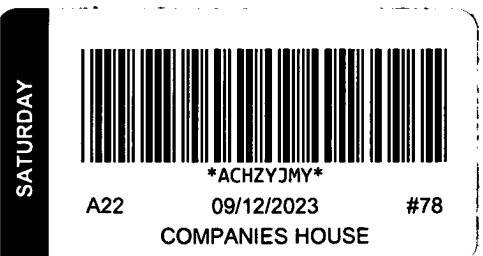


IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

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



IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

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IRIS ACADEMIES TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

D Bratt
K S Walker
N Wainhouse
S Dennison
M Windle (appointed 31 January 2023)

Trustees

T S Stokes¹
D Bratt
C J Blunden-Lee³
E Venables⁴
M Sutton
C Hamilton²
K Cummings
N Gold (resigned 23 November 2023)
C A Ireland
S Macdonald (appointed 23 November 2023)

- ¹ Head Teacher
² Chair of Trustees
³ Chair of Student Progress Committee
⁴ Chair of Audit and Resources Committee

Company registered number

09050751

Company name

Iris Academies Trust

Principal and registered office

118 Upper Chobham Road, Camberley, Surrey, GU15 1EJ

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

Senior management team

Head teacher - T Stokes
Deputy Head teacher - A Ewen
Assistant Head teacher - C Lenaghan
School business manager - J Thorpe

Independent auditors

Shaw Gibbs (Audit) Limited, Wey Court West, Union Road, Farnham, Surrey, GU9 7PT

Bankers

Lloyds Bank Plc, 18 Prince of Wales Walk, Camberley, Surrey, GU15 3SJ

Solicitors

Michelmores LLP, Woodwater House, Pynes Hill, Exeter, EX2 5WR

IRIS ACADEMIES TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 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.

Since the academy qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

The academy trust operates a special school academy for students aged 11 to 19, all of whom have an EHCP identifying learning and additional needs. Students travel to the school from Surrey and neighbouring local authorities. It has a student capacity of 160 students with 153 on the school census on January 2023.

Structure, governance and management

a. Constitution

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is the primary governing document of the academy trust.

The Trustees of Iris Academies Trust are also the directors of the charitable company for the purposes of company law.

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

The principal object of the academy is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school specifically organised to make special educational provision for students with special educational needs offering a broad and balanced curriculum.

b. Members' liability

The liability of the members of the Academy Trust is limited.

Each member of the Academy Trust undertakes to contribute to the assets of the Academy Trust 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, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

c. Trustees' indemnities

In accordance with normal commercial practice the academy is part of the government's RPA scheme to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000, it is not possible to quantify the trustees and officer's indemnity element from the overall cost of the RPA scheme.

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

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

Under the terms of the Articles of Association, the number of Trustees shall not be less than 3 and a maximum of 9 total staff and non-staff Trustees. The Academy Trust shall have up to three Trustees appointed by the Members, up to three Trustees appointed by the Trustees, a minimum of 2 parent trustee but not subject to any maximum. The only staff member appointed to the trustee board shall be the CEO.

Trustees are recruited by invitation subject to their expertise, experience and skills.

e. Policies adopted for the induction and training of Trustees

New Trustees are inducted into the workings of the Academy including policies and procedures, together with an appropriate training schedule depending upon their existing area of expertise to include formal governance training.

f. Organisational structure

Iris Academies Trust is a Multi Academy Trust, currently comprising of one school - Carwarden House Community School, a company limited by guarantee with a charitable status.

The Academy has a leadership structure, which consists of the Trustees, the senior leadership team and team leaders. The aim of the leadership is to devolve responsibility and encourage involvement in decision making at all levels. The Headteacher is the Accounting Officer; the Business Manager is the Principal Finance Officer. The Headteacher is responsible for day to day operation of the school.

The Board of the Trustees is made up from representatives of the school, including parents, and from the community representing the skills and attributes required by the board.

The principal responsibilities of the Trustee Board are setting the school's vision, ethos and strategic direction; holding the headteacher and leadership team to account for the educational performance of the school and its students and overseeing the financial performance of the school and making sure its money is well spent.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of management financial information and other data e.g. student progress data, approving the annual reports and statutory accounts, making strategic decisions about the direction of the Academy and capital expenditure as well as the Headteacher and Business Manager appointments.

The Headteacher is the Accounting Officer. The day to day management of the Academy is delegated to him and the senior leadership team (SLT). The SLT consists of the Headteacher, Deputy Headteacher, one Assistant Headteacher and the School Business Manager. These managers direct the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. The senior managers are responsible for the authorisation of spending within agreed budgets and the Accounting Officer is responsible for the appointment of staff, although appointment boards for posts in the Senior Management Team always contain a Trustee. Some spending control is devolved to members of the Senior Management Team, with limits above which the Headteacher must countersign.

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

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

Structure, governance and management (continued)

All teachers are responsible for the coordination of at least one area of the curriculum with Middle Leaders taking additional responsibility for assigned areas of strategic operation (e.g. CPD, outreach).

A Scheme of Delegation is in place to ensure clarity of responsibility for all key decisions within the Academy.

g. Pay policy for key management personnel

Carwarden House Community School has a performance related pay policy that applies to all teachers. Pay for senior leaders is set using DfE guidance on the group size of the school (Carwarden qualifies as a group 5 school) – this is used to determine the Headteacher's individual salary range (ISR) and then Deputy and Assistant Headteacher's ISRs are set using this benchmark.

The Board of Trustees has determined a senior and middle leadership structure of one Headteacher, one Deputy Headteacher, one Assistant Headteacher and five middle leadership posts. All middle leaders receive a TLR salary enhancement and some additional non-contact time.

h. Connected organisations, including related party relationships

Wellington College Learning Alliance (previously the Teaching School Partnership) – Carwarden is a member of this alliance and actively works to support the aim of contributing to and providing mutual support to members in the pursuit of school improvement.

i. Trade union facility time

There were no employees who were relevant union officials during the period.

Objectives and activities

a. Objects and aims

The Academy Trust's objectives are specifically restricted to the following: To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school specially organised to make special educational provision for students with Special Educational Needs offering a broad and balanced curriculum ("the Special Academy").

