

Eggar's School  
(A Company Limited by Guarantee)  
Annual Report and Financial Statements  
Year ended 31 August 2021

Company Registration Number:  
08036151 (England and Wales)

# Eggar's School

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# Eggar's School

## Reference and Administrative Details

### Members:

Steve Williams

Keith Arrowsmith-Oliver (appointed 1 September 2021)

L Hillan

E McBriarty

E Stokes

M Green

P Sullivan

### Trustees:

D Allen

K Arrowsmith-Oliver

L Campbell

L Danks

M Green

L Hillan

J Keen

K Maddock

E McBriarty

J McKell

D Reseigh

E Stokes

P Sullivan

R White

S Williams (resigned 25 May 2021)

### Company Secretary

J Finnimore (School Business Manager)

### Senior Management Team:

P Sullivan (Head Teacher)

M Reah (Deputy Head Teacher)

S Kinteh (Deputy Head Teacher)

S Laycock (Assistant Head Teacher)

J Finnimore (School Business Manager)

C Legg (Assistant Head Teacher)

C Daish (Assistant Head Teacher)

### Company Name

Eggar's School

# Eggar's School

## Reference and Administrative Details

Principal and Registered Office  
London Road  
Holybourne  
Alton  
Hampshire  
GU34 4EQ

Company Registration Number  
08036151 (England and Wales)

Independent Auditor  
Hopper Williams & Bell Limited  
Statutory Auditor  
Highland House  
Mayflower Close  
Chandlers Ford  
Eastleigh  
Hampshire  
SO53 4AR

Bankers  
Lloyds Bank plc  
16a High Street  
Cosham  
Portsmouth  
Hampshire  
PO6 3BY

Solicitors  
Veale Wasbrough Vizards  
Orchard Court  
Orchard Lane  
Bristol  
BS1 5WS

HCC Legal Services  
Hampshire County Council  
The Castle  
Winchester  
SO23 8UJ

# Eggar's School

## Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The School operates an academy for pupils aged 11 to 16 serving a catchment area in East Hampshire. It has a pupil capacity of 1,000 and was funded for a number on roll of 960 in the school year 2020-21.

### Structure, Governance and Management

#### Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Eggar's School are also the directors of the charitable company for the purposes of company law. The charitable company operates as Eggar's School.

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

#### Members' Liability

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

#### Trustees' Indemnities

Trustee's third-party indemnity is covered by a policy of insurance with Zurich PLC, procured under a Government approved framework. The insurance provides cover for up to £5,000,000 for any one claim.

#### Method of Recruitment and Appointment or Election of Trustees

The academy appoints Trustees in accordance with clauses 50 – 64 of its Articles of Association. Parent trustee vacancies are filled through advertisement and a ballot by parents, whilst staff trustee vacancies are notified internally and elected on a basis of a staff vote. Other trustee vacancies are addressed through personal recommendation or advertisement and followed up, where appropriate, with an interview by senior trustees and then considered by the whole Governing body. Trustee appointments considered the skills required by the governing body, following a formal skills audit reviewed anew each time a trustee resigns or retires, and each new trustee's information is added. The skills audit used is promulgated by The National Governors' Association (NGA) and is structured around the DfE's January 2017 Competency Framework for Governors.

# Eggar's School

## Trustees' Report

### Policies and Procedures Adopted for the Induction and Training of Trustees

The current Chair of Governors, also the Development and Training Governor (DTG), first conducts a bespoke informal induction session with all new trustees. During her thirteen years as a governor at two schools, including seven years chairing, the Chair has conducted approximately 20 informal inductions. In addition, the School subscribes to Hampshire Governor Services (HGS) who provide a range of training courses. Unless they have attended the course within the last five years, new governors are required to attend a formal induction course as soon as possible, as well as other courses and conferences. E-learning courses are also available. The Chair of Governors also conducts an in-depth bespoke induction session for each new governor. Each January as part of the HGS training package, a Whole Governing Body training course is held at the school on a topic chosen by the governing body. The January 2020 course topic was 'Working with Parents' and the January 2021 course was 'Ensuring Robust Pay Decisions', the January 2022 course, already booked, is "Inclusion, Attendance and Wellbeing". Each spring an internal trustee conference, a 'Strategic Saturday', is held to review the vision, ethos and strategic direction of the school.

### Organisational Structure

The Head Teacher is the Accounting Officer of the School. In accordance with the Articles of Association we have a tiered structure. The Governing Body operates a system of clerked committees with delegated responsibilities. All minutes are presented and reported on at the half termly Full Governing Body meetings. Each committee has set Terms of Reference agreed by the Governing Body and reviewed annually. Major issues are referred to the Governing Body for ratification.

# Eggar's School

## Trustees' Report

Arrangements for setting pay and remuneration of key management personnel

The Governing Body will set salary ranges for staff on the leadership spine having regard to the content of the School Teachers' Pay and Conditions Document. Progression through these ranges will be dependent on the factors described in the Pay Policy. Any salary determinations made are only permanent whilst the teacher remains employed at this school.

