capital expenditure has been imposed by the funder

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

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

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
General Funds	-	56,448	(56,448)	-	-	-
Restricted general funds						
General Annual Grant (GAG)	135,583	609,856	(611,238)	(1,119)	-	133,082
Other ESFA Grants	-	78,900	(78,900)	-	-	-
Other Government Income	-	26,484	(26,484)	-	-	-
Pension reserve	(402,000)	-	(61,000)	-	431,000	(32,000)
	<u>(266,417)</u>	<u>715,240</u>	<u>(777,622)</u>	<u>(1,119)</u>	<u>431,000</u>	<u>101,082</u>
Restricted fixed asset funds						
NBV of Fixed Assets	12,824	-	(2,623)	-	-	10,201
Unspent Capital Grants	113,777	(2,686)	(112,210)	1,119	-	-
	<u>126,601</u>	<u>(2,686)</u>	<u>(114,833)</u>	<u>1,119</u>	<u>-</u>	<u>10,201</u>
Total Restricted funds	<u>(139,816)</u>	<u>712,554</u>	<u>(892,455)</u>	<u>-</u>	<u>431,000</u>	<u>111,283</u>
Total funds	<u><u>(139,816)</u></u>	<u><u>769,002</u></u>	<u><u>(948,903)</u></u>	<u><u>-</u></u>	<u><u>431,000</u></u>	<u><u>111,283</u></u>

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17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	11,179	11,179
Current assets	172,677	5,372	178,049
Creditors due within one year	(69,941)	-	(69,941)
Total	102,736	16,551	119,287

Analysis of net assets between funds - prior year

	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	10,201	10,201
Current assets	205,370	-	205,370
Creditors due within one year	(72,288)	-	(72,288)
Provisions for liabilities and charges	(32,000)	-	(32,000)
Total	101,082	10,201	111,283

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Reconciliation of net expenditure to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the year (as per Statement of financial activities)	(30,996)	(179,901)
Adjustments for:		
Depreciation	2,623	2,623
Capital grants from DfE and other capital income	(10,003)	2,686
Defined benefit pension scheme administration cost	1,000	-
Defined benefit pension scheme cost less contributions payable	5,000	55,000
Defined benefit pension scheme finance cost	1,000	6,000
Decrease in debtors	29,167	82,850
(Decrease)/increase in creditors	(2,347)	24,046
Net cash used in operating activities	(4,556)	(6,696)

19. Cash flows from investing activities

	2023 £	2022 £
Purchase of intangible assets	(3,601)	-
Capital grants from DfE Group	10,003	(2,686)
Net cash provided by/(used in) investing activities	6,402	(2,686)

20. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	152,245	150,399
Total cash and cash equivalents	152,245	150,399

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**NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	150,399	1,846	152,245
	<u>150,399</u>	<u>1,846</u>	<u>152,245</u>

22. Pension commitments

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

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

Contributions amounting to £12,843 were payable to the schemes at 31 August 2023 (2022 - £10,277) and are included within creditors.

Teachers' Pension Scheme

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

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

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22. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £63,000 (2022 - £65,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £58,000 (2022 - £43,000), of which employer's contributions totalled £47,000 (2022 - £34,000) and employees' contributions totalled £11,000 (2022 - £9,000). The agreed contribution rates for future years are 19.4 per cent for employers and a maximum 12.5 per cent for employees.

As described in note 1.13 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

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22. Pension commitments (continued)

Principal actuarial assumptions

	2023	<i>2022</i>
	%	%
Salary Increase Rate	3.90	3.30
Discount Rate	5.30	4.25
Pension Increase Rate (CPI)	2.90	3.00

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

	2023	<i>2022</i>
	Years	Years
<i>Retiring today</i>		
Males	19.5	21.6
Females	22.6	23.9
<i>Retiring in 20 years</i>		
Males	20.8	22.6
Females	24	25.3

Sensitivity analysis

	2023	<i>2022</i>
	£000	£000
0.5% Decrease in Discount Rate	67	65
0.5% Increase in Salary Increase Rate	2	10
0.5% Increase in Pension Increase Rate	66	60

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22. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	459,000	437,000
Corporate bonds	98,000	71,000
Property	55,000	76,000
Cash and other liquid assets	25,000	14,000
Infrastructure	28,000	-
Absolute return fund	78,000	-
Total market value of assets	743,000	598,000

The actual return on scheme assets was £15,000 (2022 - £1,000).

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

	2023 £	2022 £
Current service cost	(52,000)	(89,000)
Interest income	26,000	10,000
Interest cost	(27,000)	(16,000)
Administrative expenses	(1,000)	-
Total amount recognised in the Statement of financial activities	(54,000)	(95,000)

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

	2023 £	2022 £
At 1 September	630,000	991,000
Current service cost	52,000	89,000
Interest cost	27,000	16,000
Employee contributions	11,000	9,000
Changes in Actuarial Assumptions	(116,000)	(440,000)
Benefits paid	(11,000)	(35,000)
Other actuarial gains/(losses)	82,000	-
At 31 August	675,000	630,000

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22. Pension commitments (continued)

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

	2023	2022
	£	£
At 1 September	598,000	589,000
Interest income	26,000	10,000
Return on net Assets (excluding net interest)	(9,000)	(9,000)
Employer contributions	47,000	34,000
Employee contributions	11,000	9,000
Benefits paid	(11,000)	(35,000)
Administration expenses	(1,000)	-
Other actuarial gains/(losses)	82,000	-
At 31 August	743,000	598,000

The actuarial report valued a pension scheme surplus of £68,000 as set out by the disclosures above. This balance has not been recognised on the basis that the balance is not deemed to be recoverable through reduced contributions in the future or through refunds from the plan.

23. Operating lease commitments

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

	2023	2022
	£	£
Amounts Payable:		
Not later than 1 year	468	1,872
Later than 1 year and not later than 5 years	-	468
	468	2,340

24. Members' liability

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

KIRKBY LA THORPE CHURCH OF ENGLAND PRIMARY ACADEMY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
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25. Related party transactions

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

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.