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

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

Objectives and activities (continued)

b. Objectives, strategies and activities

The main objectives of the Trust during the period ended 31st August 2023 were:

- to raise the standard of educational achievement and attainment for all students in the Trust;
- to improve the outcomes of those students such that they are well prepared to live and work independently;
- to continually improve the performance of the Trust by systematically reviewing all operational areas of its work;
- to ensure compliance with all statutory regulatory and curriculum requirement;
- to provide good value for money for the funds expended;
- to conduct the Trust's business in accordance with the highest standards of integrity, probity and openness;

c. Activities for achieving objectives

The Trust's approach to this strategy is articulated in our vision:

- Aspiring to be a world class centre of excellence
- Ambitious for every individual
- Passionate that all students maximise their independence, autonomy and employability
- Committed to growth, collaboration and innovation to secure an outstanding future

Strategic priorities informing the School Improvement Plan for 2022/23:

1. Develop improved cohesion across all departments to create a stronger sense for all staff of a united whole school approach.
2. Review and improve specific areas of the school's curriculum offer.
3. Secure improved quality assurance processes in relation to all aspects of school operation.
4. Continue to secure the medium / long term financial viability of the school without reducing the quality of provision.
5. Plan to be part of a larger MAT

d. Public benefit

The Academy's purpose is to advance for public benefit, education as described in the principal activities above. The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charities Commission in exercising their duties.

Carwarden accepts students from a wide geographical area/catchment including young people from a number of local authorities. These include Surrey, Hampshire, Windsor & Maidenhead, Bracknell Forrester and Wokingham. We are designated a LAN school (learning & additional needs) and support students with a range of complex and enduring special educational needs. All our students have an EHCP which we review annually on behalf of the sending local authority. We work in conjunction with a range of other statutory agencies in addressing the needs of our students (Health Care, Social Care, SALT, CAMHS etc.).

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

Strategic report

Achievements and performance

a. Review of activities

The school determined defined objectives to achieve each of the agreed strategic priorities.

To develop improved cohesion across all departments, appropriate emphasis was given to ensuring effective leadership at all levels (including SLT, MLT and UPR staff). Leadership roles and responsibilities were reviewed and clearly defined, with accountability assigned to appropriately trained and confident staff with the capacity to secure high standards across all areas and departments of the school. Effective contingency measures were implemented to ensure operational continuity during the long-term absence of the Assistant Head, and a successor successfully recruited when the post became vacant. An experienced external consultant was employed to undertake some work with the staff team around effective teamwork, with several operational changes made promptly as a result of this 'listening' exercise and subsequent report. A revised school vision and values were determined by Trustees for 're-launch' September 23 providing far greater clarity for all stakeholders.

A thorough review was completed in relation to specific areas of the school's curriculum offer, ensuring it better matches students' individual needs and creating an improved balance between securing academic progress and meeting personal / development needs. As part of this review, accreditation opportunities offered to our students were considered and changes made as appropriate. Focus was also given to reviewing & amending the whole school 'creative' curriculum offer and securing full NC coverage in KS3 in Art & Design. The school also reviewed and quality assured the provision for KS4 & KS5 undertaking college link courses to make sure course undertaken are relevant to our students' future lives and employment aspirations.

To improve quality assurance processes in relation to all aspects of school operation, a number of external practice reviews were commissioned (including safeguarding, risk assessing trips & visits and the administration of medication), which highlighted both exemplary practice and some recommendations for improvement, all of which were implemented. The various review reports informed the staff training schedule for this period.

The school was inspected by Ofsted in March 2023 and the report reflected an Outcome 1 judgement – the school continues to be a 'good' school. Given 'the bar' for any school to be judged as good has risen significantly since the last inspection in 2017, this demonstrates a considerable achievement and is indicative of marked improvements in the intervening period.

Importantly, the inspectors' findings given in feedback and in the final report are a real validation of the work of the school over the past 5 years and demonstrate unequivocally that we know our school really well. It was particularly pleasing to see that Ofsted highly praised the design, intent and impact of our 'Curriculum For Life', given that this has been a major development and complete change since the last inspection. Equally it was gratifying that Ofsted recognised that our students' individual needs are well met at Carwarden and that our students 'love this school and its community feel', behave really well and have positive and trusting relationships with the staff that make them feel 'happy and safe'. Inspectors were particularly impressed by the range of our personal development opportunities for students and the positive impact these have.

There were no 'surprises' and the judgements for each section of the inspection entirely reflected our own. All areas for improvement ('what the school needs to do to improve') were previously identified and specific actions contained within our in year SIP.

Despite national challenges in relation to teacher recruitment, the school has maintained a full teaching staff compliment and successfully recruited to vacancies when they have arisen, though it should be noted that TA recruitment remains a challenge.

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

Strategic report (continued)

Achievements and performance (continued)

During this year the school has continued to make significant improvements to our buildings and facilities. We were successful in securing our second CIF bid in recent years and the entire flat roof of our main building is being replaced, for completion in the early Autumn of 2023. Through the continuing generosity of donors, our outdoor woodland learning area was further improved, and an ecology / wildlife area developed which now provides a much safer and attractive pedestrian entrance to the school, as well as a calm and therapeutic area for students who need it and spaces to experience and learn about our natural environment. Another donation also made it possible for the school to completely refurbish our science laboratory to a very high standard, with facilities and equipment designed specifically to support the delivery of our bespoke science curriculum.

In the context of a cost-of-living crisis and spiralling inflation, the school has exercised excellent in-year budgetary control with spend in-line with agreed budget. Reserves have not been utilised to subsidise any operational costs. The school is increasingly effective in using and analysing benchmark data to inform financial planning.

This year has seen another set of strong academic results leading to a solid trend of achievement over time. Trustees and leaders of the school are now confident that the progress of the students in the school is good with outstanding elements. The introduction of a new curriculum and a bespoke assessment package was rolled out in September 2018 and has continued to be refined. This allows us to assess all areas of learning. There continue to be annual refinements and reviews of target setting to ensure all progress is captured.

At the last analysis, 89% of students in KS3/4 make at least expected progress in English, 8% missing their target by a small percentage. There is a difference (7%) in the overall achievement of boys and girls in English. 85% of boys met or exceeded target, 12% were missing target by a small percentage, 3% (2 students) missed their target. The girls had 91% achieving or exceeding target (an increase of 10%) 7% within a small percentage of target and 2% (1 student) not achieving target. In KS3/4 58% of the population is boys and 42% girls.