In considering differentials in pay, the Governing Body will ensure that:

- a) The school's Group Size is calculated in accordance with the School Teachers' Pay and Conditions Document
- b) The Individual School Range (ISR) for the Head Teacher falls within that Group Size
- c) The maximum point of the Deputy Head Teacher's range is at least one point less than the minimum of the Head Teacher's ISR
- d) The minimum point of the Deputy Head Teacher's range is above that of the "notional" highest paid class teacher (as defined in the School Teacher's Pay and Conditions Document)
- e) Assistant Headteachers are paid more than the "notional" highest paid class teacher (as defined in the School Teachers' Pay and Conditions Document) but have a salary range the maximum of which is at least one point lower than the top of the range of the deputy

### Support Staff

Senior Support Staff at Eggar's School are paid in accordance with a pay framework based on the 'Employment in Hampshire County Council 2007' ('EHCC2007') collective agreement, which transferred when the school became an academy. Pay is set in accordance with a grading framework against which roles have been matched. Pay progression for support staff is determined through use of Individual Performance Management.

### Trade union facility time

- FTE number of employees who were relevant Union officials - None
- Percentage of time spent on facility time (number of employees in bandings) - None
- Percentage of pay bill spent on facility time - None
- Time spent on paid Trade Union activities as a percentage of total paid facility time hours - None

# Eggar's School

## Trustees' Report

### Related Parties and other Connected Charities and Organisations

The school works collaboratively with other academies in Hampshire, alternative-provision institutions, as well as HCC-based and private organisations and charities that support young people. Until March 2020, our primary school liaison programme involved weekly visits by children from dozens of primary and junior schools in the area. Although lockdown and new COVID 19 conditions have ruined this super programme, our recruitment is built on strong communication and close collaboration with these schools. This was exemplified by the smooth Yr6 to Yr7 transition service we provided for families in the summer of 2020 and 2021, including a 2021 Summer School.

The school has a partnership with its neighbour, Treloar College, which provides education, care and therapy for young people with physical disabilities from the UK and overseas providing different curriculum opportunities, sharing sporting facilities as well as opportunities for work experience for pupils from both schools.

The school is working in partnership with TEABAG (The Education and Book Appeal Ghana), a local charity to support Children in Education in Ghana; our aim is to raise £20,000 to build a new accommodation block for teachers which will enable them to attract and retain teaching staff. This includes fund raising and a trip to a school in Ghana every other year; the 2021 trip has been deferred to 2022.

The school has strong links with Higher Education Institutions, Teaching School Alliances and various continuing professional development bodies.

The Eggar's PTA remains a dynamic group of parent and carers who support the school through event hospitality and fundraising projects. Eggar's PTA registered with the Charity Commission as a CIO (Association) in August 2017. The trustees are a mix of parents and staff members, elected by the members of the PTA. All Eggar's parents and carers automatically are members of the PTA. The trustees and officers of the PTA hold various roles. The Chair of Academy Trustees or her representative attends the PTA Annual General Meeting and provides a formal report. Members of the PTA also sit on ad hoc 'parent consultation groups' convened by the Head Teacher and Chair of Academy Trustees to consult and advise on issues, such as changes to the school uniform. Members of the PTA also volunteered during the Coronavirus Pandemic to assist the school with mass testing when pupils returned to school in March.

The school is connected to the Eggar's Grammar School and the Alton Site Foundation (a charitable trust that owns some of the school land). The history of their involvement with the school relates to John Eggar, who founded the original grammar school in 1642.



# Eggar's School

## Trustees' Report

### Impact of Covid-19

We were unable to engage in our normal programme of Primary School Liaison, which involves students from local Primary Schools being invited in, to experience life at Eggar's. The programme provides students in our community and beyond with the opportunity to experience lessons they would not normally have the chance to engage in. It also smooths the transition into our Secondary School setting. Primary Liaison is a very positive marketing tool for us and supports our work with securing our targeted Number on Roll of 200 incoming Year 7 students each year. We were also curtailed from holding our usual Open Events to showcase our school. The upshot of this adversity resulted in a huge drop in pupil numbers this September, falling from the previously budgeted 170 to a budgeted 140. To mitigate this loss in funding, we have had to make tough decisions, such as not filling a Deputy Head Teacher vacancy and sharing this work amongst existing Leadership Team members and reduce spending on IT and premises.

The virus-control measures meant that the Academy Trustees were unable to engage in their annual HCC Governor Service led training or to hold their 'Strategy Saturday' event. New Academy Trustee induction was condensed from a 1-day course to a brief online overview. Academy Trustee meetings were convened via Zoom, which curtailed the meaningful, robust and challenging conversations face-to-face meetings provide.

Control measures meant we were unable to offer students any extra-curricular internal or external experiences, which included the suspension of our Eggar's Experience programme. The programme is a ten-point challenge designed to give our students the opportunity to show and develop their abilities, talents and skills, which in turn complements their academic work. The loss of these opportunities greatly impacted both the physical and mental health of our students.