At the last analysis, 91% of students in KS3 made or exceeded expected progress in maths, In KS4 76% with 24 % just missing target by a small amount. There is little difference (3%) in the overall achievement of boys and girls in numeracy in KS3. 90% of boys met or exceeded target, 7% were missing target by a small percentage, 5% (2 students) missed their target. The girls had 93% achieving or exceeding target, 7% within a small percentage of target. In KS4 There is little difference (1%) in the overall achievement of boys and girls in numeracy. 74% of boys met or exceeded target, 22% were missing target by a small percentage, 4% (2 students) missed their target. The girls had 75% achieving or exceeding target, 25% within a small percentage of target. In KS4 we trailed a new assessment linked to the exam programme.

In KS4 students have achieved a range of qualifications across subjects. In English functional skills students achieved Entry Levels 1 to 3. In Maths functional skills students achieved Entry 1 to 3, 1 student achieving GCSE grade 1. In functional skills ICT 4 students achieved an entry level 1, 5 an Entry level 2 and 11 an Entry level 3 qualification. In AQA Science 20 of the students passed, 9 at Entry level 2 and 11 at Entry 3. Entry Levels certificate, and awards were also achieved in Information Technology, science & Personal Development/ Life skills.

At the last analysis, 97% of students in KS5 make at least expected progress in Maths, 3% (1 student) missing their target by a small percentage. In English. 95% met or exceeded target (an increase of 5%), 2.5% missed their target by a small percentage. There is no difference in the overall achievement of boys and girls in Maths in KS5 and 1% difference in performance between girls and boys in English. KS5 offers a range of qualifications appropriate to their need and skills necessary for independent living and adult life. Year 14 leavers in the Life and Living Skills OCR programme, 7 students achieved an Entry Level 2

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

Strategic report (continued)

Achievements and performance (continued)

diploma, 2 students an Entry Level 2 certificate, 4 students achieved an Entry level 3 diploma, 1 students an Entry 3 certificate and 1 an Entry 3 award. The same cohort also completed Entry Level awards in OCN Skills for independence and employability, with 9 students achieving an Entry Level 2 certificate and 5 students achieving an Entry Level 3 certificate and 1 an Entry 3 award.

All KS4/5 were able to take part in Work Experience opportunity during the academic year and Years 10, 11, 13 & 14 accessed a link course at college one morning a week.

b. Fundraising activities/income generation

An ex parent from Wellington College have very generously continued to donate £1,000 per month (£12,000 in total) to Carwarden House, this was towards the Eco Garden project. A pathway and fencing have been installed.

The Children with Special Needs Foundation donated £17,250 towards refurbishing the Science Laboratory.

c. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy 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 Accounting Policies.

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

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

Strategic report (continued)

Financial review

a. Financial risk management objectives and policies

The main financial risk to which Carwarden House Community School is exposed, taking account the mitigation procedures in place, relate to the risk of potential income shortfall due to continuing government and local authority spending constraints affecting our general grant and that funding fails to keep pace with increased and inflationary costs.

A risk also arises in relation to the defined benefit pension scheme in which the academy currently has a deficit of £104,000; this is being addressed through additional contributions.

b. Principal risks and uncertainties

The major risks to which the Academy is exposed are:

- Exception cost of living rises (energy costs, staff salaries, contract costs, resources).
- Systems failures (cyber-attack, server failure).
- Difficulties in recruiting support staff.
- School premises given it is an 'aging' site.
- Risks related to data breaches & cyber security.
- Government & LA funding not keeping pace with inflation.

Trustees maintain a comprehensive risk register, utilising the commercial expertise in this area of one of the Board members. A&R sub committee regularly review the risk register and approve strategic action to manage risks, recorded in the Risk Management Strategic Action Plan. This monitoring informs required actions in relation to processes, procedures and systems to ameliorate risks. Where relevant, the Academy commissions external providers with the expertise required to manage risks (e.g. Judicium for DPO services (data breaches) and Net Technical Solutions Ltd. for cyber security).

c. Reserves policy

The Academy generates reserves to provide funds to continue to enhance the educational facilities and services of the school and to fund future projects.

A reserve of £627,00 will be retained to cover short term operating costs. (This figure equates to 3 months basic operating costs).

The Trustees will review the reserves policy annually.

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

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

d. Financial review

The academy's total incoming resources for the period ended 31 August 2023 amounted to £3,118,235 (2022: £2,800,254).

During the year, the General Annual Grant (GAG) and 16-19 funding received totalled £1,602,298 (2022: £1,555,593). The remaining income comprised of the Devolved Formula Capital grant (DFC) £34,987 (2022: £11,341), Pupil and Recovery Premium funding £109,461 (2022: £53,321), SEN funding of £987,138 (2022: £785,265), other DfE/ESFA grants totalling £8,453 (2022: £1,199) other government grant funding totalling £201,486 (2022: £254,011) and exceptional funding for Covid 19 of £nil (2022: £21,517).

Academy held fund balances, excluding the pension scheme deficit, at 31 August 2023 of £5,277,722 of which £4,873,550 are restricted in nature and £404,172 are unrestricted (31 August 2022: £5,173,526 of which £4,820,409 were restricted in nature and £353,117 unrestricted.)

The government continued to fund Free School Meals vouchers during the holidays, and these were sent to parents using the LEA/ESFA voucher schemes. The costs associated with these vouchers were fully funded by the LEA or ESFA.

Key Financial Indicators

Under 2.22 of the ATH it states that 'The trust must select key financial performance indicators and measure its performance against them regularly, including analysis in its annual trustees' report as explained in the Accounts Direction.' This is to enable the Academy to assess its performance against management accounts.

The Trust uses the following KPIs to assess its performance against management accounts.

1. Level of unrestricted reserves and cash balances are sufficient to fund the Academy.
2. Levels of reserves held are in line with the Academy's policy.
3. The Academy at least breaks even before adjustments for depreciation and LGPS pension scheme or can provide substantiated reasoning for why this has not occurred. The Academy has achieved this again this year.
4. Staff Costs, relative to student numbers.
5. GAG income received compared to prior years.
6. Student attendance compared to national figures.
7. Percentage of budget spent on staffing costs any spend over 83% would be considered high and cause concern. Staffing costs were under 83% again this year.

All KPIs were met in this year.

The Trust has required the SBM to benchmark all areas of school expenditure against statistically comparable schools using the ESFA VMFI & ICFP tools. The Trustees are using this information to inform their financial management strategy and future planning.

e. Principal funding

The Education and Skills Funding Agency (ESFA) is responsible for paying the Academy in accordance with the terms set out in the academy's funding agreement. The Academy's main revenue funding from the ESFA is the General Annual Grant (GAG). The grants received from the ESFA for the period ended 31st August 2023 and associated expenditure are shown as restricted funds in the Statement of Financial Activities.

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

f. Investment policy and performance

The Academy invests its funds for the best return on a short term basis. The Academy currently places the reserve of £200,000 in a 32-day deposit account. This allows segregation of funds to ensure that the reserve is separate from the main bank account.

Every year the Trustees review the funds invested to ensure that the best value is being obtained taking into account safety of the funds and accessibility.

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

Plans for future periods

a. Future Developments

During the academic year 2023/24, the school will work to communicate our revised vision and values with all stakeholders and the wider community and ensure that all our decision-making support this.

The revised school vision is "Learning for Life, Independence & Employment".

The revised school values are "Ambitious, Inclusive, Inspiring".

Trustees have agreed four medium to longer-term strategic priorities that will guide their work and the school's development in order to fulfil the vision. The school will undertake all required activity to ensure objectives identified to achieve each priority are accomplished. All staff are fully aware of these priorities and how they will contribute towards achieving our goals; other stakeholders will be informed and engaged in this process through newsletters and a redesigned website due to launch in the fourth quarter of 2023.

Our agreed strategic priorities for the medium to longer term are:

1. Promoting and supporting the mental health and wellbeing of our students and staff
2. Recruiting, training and developing our workforce to meet current and future needs
3. Working in school and through partnerships to improve the employability of our students
4. Investing wisely to ensure the quality, suitability and sustainability of our school

More immediately we have identified the following as our School Improvement Priorities (SIP) for the academic year 2023/24:

- 1. Ensure the implementation of the curriculum consistently and closely matches the intended curriculum**
 - 1.1 Ensure learning is appropriately sequential in all subject areas and this is clearly evidenced in planning.
 - 1.2 Support teachers to ensure all learning activities / tasks in lessons are supporting identified learning objectives.
 - 1.3 Ensure teachers are picking up and appropriately addressing misconceptions, both in lessons & workbooks.
 - 1.4 All subject leads to support 'non-specialist' teachers develop the specific subject pedagogy and increase teacher confidence in delivering all the subjects they are required to teach.
- 2. Ensure the curriculum is more effectively monitored & implemented consistently.**
 - 2.1 Middle Leaders to monitor the implementation of the curriculum more effectively and address any variability in how well the curriculum is delivered.
 - 2.2 Senior Leaders to ensure the curriculum is being monitored effectively.
 - 2.3 Senior Leaders to ensure the curriculum is implemented consistently across all subjects.

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

Plans for future periods (continued)

The school continues to explore the opportunities of becoming part of a larger MAT either by growing Iris Academy Trust or merging with / joining an existing MAT. The Headteacher / CEO continues to develop relationships with a range of potential and appropriate partners and has contributed to the work of a Surrey Special Schools MAT development group to explore partnership opportunities. Within the context of a changing political landscape and likely Government change in the medium term, the school will continue to consider the most appropriate action in relation to academisation for our organisation, though this has not been determined as an immediate strategic priority by Trustees.

The Board will continue to recruit additional Trustees with the appropriate skill set & experience to fill any vacancies and undertake any necessary succession planning.

The school remains committed to engaging with the 2022 DfE Sustainability and Climate Change Strategy and will explore all opportunities to become a 'greener' school. This may include further exploration of the 'Good estate management for schools' (GEMS) guidance with updated tips and good practice on the sustainable management of the school estate; applying to be part of the proposed pilots to investigate the resilience of existing buildings, how our students access to nature can be improved and how their environmental conditions can be improved and also to test the feasibility of replacing school boilers with ground or air source heat solutions.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

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



C Hamilton
(Chair of Trustees)
Date: 23.11.23

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Iris Academies 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.

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 Iris Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

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 5 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
T S Stokes	5	5
D Bratt	5	5
C J Blunden-Lee	3	5
E Venables	4	5
M Sutton	3	5
C Hamilton	5	5
K Cummings	5	5
N Gold	3	5
C A Ireland	3	5
S Macdonald	0	0

Although the Iris Academy Board of Trustees did not meet formally six times in the year, the board kept effective oversight through:

- A monitoring visit by the Trustees (on 26th April) with a focus on strategic priorities and the work of the school.
- Five strategic meetings with the full board of Trustees;
- Three A&R meetings;
- Three Student Progress meetings;
- Management accounts sent monthly to all Trustees and discussed at Full Trustee Meetings;
- Three Budget Monitoring Meetings;
- Wellbeing & Safeguarding subcommittee established;
- New subcommittee established to explore the long term financial viability of the Trust;
- DSLs meet regularly with safeguarding Lead Trustee.

The Board is responsible for overseeing the strategic direction of the school and compliance with all statutory and recommended requirements. Central to its role, the Trustees continually monitor the quality of provision.

The Board continually evaluates its performance and effectiveness. All Trustees regularly undertake training (often through Surrey CC) in relation to all aspects of their responsibilities. The Board concludes that it continues to be highly effective in its role.

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Board regularly reviews and analyses a broad range of data (including data related to student progress, attendance, finances (including bench marking data & risk management), H&S, Safeguarding, HR (e.g. staffing, salaries, sickness), complaints and other emergent priorities.

In line with ESFA guidance, we no longer have staff Trustees on the Board of Trustees; however, the Board still seeks to actively collaborate with staff.

The Audit & Resources Committee is a subcommittee of the main Board of Trustees. Its purpose is to maintain an oversight of the Academy Trust's governance, risk management, internal control and value for money framework. It will report its findings annually to the Board of Trustees and the Accounting Officer as a critical element of the Academy Trust's annual reporting requirements.

The Audit & Resources Committee has no executive powers or operational responsibilities/duties.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
E Venables	3	3
T S Stokes	3	3
D Bratt	2	3
C Hamilton	3	3
N Gold	2	3
C Ireland	2	3

The Budget Monitoring meetings are held by the same members of the A&R Committee with a focus on monitoring the financial position of the school at mid points between scheduled A&R meetings. This means there is a Trustee finance meeting at least every half term.

Budget Monitoring Meeting:

Trustee	Meetings attended	Out of a possible
E Venables	2	3
T S Stokes	3	3
D Bratt	3	3
C Hamilton	3	3
N Gold	3	3
C Ireland	2	3

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Conflict with Interest Management

The Board of Trustees and SLT maintain an up to date and complete register of interests. This is an agenda item at the beginning of every Board and sub committee meeting. The information on this register is used in the day to day management of the school to ensure full compliance with conflict of interest requirements in relation to, for example, all procurement, selection of contractors, employment of staff, student examinations. The information is also used to ensure appropriate governance and decision making.