The pandemic controls meant we were unable to hire out our premises for long periods of time and when we began to re-open our facilities to the public, we were prevented from running back-to-back lets, due to the amount of cleaning required between hirings. This resulted in a drop of £19,700 in our lettings income.

We were very fortunate to secure a bank of volunteers who supported Covid testing in school in the spring 2021 term. Their efforts were invaluable in supporting the school to carry out this important work.

# Eggar's School

## Trustees' Report

### Objectives and Activities

#### Objectives and Aims

The principal objectives and activities of the School are:

- a) To advance for the public benefit education in the United Kingdom, in particular but without prejudice to generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum; and
- b) To promote for the benefit of the inhabitants of Alton and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

#### Objectives, Strategies and Activities

The main objects and aims are as set out in the strategic school improvement plan (SSIP) and are as follows:

1. Teaching Learning and Assessment:
  - a. QUEST
  - b. Eggar's Learner
2. Well-Being:
  - a. Wellbeing of staff
  - b. Wellbeing of students
  - c. Wellbeing of families
3. Curriculum:
  - a. Key stage 3 and Key stage 4 curriculum development
  - b. Recovery/Catch-up curriculum
4. Eggar's Experience:
  - a. Eggar's Enrichment Activities (including sports, trips & visits)
  - b. Student Leadership
  - c. Home Learning
5. Sustainability:
  - a. Budget & Facilities
  - b. Community & Business development including recycling

The specific strategies and activities to achieve the objects and aims are set out in the SSIP for 2020-2023. This is available from the school office.

#### Public Benefit

In setting our objectives and planning our activities, the trustees have carefully considered the Charity Commission's general guidance on public benefit.

# Eggar's School

## Trustees' Report

### Strategic Report

#### Achievements and Performance

	Eggar's 2019/20 (Provisional)	Eggar's 2018/19	Eggar's 2017/18
Basics 4+	82.4%	68.6%	75.3%
Basics 5+	60.5%	52.9%	50.7%
A8	54.79	48.24	47.7
English Language 4+	86.8%	75.2%	74.5%
Maths 4+	85.9%	75.2%	80.0%
EBacc entered	49.3%	39.9%	24.7%
EBacc achieved	41.5%	30.1%	20.7%

#### Impact of Covid-19

The toll on the mental health our staff and students is immeasurable. The ongoing risk, absence of routines, and concern for themselves and loved ones resulted in high levels of anxiety and depressive symptoms amongst both students and staff. To support our students, we engaged a Pastoral Support Worker costing £20,000 per annum. We have also been building a set of resources and ring-fencing time to deliver student and staff wellbeing support and we have identified wellbeing as a key priority in our School Improvement Plan.

Despite the seismic challenges Covid-19 presented, Eggar's nevertheless achieved some very positive results:

- Development of Home Learning:
  - During lockdown we introduced and developed the use of Microsoft Teams for remote learning. To enable Microsoft Teams to synchronise with our system and create classes needed to teach online lessons, the school purchased 'Locker' software. This software automatically creates Microsoft teams based on classes in the school's registration software (SIMS) and presents classes to students and teachers virtually so that they can teach in their normal sets.
  - The school investigated and arranged several methods to obtain laptop computers to assist students with home learning. We ordered our full allocation of laptop computers from the Department for Education and our IT Department created new systems so that they could be used appropriately by students at home (including remote web filtering). We also worked with the Alton Lions to secure donations of laptop computers from members of public to boost numbers, as we had a large number of students who did not have a device at home. In addition to this, we also received a donation from business2schools of 20 laptops through a campaign run by the BBC.
- We were successful in our re-accreditation of the NACE (National Association for Challenge in Education).
- We secured monies from two CIF (Condition Improvement Fund) bids: Roofing repairs £363,496 and Drainage works £334,543. Most of the works were completed over the summer break.

# Eggar's School

## Trustees' Report

### Achievements and Performance (continued)

- We underwent a successful visit from Ofsted on 03 December 2020, whose context was to investigate how we were managing the return to full education for our students, following their extended break in formal schooling, due to the pandemic <https://www.eggars.net/ofsted>
- Due to Covid-19, no school-level performance data for tests, assessments or exams was published. The TAG (Teacher Assessed Grades) process was carried out by all teachers of Year 11. The staff went through a rigorous internal Assessment and Moderation process and then an external national moderation process. The feedback received was very positive on how accurate and comprehensive the marking had been. We have not had a single family go through our Appeals process, just several asking to check the administration of grades. Communication of the process has been very clear and parents have been very grateful.

### Key Performance Indicators

- Attendance in 2020-21 94.2% (2019-20 was 65% COVID affected)
- Staffing costs as a percentage of General Annual Grant income are 85.3% (2019-20 93.2%)
- Staffing costs as a percentage of total costs are 65.5% (2019-20 69.9%)
- 2020-21 funded number on roll 960
- 2021-22 funded number on roll 898
- Current number on roll 895

### 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 condition that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. The trustees continue to adopt the going concern basis of accounting in preparing the financial statements. Nevertheless, Academy Trustees are conscious that it will be of vital importance to persist in the positive marketing of our school and to continue to perform and achieve to a high standard to attract future students. Extensive housing developments are being built in Alton which will assist in the recruiting of students from our locality.