Review of value for money

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

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

- carrying out rigorous procurement practices for high value works (including services, utilities & insurance);
- maintaining tight budgetary oversight of departmental budgets.
- continuing to review & monitor the staffing structure to ensure the maintenance of high-quality provision whilst achieving value for money;
- continuing to utilise jointly commissioned services with other schools, including an external provider in relation to GDPR, H&S & Fire & HR / Employment Law requirements
- benchmarking (see point above).

The academy applied for a CIF bid to replace the roof on the main school building and to increase the chance of a successful bid, the Trustees committed a 30% contribution from reserve. The bid was successful and works began in September 2023. The cost of the project was just over £270k and by applying for a CIF bid, the academy did not need to fund the whole cost of the replacement.

During the year, the academy completed the first phase of upgrading the Eco Garden. A new pathway was laid, and the carpark markings were re-done. The costs of all these improvements were funded by a donation from a single sponsor.

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 Iris Academies Trust for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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.

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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;
- monthly reviews by the Audit & Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines including capital limitations;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint an internal auditor. The Trustees have commissioned Strictly Education 4S to undertake internal audits on our behalf.

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

- Financial Planning Budget Setting Review
- HR Management
- HR Compliance

On a termly basis, the internal auditors report to the board of Trustees through the Audit & Resources committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

Strictly Education 4S have delivered their schedule of work as planned, in a timely manner and produced relevant reports. The Board are reassured that no significant areas for concern were identified from their work.

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 Strictly Education 4S who completed the internal audits.
- the financial management and governance self-assessment process.
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

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

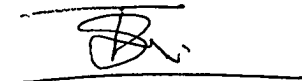
IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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



C Hamilton
Chair of Trustees
Date: 23.11.23



T S Stokes
Accounting Officer

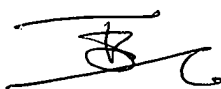
IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Iris Academies Trust 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.



T S Stokes

Accounting Officer

Date: 23.11.23

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

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

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

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

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

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

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

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

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



C Hamilton
(Chair of Trustees)
Date: 23.11.23

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF IRIS ACADEMIES TRUST

Opinion

We have audited the financial statements of Iris Academies Trust (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.

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF IRIS ACADEMIES TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF IRIS
ACADEMIES TRUST (CONTINUED)**

Responsibilities of trustees

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

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

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF IRIS ACADEMIES TRUST (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:

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

We gained an understanding of the legal and regulatory framework applicable to the academy and designed audit procedures to respond to the risk areas identified.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements. Key laws and regulations compliance was reviewed during the course of the audit through review of third party reports and discussion with management, as well as agreeing financial statement disclosures for compliance with applicable financial reporting framework. By completing a regularity assurance engagement we have also reviewed compliance with ESFA requirements.

To detect material misstatements due to fraud or error in the financial transactions we have reviewed the systems and internal controls in place to check they are robust and working as per our expectations. Related party transactions are a higher risk area due to the requirements of the ESFA, we have specifically looked at this area reviewing for related parties and any transactions with these persons and entities. We have reviewed expenditure on a sample basis for any irregular amounts which are not inline with the objects of the academy as well as checking that grant income has been spent inline with any restrictions. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We did not identify any key audit matters relating to irregularities, including fraud.

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.

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF IRIS
ACADEMIES TRUST (CONTINUED)**

Use of our report

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

m. Dickinson

Mark Dickinson (Senior Statutory Auditor)
for and on behalf of
Shaw Gibbs (Audit) Limited
Statutory Auditors
Wey Court West
Union Road
Farnham
GU9 7PT

Date: *29.11.2023*

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO IRIS
ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 8 June 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Iris Academies Trust 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 Iris Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Iris Academies Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Iris Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Iris Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Iris Academies Trust's funding agreement with the Secretary of State for Education dated 28 July 2014 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.

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO IRIS
ACADEMIES TRUST 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:

- Sample testing expenditure to supporting documentation to ensure the expenditure is in line with the activities of the academy, is value for money and complies with the authorities which govern them;
- Sample testing income conditions of grant to ensure expenses allocated are in line with the conditions;
- Reviewed internal policies on tendering for contracts to ensure in line with the authorities which govern them;
- Reviewed related party transactions to ensure in line with the authorities which govern them;
- Discussions with management and Trustee's to confirm their understanding and implementation of the regulations imposed by the authorities which govern them.

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

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.

M. Dickinson

Mark Dickinson FCA
Shaw Gibbs (Audit) Limited
Statutory Auditors
Wey Court West
Union Road
Farnham
Surrey
GU9 7PT

Date: 29/11/2023

IRIS ACADEMIES TRUST
(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	-	-	76,588	76,588	56,480
Other trading activities		74,038	20,958	-	94,996	61,289
Investments	6	2,828	-	-	2,828	238
Charitable activities		-	2,908,836	34,987	2,943,823	2,682,247
Total income		76,866	2,929,794	111,575	3,118,235	2,800,254
Expenditure on:						
Charitable activities	8	25,811	2,926,670	137,558	3,090,039	3,194,788
Total expenditure		25,811	2,926,670	137,558	3,090,039	3,194,788
Net income/(expenditure)		51,055	3,124	(25,983)	28,196	(394,534)
Transfers between funds	17	-	4,858	(4,858)	-	-
Net movement in funds before other recognised gains/(losses)		51,055	7,982	(30,841)	28,196	(394,534)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	24	372,000	-	-	372,000	1,588,000
Net movement in funds		423,055	7,982	(30,841)	400,196	1,193,466

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
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 £
Reconciliation of funds:					
Total funds brought forward	353,117	213,252	4,207,157	4,773,526	3,580,060
Net movement in funds	423,055	7,982	(30,841)	400,196	1,193,466
Total funds carried forward	776,172	221,234	4,176,316	5,173,722	4,773,526

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 35 to 63 form part of these financial statements.