# Eggar's School

## Trustees' Report

### Financial Review

The Trustees are confident that the School is in a sound financial position at the end of the financial year.

The primary funding source for Eggar's School is the Education & Skills Funding Agency. This funding accounted for 92.3% (2020: 94%) of the revenue income received in 2020/21. Income for 2020/21 was based upon 960 students. In 2021-22 the academy will receive funding for 898 students. The Academy Strategic plan is to continue in its aim of maintaining the number on roll but recognises this is being affected by Covid-19. This is due to the inability to host Open Days and tours for prospective new parents during lockdown and the new ways of working due to the virus. Trustees are cognisant that numbers on roll from the Bordon area will be reduced due to the opening of the Oakmoor School in November 2019, but have accounted for this in both marketing activities and financial planning in order to mitigate its impact.

### Impact of Covid-19

- The requirement for additional cleaning and purchase of fogging machines led to an increase in our cleaning costs of £20,000 over budget.
- Site adjustments for Covid testing in school, the purchase of hand sanitisers, face coverings, Personal Protective Equipment, bins, protective screens, set-up of one-way systems, additional waste collections, and the installation of external hand washing facilities cost almost £11,000.
- The need for staff to socially distance in classrooms and feedback to students via whiteboards and avoiding close interactions resulted in the need for additional whiteboards and headsets totalling £36,000.
- Additional fencing and car park measures reduced entry points to the school, so students came in via controlled entry points in their bubbles, resulting in a cost of £14,000.
- The receipt of £16,000 from the Government's Outbreak Management Grant and £80,000 from Eggar's Trustees helped offset some of these costs.

# Eggar's School

## Trustees' Report

### Reserves Policy

The reserves as at 31 August 2021 were as follows:

- Unrestricted (free) reserves of £476,222
- Restricted general reserves of £436,132
- A restricted fixed asset fund on £11,531,553 which can only be realised through disposal of tangible fixed assets.
- A pension deficit of £1,984,000
- Total funds of £10,459,907

Eggar's School aims to use the allocated funding each year for the benefit of our current pupils but recognises the need to hold sufficient reserves in order to:

- have a contingency reserve to cover any fluctuation in pupil numbers (to support three-year budget plan)
- have sufficient capital to cover urgent maintenance or spending to meet health and safety, safeguarding and security requirements (to support site maintenance and mitigate fire risk)
- invest in future years' priorities for our pupils
- provide sufficient working capital to cover delays between spending and receipt of grants

There is a £1,984,000 deficit in respect of the local government pension scheme. This will result in increased employers' pension contributions over a period of years. We have reflected the effect of increased pension costs in our future budgets. Increased pension contributions will be met from the School's budgeted annual income, and whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund, or direct impact on the free reserves of the academy as a result of recognising the deficit.

Reserves are reviewed regularly as part of the budgeting process but are also reviewed via the Academy's Risk Register.

The inability to market our school and the resulting reduction in our 2021 Year 7 intake led to a large reduction in reserves in 2022. This has been somewhat negated by pro-active timetabling, natural wastage in staffing and ring-fenced maintenance monies being released following our CIF improvement works, which have reduced the likelihood of water ingress, due to improved roofing and drainage systems around school.

### Investment Policy

The academy aims to manage its cash balances to provide the day-to-day working capital requirements of its operation, whilst simultaneously working to protect the real long-term value of any cash against inflation. The academy aims to invest surplus cash funds to optimise returns whilst ensuring there is no tangible risk of loss of these cash funds (interest rates on investments were 0.1%).

# Eggar's School

## Trustees' Report

### Principal Risks and Uncertainties

The main financial risks identified this year in the risk register related to:

- The dramatic impact on all aspects of the academy operations of the Covid-19 pandemic
- Maintaining a high number on roll
- Future funding uncertainty
- Loss of key personnel and succession risk
- Balancing the budget requirements due to the reducing number on roll, increasing salary costs and current reserves
- Income from key clients and other lettings to meet the 7-year operating lease commitment
- Insufficient Devolved Formulae Capital funding to maintain school building fabric
- Logistics of the school and transport options and costs

All these are subject to appropriate control procedures and are monitored by trustees. The risk register will be subject to dynamic review by the working party of trustees and a report provided to FGB as an agenda item. This process is ongoing and is expected to be completed by the spring term 2022.

### Fundraising

As part of its work within the community, the School normally undertakes fundraising activities, for example through fetes, cake sales, non-uniform days, sponsored events, house activities, crowd funding etc. However, this activity has been curtailed in the last year due to the Covid-19 Pandemic. The increased health & safety requirements, related administration, and financial implications of Coronavirus meant there was no time to engage in activities such as to promote our crowdfunding initiative. We also felt it would be insensitive to ask our community to donate monies during a time when many were either out of work or on furlough. Nevertheless, we did hold three non-uniform days, which raised £3,000 for our nominated TEABAG charity.

The School raises funds in order to support its own operations and to make donations to local and national charities. With the exception of DonateMySchool for crowd funding, the School undertakes all such activities itself, with the help of its students and their families.

We confirm that when fundraising:

- No unsolicited approaches are made to members of the public.
- No commercial participators are used.
- No regularity schemes or standards are applicable.
- No complaints were made to the Academy Trust during the year.

### Streamlined Energy and Carbon Reporting

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

# Eggar's School

## Trustees' Report

### Plans for Future Periods

- Continue to work with Hampshire County Council Local Authority to ensure capital resources on site meet the future need of the number on roll (NOR)
- Persist in our focus to ensure there is not a budget deficit by ensuring financial efficiency
- Further raise standards to develop staff through additional weekly continued professional development opportunities
- Improve attendance, resilience, motivation, progress and attainment of disadvantaged students (which include 16.6% boys)
- Teacher practice systematically developed to achieve improved outcomes for all. Continuous focus on impeccable behaviour for learning
- Improvement in progress and achievement outcomes, including an enriched school experience for more able students and a refined curriculum offer for vocational subjects
- Develop further opportunities for students via the Eggar's Experience (EE) to include additional staff to run clubs, expanding community involvement and creating a new EE portfolio
- We have been successful in securing Capital Improvement Fund bids totalling £643,478. This will enable necessary drainage and roofing works to be undertaken, to mitigate the risk of flooding and water ingress in the future.
- If our pupil numbers remain low, future spending on IT and Site will have to be curtailed and inevitably the school will need to look at its staffing levels. We will have our first indications of funded numbers for September 2022 this November.

### Auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 23 November 2021 and signed on the board's behalf by:

  
Lisa L Hillan (Dec 20, 2021 10:34 GMT)

L Hillan  
Chair of Trustees



# Eggar's School

## Governance Statement

### Scope of Responsibility

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

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and Competency Framework for Governance.

The Board of Trustees has delegated the day-to-day responsibility to the Head Teacher, 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 Eggar's School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### Governance

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

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Denise Allen	6	6
Keith Arrowsmith-Oliver	5	6
Linda Campbell	6	6
Lesley Danks	5	6
Martin Green	5	6
Lisa Hillan	6	6
Jackie Keen	5	6
Kandy Maddock	5	6
Emma McBriarty	5	6
Jim McKell	3	6
Daryl Reseigh	6	6
Liz Stokes	4	6
Patrick Sullivan	6	6
Ruth White	0	6
Steve Williams (retired 25.05.21)	3	5

Patrick Sullivan, Head Teacher, stood down as a Member.

# Eggar's School

## Governance Statement

Governance (continued)

During the academic year, the Eggar's School Trustees continued their efforts to act in the best interests of the students by:

- Ensuring clarity of vision, ethos and strategic direction;
- Holding executive leaders to account for the educational performance of the school and its pupils, and the effective and efficient performance management of staff; and
- Overseeing the financial performance of the school and making sure money is well spent.

As with other businesses, the business of governance became particularly challenging during the Covid pandemic. We took our meetings online, with mixed results. Some governors were able to attend more meetings, others fewer because day-job demands escalated for them. Technical challenges, Zoom fatigue, and the stilted nature of online meetings all impacted the effectiveness of our meetings, despite the dedication and commitment of our governors. In-person monitoring meetings and on-site visits yield more meaningful discussions, and we were pleased to return to these during the Summer Term.

Our three-year School Improvement Plan (SIP) drives the strategic direction of our governance focus and efforts. We take seriously our duty to support and challenge executive leaders. We found, however, that Covid was adding extraordinary challenge to the students, staff and school community. In response, we stepped up our support. Whilst we continued monitoring the educational performance of the school, as well as the performance management of staff, we saw how illness, loss, isolation, and remote learning impacted many students, staff and families in our community. Student and staff wellbeing remained at the core of our discussions. We increased our efforts to ensure open and transparent communication, underscored by compassion. We strive to mirror and model the professionalism and caring of the senior leaders—indeed all school staff—as they offer stability and reassurance to students and their families during these difficult times.

In terms of financial scrutiny, the inability to hold Open Days and Primary Liaison weekly visits in 2020 have resulted in a decline in incoming Year 7 students in September 2021. We expected this and continue to work closely with staff in developing scenarios and possible ways forward over the next few years. We also support increases in mental health provision for students, with additional staffing already in place with the expectation of additional needs going forward.

We entered the academic year with several projects underway, including a working party developing a new Risk Register. We planned over 2020-21 and 2021-22 to conduct a thorough review of the administrative roles and responsibilities essential to supporting the governing body, prompted by our Clerk's planned retirement in July 2022. Our Academy Trust's Articles of Association from 2012 are sufficiently out of date that substantial revisions are necessary. On the advice of Hampshire County Council's Governor Services, we deferred filling two governor vacancies, and look forward to recruiting this term a new parent governor and a new community governor. In addition, the audit conducted in March 2021 identified additional areas for action. Our implementation plans are discussed elsewhere in this report.