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 09050751


BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	4,162,707	4,167,854
Current assets			
Debtors	15	87,353	146,802
Cash at bank and in hand		1,172,026	1,157,545
		<u>1,259,379</u>	<u>1,304,347</u>
Creditors: amounts falling due within one year	16	(144,364)	(298,675)
Net current assets		<u>1,115,015</u>	<u>1,005,672</u>
Total assets less current liabilities		<u>5,277,722</u>	<u>5,173,526</u>
Net assets excluding pension liability		<u>5,277,722</u>	<u>5,173,526</u>
Defined benefit pension scheme liability	24	(104,000)	(400,000)
Total net assets		<u><u>5,173,722</u></u>	<u><u>4,773,526</u></u>
Funds of the academy			
Restricted funds:			
Fixed asset funds	17	4,176,316	4,207,157
Restricted income funds	17	697,234	613,252
		<u>4,873,550</u>	<u>4,820,409</u>
Restricted funds excluding pension asset	17	4,873,550	4,820,409
Pension reserve	17	(104,000)	(400,000)
Total restricted funds	17	<u>4,769,550</u>	<u>4,420,409</u>
Unrestricted income funds	17	404,172	353,117
Total funds		<u><u>5,173,722</u></u>	<u><u>4,773,526</u></u>

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 09050751

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The financial statements on pages 30 to 63 were approved and authorised for issue by the Trustees and are signed on their behalf, by:


C Hamilton
(Chair of Trustees)
Date: 23.11.23


T S Stokes
(Trustee)

The notes on pages 35 to 63 form part of these financial statements.

IRIS ACADEMIES TRUST
(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 provided by operating activities	19	96,725	163,052
Cash flows from investing activities	21	(85,072)	(132,529)
Cash flows from financing activities	20	2,828	238
Change in cash and cash equivalents in the year		14,481	30,761
Cash and cash equivalents at the beginning of the year		1,157,545	1,126,784
Cash and cash equivalents at the end of the year	22, 23	<u>1,172,026</u>	<u>1,157,545</u>

The notes on pages 35 to 63 form part of these financial statements

IRIS ACADEMIES TRUST
(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.

IRIS ACADEMIES TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

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.

- **Donations**

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

- **Other income**

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

- **Donated fixed assets (excluding transfers on conversion or into the academy)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's accounting policies.

1.4 Expenditure

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

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

1. Accounting policies (continued)

1.4 Expenditure (continued)

- **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 £300 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, funds are transferred to the restricted fixed asset 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, less their estimated residual value, over its expected useful life, as follows:

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following basis:

Long-term leasehold property	-	2% or 10% straight line
Furniture and equipment	-	33% reducing balance
Computer equipment	-	33% reducing balance
Motor vehicles	-	15% reducing balance

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

1.10 Liabilities and provisions

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

IRIS ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

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 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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.

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.

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

1. Accounting policies (continued)

1.14 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid any balances held are disclosed in note 29.

1.15 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The academy 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 24, will impact the carrying amount of the pension liability. Furthermore, in the prior year, a roll forward approach was taken which projects results. In the current year a similar approach was taken but from the latest full actuarial valuation performed to 31 March 2022 being 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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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

3. Income from donations and capital grants

	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	29,250	29,250	24,681
Government grants	47,338	47,338	31,799
	<u>76,588</u>	<u>76,588</u>	<u>56,480</u>
<i>Total 2022</i>	<u><u>56,480</u></u>	<u><u>56,480</u></u>	

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

4. Funding for the academy's charitable activities

	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Educational Operations			
DfE/ESFA grants			
General Annual Grant	1,200,000	1,200,000	1,100,000
Other DfE/ESFA grants			
Pupil and Recovery Premium	109,461	109,461	53,321
Developed formula capital grant	34,987	34,987	11,341
16-19 Funding	402,298	402,298	401,770
Other government grants	8,453	8,453	1,199
	<u>1,755,199</u>	<u>1,755,199</u>	<u>1,567,631</u>
Other Government grants			
Local authority grants	10,395	10,395	-
Special Educational Projects	987,138	987,138	785,265
Outreach	31,373	31,373	53,783
ISPSB	-	-	111,655
General Annual Grant	-	-	53,823
Teacher's Pay and Pension Grants	93,905	93,905	88,573
Supplementary and Additional School Grants	65,813	65,813	-
	<u>1,188,624</u>	<u>1,188,624</u>	<u>1,093,099</u>
COVID-19 additional funding (DfE/ESFA)			
Other DfE/ESFA COVID-19 funding	-	-	17,487
	<u>-</u>	<u>-</u>	<u>17,487</u>
COVID-19 additional funding (non-DfE/ESFA)			
Other COVID-19 funding	-	-	4,030
	<u>-</u>	<u>-</u>	<u>4,030</u>
Total 2023	<u><u>2,943,823</u></u>	<u><u>2,943,823</u></u>	<u><u>2,682,247</u></u>
Total 2022	<u><u>2,682,247</u></u>	<u><u>2,682,247</u></u>	

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

5. Income from other trading activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Other income	74,038	20,958	94,996	61,289
<i>Total 2022</i>	50,590	10,699	61,289	

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest received	2,828	2,828	238
<i>Total 2022</i>	238	238	

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Educational Operations:					
Direct costs	1,894,590	133,556	189,408	2,217,554	2,089,690
Support costs	435,744	113,421	323,320	872,485	1,105,098
Total 2023	2,330,334	246,977	512,728	3,090,039	3,194,788
<i>Total 2022</i>	2,412,913	416,546	365,329	3,194,788	

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

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Educational Operations	25,811	3,064,228	3,090,039	3,194,788
<i>Total 2022</i>	<i>34,563</i>	<i>3,160,225</i>	<i>3,194,788</i>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Educational Operations	2,217,554	872,485	3,090,039	3,194,788
<i>Total 2022</i>	<i>2,089,690</i>	<i>1,105,098</i>	<i>3,194,788</i>	

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

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational Operations 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	1,808,349	1,808,349	1,723,114
Depreciation	133,556	133,556	123,798
Educational Supplies	146,717	146,717	137,763
Technology	1,593	1,593	1,360
Educational Consultancy	88,323	88,323	50,715
Examination Fees	13,813	13,813	17,684
Staff Development	25,203	25,203	35,256
Total 2023	<u>2,217,554</u>	<u>2,217,554</u>	<u>2,089,690</u>
<i>Total 2022</i>	<u>2,089,690</u>	<u>2,089,690</u>	

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

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational Operations 2023 £	Total funds 2023 £	Total funds 2022 £
Pension finance costs	18,000	18,000	30,000
Staff costs	435,744	435,744	617,573
Technology	63,615	63,615	26,808
Maintenance of Premises and Equipment	96,857	96,857	202,392
Catering	32,518	32,518	23,213
Premises Costs	113,421	113,421	90,356
Security and Transport	12,668	12,668	10,482
Bank Charges and Interest	211	211	170
Governance	75,271	75,271	93,370
Other Support Costs	24,180	24,180	10,734
Total 2023	872,485	872,485	1,105,098
Total 2022	1,105,098	1,105,098	