# Eggar's School

## Governance Statement

Governance (continued)

We are inspired by the creativity and commitment of the school leaders and staff over the last year especially, as they devoted themselves to teaching and learning, progress and attainment, wellbeing and social development, during these unprecedented times. The impact of this pandemic is far from over for students. For many—if not most—of the staff, the last 12-18 months have been the most difficult of their careers. We as Trustees are resolved to continue to meet the needs and serve the best interests of the students through our governance.

The Finance and Personnel committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee the finances within the framework set by the whole Governing Body and to receive reports, monitor and make recommendations to the Governing Body. A pay committee has also been set up as a subcommittee to the Finance and Personnel committee. Attendance at meetings in the year was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Denise Allen	4	5
Lesley Danks	4	5
Lisa Hillan	5	5
Emma McBriarty	4	5
Daryl Reseigh	5	5
Liz Stokes	5	5
Patrick Sullivan	5	5

The Audit and Risk Committee are part of the Finance and Personnel Committee. Its purpose is to direct the Trusts programme of internal scrutiny, ensure that risks are being addressed appropriately and report to the Board on the adequacy of the Trusts internal control framework. This includes financial and non-financial controls and management of risks.

# Eggar's School

## Governance Statement

### Review of Value for Money

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

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

- Securing Capital Improvement Funds to improve drainage and roofing which is expected to mitigate the risk of future flooding
- Researching and obtaining quotations for the renewal of photocopier contracts, resulting in lower rental charges
- Withdrawing from the HCC SLA for property planned statutory and reactive maintenance, replacing this with a contract with an external company, significantly reducing outgoings
- A review of catering costs/benefits of outsourcing undertaken and being brought in-house expecting to improve value for money for school and catering for pupils during the Autumn Term in the next financial year.

### The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Eggar's School for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

### Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

# Eggar's School

## Governance Statement

### The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- to buy-in an internal scrutiny audit service from Jill McCall
- to buy-in a Health & Safety (H&S) support service from Ray West

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/bank reconciliations
- testing of compliance with the Academies Financial Handbook

The Internal Scrutiny auditor, Jill McCall, reports to the Board of Trustees three times per annum, through the finance and personnel committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. Bi-annually, the Health & Safety auditor, Ray West, reports to the Board of Trustees, through the Curriculum & Standards committee, on the operation of the H&S systems of controls (this audit and subsequent report has been delayed due to the Covid-19 Pandemic) and rescheduled to take place in January 2022.

The March 2021 internal audit conducted by external consultant, Jill McCall, identified areas in which the governing body can continue to improve its practices. A working party consisting of Lisa Hillan, Emma McBriarty, Elizabeth Stokes, and Janice Finnimore met in May and outlined the following action items, reported to the Full Governing Body in July:

# Eggar's School

## Governance Statement

### The Risk and Control Framework (continued)

- Develop a formal scheme of delegation, memorialising existing working practices.
- Review finance-related documentation for internal consistency and completeness, underway by Elaine Dean, Accountant.
- Draft written Terms of Reference, separate from the Articles of Association, for the Full Governing Body.
- Revise and replace our 2012 Articles of Association, using the DfE model Articles as a template.
- Review school website information to ensure clarity regarding 'who we are and what we do', consistency with Charity Commission and Companies House information, and compliance with all website-related requirements, underway by Mary Downes, Clerk to the Governing Body.
- Continue maintaining current governor skills audit information and identify ideal areas of expertise as we recruit to fill two governor vacancies: a parent governor and a community governor (who may not be the parent of a current Eggar's student). The governing body reaffirmed during the July meeting that a reasonable and realistic goal is to seek expertise—a '5 out of 5' using the National Governors Association model form—in each area of desired governor competence by at least two governors. Even with those two governor vacancies, we have two-deep expertise in all areas of desired competence except in 'property and estate management' and in 'school sector HR policy and pay', in which we have one governor with such expertise. We shall seek prospective governors with these areas of expertise, well aware that such specialist areas may not be easy to find. Our existing external advisors, consultants and auditors do have expertise in these areas, however. Development and Training Governor Ruth White and Chair of Governors Lisa Hillan have these action items.
- Continue development of a new Risk Register, led by Denise Allen, prompted by the realisation by the full governing body that our existing Risk Register was no longer fit for purpose, having become bloated and stale. It was time to replace the Risk Register entirely, with fresh eyes.
- Ensure internal consistency in content and style of policies and related documents as well as compliance with current legislation, underway by Clerk Mary Downes.
- As part of longstanding annual timetable of work, diarise newly identified improved processes arising from this internal audit; underway by Clerk Mary Downes.
- Analyse existing administrative-support organisational chart and outline recommendation for potential restructuring of roles, responsibilities and hours that are necessary to support the functioning of the full governing body; to include Mary Downes, Lisa Hillan, Patrick Sullivan, and the staff members who currently provide administrative support.
- Monitor the progress of these action items during the Autumn 2021 term; if insufficient in quantity or quality, the full governing body will choose an external provider to contract for these services. During in-depth analysis at the July meeting, the full governing body opined that multiple existing service level agreements for resources, consultants, and auditors—combined with the high level of expertise held by numerous governors and members of the Senior Leadership Team—offer considerable and sufficient depth to complete these action items to a high standard.

# Eggar's School

## Governance Statement

### Review of Effectiveness

As Accounting Officer the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor
- the work of the external auditor
- the school resource management self-assessment tool
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the Board of Trustees on 23 November 2021 and signed on its behalf by:

  
Lisa L Hillan (Dec 20, 2021 10:34 GMT)

L Hillan  
Chair of Trustees

  
Patrick Sullivan (Dec 24, 2021 15:20 GMT)

P Sullivan  
Accounting Officer

# Eggar's School

## Statement of Regularity, Propriety and Compliance

As Accounting Officer of Eggar's School I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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.

*Patrick Sullivan*  
Patrick Sullivan (Dec 24, 2021 15:20 GMT)

P Sullivan  
Accounting Officer  
23 November 2021



# Eggar's School

## Statement of Trustees' Responsibilities

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 & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021
- 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 on 23 November 2021 and signed on its behalf by:

  
Lisa L. Hillan (Dec 20, 2021 10:34 GMT)

L Hillan  
Chair of Trustees

# Eggar's School

## Independent Auditor's Report on the Financial Statements to the Members of Eggar's School

### Opinion

We have audited the financial statements of Eggar's School ('the charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, 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 2020 to 2021 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

# Eggar's School

## Independent Auditor's Report on the Financial Statements to the Members of Eggar's School

### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. It includes the Reference and Administrative Details, the Trustees' Report (including the Strategic Report), and the Governance Statement. 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

# Eggar's School

## Independent Auditor's Report on the Financial Statements to the Members of Eggar's School

### Responsibilities of the Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company 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 to 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### Our 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 a Report of the Independent Auditors 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:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Academy Trust, and the sector in which it operates. These include but are not limited to compliance with the Companies Act 2006, 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, the Academies Financial Handbook 2020, and the Academies Accounts Direction 2020 to 2021.
- We obtained an understanding of how the Academy Trust is complying with these frameworks through discussions with management.

# Eggar's School

## Independent Auditor's Report on the Financial Statements to the Members of Eggar's School

- We enquired with management whether there were any instances of non-compliance with laws and regulations or whether they had knowledge of actual or suspected fraud. These enquiries are corroborated through follow-up audit procedures including but not limited to a review of legal and professional costs, correspondence and a review of board minutes.
- We assessed the susceptibility of the Academy Trust's financial statements to material misstatement, including the risk of fraud and management override of controls. We designed our audit procedures to respond to this assessment, including the identification and testing of any related party transactions and the testing of journal transactions that arise from management estimates, that are determined to be of significant value or unusual in their nature.
- We assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's knowledge and understanding of the sector in which the Academy Trust operates in, and their practical experience through training and participation with audit engagements of a similar nature.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Independent Auditor's Report.

### Use of our report

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

*James Flood*  
James Flood (Dec 24, 2021 15:36 GMT)

J Flood ACA (Senior statutory auditor)

For and on behalf of Hopper Williams & Bell Limited

Statutory Auditor

Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date ..... 24/12/2021 .....

# Eggar's School

## Independent Reporting Accountant's Assurance Report on Regularity to Eggar's School and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 20 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Eggar's School during the period 1 September 2020 to 31 August 2021 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 Eggar's School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Eggar's School and the 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 the Eggar's School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Eggar's School's Accounting Officer and the reporting accountant  
The Accounting Officer is responsible, under the requirements of Eggar's School's funding agreement with the Secretary of State for Education dated 1 September 2012 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

# Eggar's School

## Independent Reporting Accountant's Assurance Report on Regularity to Eggar's School and the Education & Skills Funding Agency

### Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration as to whether prior approval was sought from the Secretary of State where it is required by the Academies Financial Handbook (effective from 1 September 2020) (AFH).
- Review of any special payments to staff, including compromise agreements, to consider whether prior approval was sought where required by the AFH and that any payments are in line with the severance guidance published by ESFA.
- Consideration as to whether any borrowings have been made in accordance with the AFH.
- Review of any 'minded to' letters or Notices to Improve which have been issued to the Academy Trust.
- Review of any transactions with related parties to ensure that they have been carried out in accordance with the AFH.
- Review of governance arrangements to determine whether the requirements of the AFH have been met.
- Review of the Academy Trust's internal controls, including whether the general control environment has regard to the regularity of underlying transactions, including fraud management.
- Review of the Academy Trust's procurement policies to determine effectiveness and testing a sample of purchases to confirm that the policies have been correctly implemented.
- Identifying any conditions associated with specialist grant income and determining whether it has been spent as the purposes intended.

# Eggar's School

## Independent Reporting Accountant’s Assurance Report on Regularity to Eggar's School and the Education & Skills Funding Agency

### Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*James Flood*  
James Flood (Dec 24, 2021 15:36 GMT)

J Flood ACA  
Reporting Accountant  
Hopper Williams & Bell Limited  
Chartered Accountants  
Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date ..... 24/12/2021 .....