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	6,235	8,210
Depreciation of tangible fixed assets	133,555	123,800
Loss on disposal of fixed assets	4,002	2,503
Fees paid to auditors for:		
- audit	8,100	7,850

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

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	1,675,970	1,578,170
Social security costs	153,221	146,325
Pension costs	414,902	616,192
	<u>2,244,093</u>	<u>2,340,687</u>
Agency staff costs	86,241	72,226
	<u>2,330,334</u>	<u>2,412,913</u>
Severance payments	<u>34,126</u>	<u>2,500</u>

b. Severance payments

The academy paid 1 severance payments in the year (2022 - 1), disclosed in the following bands:

	2023 No.	2022 No.
£0 - £25,000	-	1
£25,001 - £50,000	<u>1</u>	<u>-</u>

c. Special staff severance payments

Included in staff costs are special severance payments totalling £21,000 (2022 - £NIL). Individually, the payments were: £21,000.

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

11. Staff (continued)

d. Staff numbers

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

	2023 No.	2022 No.
Teachers	18	19
Administration & support staff	38	39
Management	3	4
	<hr/> 59 <hr/>	<hr/> 62 <hr/>

e. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	-
In the band £90,001 - £100,000	1	1
	<hr/> 1 <hr/>	<hr/> 1 <hr/>

f. Key management personnel

The key management personnel of the academy comprise of the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £362,474 (2022 - £355,157).

IRIS ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

12. Trustees' remuneration and expenses

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

		2023	2022
		£	£
T Stokes, Head Teacher	Remuneration	95,000 - 100,000	90,000 - 95,000
	Pension contributions paid	20,000 - 25,000	20,000 - 25,000

During the year Trustees received benefit in kind £NIL (2022 - £75).

During the year ended 31 August 2023, expenses totalling £80 were reimbursed or paid directly to 1 Trustee (2022 - £NIL to Trustee).

13. Trustees' and Officers' insurance

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

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

14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2022	4,418,467	374,381	215,135	96,195	5,104,178
Additions	53,438	22,976	55,996	-	132,410
Disposals	-	(350)	(30,673)	-	(31,023)
At 31 August 2023	<u>4,471,905</u>	<u>397,007</u>	<u>240,458</u>	<u>96,195</u>	<u>5,205,565</u>
Depreciation					
At 1 September 2022	418,563	309,631	151,901	56,229	936,324
Charge for the year	76,582	25,267	24,427	7,279	133,555
On disposals	-	(339)	(26,682)	-	(27,021)
At 31 August 2023	<u>495,145</u>	<u>334,559</u>	<u>149,646</u>	<u>63,508</u>	<u>1,042,858</u>
Net book value					
At 31 August 2023	<u>3,976,760</u>	<u>62,448</u>	<u>90,812</u>	<u>32,687</u>	<u>4,162,707</u>
At 31 August 2022	<u>3,999,904</u>	<u>64,750</u>	<u>63,234</u>	<u>39,966</u>	<u>4,167,854</u>

15. Debtors

	2023 £	2022 £
Due within one year		
Other debtors	44,799	99,979
Prepayments and accrued income	42,554	46,823
	<u>87,353</u>	<u>146,802</u>

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NOTES TO THE FINANCIAL STATEMENTS
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16. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	13,394	200,103
Other taxation and social security	41,596	32,490
Other creditors	65,691	40,278
Accruals and deferred income	23,683	25,804
	144,364	298,675

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

17. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Reserves	353,117	76,866	(25,811)	(93,000)	-	311,172
Roof costs	-	-	-	93,000	-	93,000
	<u>353,117</u>	<u>76,866</u>	<u>(25,811)</u>	<u>-</u>	<u>-</u>	<u>404,172</u>
Restricted general funds						
General Annual Fund (GAG)	498,153	1,200,000	(1,130,332)	(44,958)	-	522,863
Pupil and Recovery Premium	69,898	109,461	(84,536)	-	-	94,823
16-19 Funding	-	402,298	(402,298)	-	-	-
Special Education Needs	-	987,138	(987,138)	-	-	-
Teachers Pay and Pension Grant	-	93,905	(93,905)	-	-	-
Supplementary and Additional School Grants	-	65,813	(65,813)	-	-	-
Other Grants	(22,869)	18,848	(39,687)	51,436	-	7,728
Other income	9,414	52,331	(46,961)	(1,620)	-	13,164
Restricted Donations	1,128	-	-	-	-	1,128
Catch-up premium	23,603	-	-	-	-	23,603
Other Covid-19 Funding	33,925	-	-	-	-	33,925
Pension reserve	(400,000)	-	(76,000)	-	372,000	(104,000)
	<u>213,252</u>	<u>2,929,794</u>	<u>(2,926,670)</u>	<u>4,858</u>	<u>372,000</u>	<u>593,234</u>

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

17. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Restricted fixed asset funds						
Restricted Fixed Asset Fund	4,207,157	111,575	(137,558)	(4,858)	-	4,176,316
Total Restricted funds	4,420,409	3,041,369	(3,064,228)	-	372,000	4,769,550
Total funds	4,773,526	3,118,235	(3,090,039)	-	372,000	5,173,722

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

Restricted funds

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the academy via the Education and Skills Funding Agency by the Department for Education. The General Annual Grant has been set up because the GAG must be used for the normal running costs of the academy.

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.

Pupil and Recovery Premium fund represents the restricted pupil premium income received for the purposes of supporting children who have been eligible for free school meals at any point in the last six years. The Education and Funding Skills Agency also funded the recovery premium based on the same criteria as Pupil Premium. The relevant expenditure is recorded against this.

The 16-19 funding represents the core funding for educational activities of the 6th Form that has been provided to the academy via the Education and Skills Funding Agency by the Department for Education. The funds are used for the normal running costs of the 6th Form.

The SEN fund represents the specific funding received for named children with exceptional needs and the relevant expenditure is recorded against this.

The Teachers Pay and Pension Grant represents the additional funding that was devolved to Surrey County Council by the Department of Education and was used to fund the teacher's pay award and the increase in the employer's pension costs.

The Supplementary and Additional School Grants are funds received from Surrey County Council to assist with the increase costs of the rise in inflation and includes the school's share of the additional £1m fund, which is devolved by the Department for Education.

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

Other Grants Income includes the remaining CIF income and expenditure for the new fire alarms for the academy. The project was completed over two financial years and the balance of funds are the retention funds.

The other restricted income fund has been created to recognise all sundry sources of restricted income from various sources. The relevant restricted expenditure is then also recorded through this fund.

The pension reserve fund has been created to separately identify the LGPS pension deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.

Restricted fixed asset fund

The inherited fixed assets fund has been set up to recognise the tangible assets gifted to the academy upon conversion which represent the school site including the long leasehold land and buildings and all material items of plant and machinery included therein. Depreciation charged on those inherited assets is allocated to the fund.

Devolved capital fund, included within the restricted fixed asset fund, represents grants for capital maintenance of the school site, this is based on student numbers.

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17. 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						
Reserves	336,852	50,828	(34,563)	-	-	353,117
Restricted general funds						
General Annual Fund (GAG)	-	1,555,593	(889,580)	(167,860)	-	498,153
Pupil and Recovery Premium	45,597	53,321	(29,020)	-	-	69,898
Special Education Needs	660,983	896,920	(1,553,437)	(4,466)	-	-
Other Grants	-	143,555	(232,457)	66,033	-	(22,869)
Other income	12,697	10,699	(13,982)	-	-	9,414
Restricted Donations	1,128	-	-	-	-	1,128
Catch-up premium	23,603	-	-	-	-	23,603
Other Covid-19 Funding	30,856	4,030	(961)	-	-	33,925
Other DfE/ESFA Covid-19 funding	-	17,487	(17,487)	-	-	-
Pension reserve	(1,691,000)	-	(297,000)	-	1,588,000	(400,000)
	<u>(916,136)</u>	<u>2,681,605</u>	<u>(3,033,924)</u>	<u>(106,293)</u>	<u>1,588,000</u>	<u>213,252</u>

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17. Statement of funds (continued)

	<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>
Restricted fixed asset funds						
Restricted Fixed Asset Fund	4,159,344	67,821	(126,301)	106,293	-	4,207,157
Total Restricted funds	3,243,208	2,749,426	(3,160,225)	-	1,588,000	4,420,409
Total funds	3,580,060	2,800,254	(3,194,788)	-	1,588,000	4,773,526

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	4,162,707	4,162,707
Current assets	404,172	841,598	13,609	1,259,379
Creditors due within one year	-	(144,364)	-	(144,364)
Provisions for liabilities and charges	-	(104,000)	-	(104,000)
Total	404,172	593,234	4,176,316	5,173,722

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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	4,167,854	4,167,854
Current assets	353,117	911,927	39,303	1,304,347
Creditors due within one year	-	(298,675)	-	(298,675)
Provisions for liabilities and charges	-	(400,000)	-	(400,000)
Total	353,117	213,252	4,207,157	4,773,526

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

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	28,196	(394,534)
Adjustments for:		
Depreciation	133,556	123,800
Capital grants from DfE and other capital income	(47,338)	(31,799)
Defined benefit pension scheme cost less contributions payable	58,000	267,000
Defined benefit pension scheme finance cost	18,000	30,000
Decrease/(increase) in debtors	59,449	(45,114)
(Decrease)/increase in creditors	(154,311)	211,434
Dividends, interest and rents from investments	(2,828)	(238)
(Profit)/Loss on the sale of fixed assets	4,001	2,503
Net cash provided by operating activities	96,725	163,052

20. Cash flows from financing activities

	2023 £	2022 £
Interest received	2,828	238

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21. Cash flows from investing activities

	2023 £	2022 £
Purchase of tangible fixed assets	(132,410)	(164,328)
Capital grants from DfE Group	47,338	31,799
Net cash used in investing activities	(85,072)	(132,529)

22. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	1,172,026	1,157,545

23. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	1,157,545	14,481	1,172,026

24. 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 Surrey 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 £44,432 were payable to the schemes at 31 August 2023 (2022 - £37,875) and are included within creditors.

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24. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £219,752 (2022 - £214,844).

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.

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24. Pension commitments (continued)

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 £177,000 (2022 - £170,000), of which employer's contributions totalled £136,000 (2022 - £132,000) and employees' contributions totalled £41,000 (2022 - £38,000). The agreed contribution rates for future years are 18 per cent for employers and 5.5-12.5 per cent for employees.

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

The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	4	3.95
Rate of increase for pensions in payment/inflation	3	3.05
Discount rate for scheme liabilities	5.2	4.25

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	21.9	22.1
Females	24.7	24.5
<i>Retiring in 20 years</i>		
Males	22	23.1
Females	25.8	26.2

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24. Pension commitments (continued)

Sensitivity analysis

	2023 £000	2022 £000
Discount rate +0.1%	(43)	(50)
Discount rate -0.1%	43	50
Mortality assumption - 1 year increase	74	81
Mortality assumption - 1 year decrease	(74)	(81)
CPI rate +0.1%	42	48
CPI rate -0.1%	(42)	(48)

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	1,324,680	1,242,600
Debt Instruments	209,160	228,900
Property	139,440	130,800
Cash and other liquid assets	69,720	32,700
Total market value of assets	1,743,000	1,635,000

The actual return on scheme assets was £58,000 (2022 - £81,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2023 £	2022 £
Current service cost	(194,000)	(399,000)
Interest income	73,000	27,000
Interest cost	(91,000)	(57,000)
Total amount recognised in the Statement of Financial Activities	(212,000)	(429,000)

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24. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	2,035,000	3,252,000
Current service cost	194,000	399,000
Interest cost	91,000	57,000
Employee contributions	41,000	38,000
Actuarial gains	(492,000)	(1,696,000)
Benefits paid	(22,000)	(15,000)
At 31 August	1,847,000	2,035,000

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

	2023 £	2022 £
At 1 September	1,635,000	1,561,000
Actuarial losses	(120,000)	(108,000)
Employer contributions	136,000	132,000
Employee contributions	41,000	38,000
Benefits paid	(22,000)	(15,000)
Return on plan assets (excluding net interest on the defined pension liability)	73,000	27,000
At 31 August	1,743,000	1,635,000

25. 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 £
Not later than 1 year	2,155	4,131
Later than 1 year and not later than 5 years	539	3,700
	2,694	7,831

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26. 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.

27. 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 12.

28. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the academy trust received £Nil (2022 - £9,600) and disbursed £Nil (2022 - £9,600) from the fund. No amounts of undistributed funds were outstanding as at the year end (2022 - £NIL).

29. Controlling party

During the year the academy was under the control of the Trustees.