# Eggar's School

## Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account)

	Note	Un- restricted funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2020/21 Total £	2019/20 Total £
Income and endowments from:							
Donations and capital grants	2	-	-	-	663,678	663,678	43,003
Charitable activities:							
Funding for the academy							
trust's educational operations	3	-	6,003,360	-	-	6,003,360	5,202,328
Other trading activities	4	49,119	-	-	-	49,119	68,819
Investments	5	250	-	-	-	250	1,278
<b>Total</b>		<b>49,369</b>	<b>6,003,360</b>	<b>-</b>	<b>663,678</b>	<b>6,716,407</b>	<b>5,315,428</b>
Expenditure on:							
Charitable activities:							
Academy trust educational							
operations	7	349	5,567,228	209,000	773,505	6,550,082	5,731,962
Net income / (expenditure)		49,020	436,132	(209,000)	(109,827)	166,325	(416,534)
Transfers between funds	15	(54,561)	-	-	54,561	-	-
Other recognised gains / (losses):							
Actuarial losses on defined benefit pension schemes	24	-	-	(59,000)	-	(59,000)	(401,000)
Net movement in funds		(5,541)	436,132	(268,000)	(55,266)	107,325	(817,534)
Reconciliation of funds							
Total funds brought forward		481,763	-	(1,716,000)	11,586,819	10,352,582	11,170,116
Total funds carried forward		476,222	436,132	(1,984,000)	11,531,553	10,459,907	10,352,582

The notes on pages 34 to 57 form part of these financial statements.

# Eggar's School

## Balance Sheet as at 31 August 2021

Company Number 08036151

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	11		11,368,037		11,586,448
Current assets					
Stock	12	1,328		5,738	
Debtors	13	944,205		252,018	
Cash at bank and in hand		<u>786,066</u>		<u>758,090</u>	
		1,731,599		1,015,846	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(655,729)</u>		<u>(533,712)</u>	
Net current assets			<u>1,075,870</u>		<u>482,134</u>
Total assets less current liabilities			12,443,907		12,068,582
Defined benefit pension scheme liability	24		(1,984,000)		(1,716,000)
Total net assets			<u>10,459,907</u>		<u>10,352,582</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	15	11,531,553		11,586,819	
Restricted income fund	15	436,132		-	
Pension reserve	15	<u>(1,984,000)</u>		<u>(1,716,000)</u>	
Total restricted funds			9,983,685		9,870,819
Unrestricted income funds	15		476,222		481,763
Total funds			<u>10,459,907</u>		<u>10,352,582</u>

The financial statements on pages 31 to 57 were approved by the trustees and authorised for issue on 23 November 2021 and are signed on their behalf by:

  
Lisa L Hillan (Dec 20, 2021 10:34 GMT)

L Hillan  
Chair of Trustees

The notes on pages 34 to 57 form part of these financial statements.

# Eggar's School

## Statement of Cash Flows for the year ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	19	(121,170)	(103,173)
Cash flows from investing activities	20	149,146	(23,857)
Change in cash and cash equivalents in the reporting period		<u>27,976</u>	<u>(127,030)</u>
Cash and cash equivalents at 1 September 2020		758,090	885,120
Cash and cash equivalents at 31 August 2021	21	<u>786,066</u>	<u>758,090</u>

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 1 Accounting policies

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

#### Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

#### 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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Income

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

- 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.

- Grants

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

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

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

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### Income (continued)

- Government Grants

The following government grants have been received during the year:

#### Coronavirus Job Retention Scheme

The accrual model has been used to recognise the grant on a systematic basis over the periods in which the related staff costs are incurred.

- Other Income

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

- Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

### 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.

- Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### Tangible Fixed Assets

Assets costing £5,000 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.

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

Leasehold Land and Buildings	Shorter of 50 years straight line or length of lease
Furniture and Equipment	4 years straight line
Computer Equipment	3-4 years straight line
Motor Vehicles	5 years straight line

Long leasehold land has not been depreciated as it is similar to freehold land, which does not require depreciation.

Where the Academy Trust can identify the value of major components of freehold or leasehold buildings based upon additions following conversion to academy status, the Academy Trust reviews whether one or more such components have significantly different patterns of consumption of economic benefits. In such cases, the Academy Trust allocates the cost of the asset to its major components and depreciates each component separately over its useful life.

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.

### Liabilities

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

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### Provisions

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

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

### Leased Assets

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

### Financial Instruments

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

#### Financial assets

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

#### Cash at bank

Cash at bank is classified as a basic financial instrument and is measured at face value. An investment is treated as a cash equivalent when it has a short maturity of three months or less from the date of acquisition.

#### Financial liabilities

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

#### Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

#### Taxation

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

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. 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 trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

### Fund Accounting

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

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

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



# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### Critical accounting estimates and areas of judgement

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

### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

The assumptions used are disclosed in note 24.

### Critical areas of judgement

There are no other critical areas of judgement.

## 2 Donations and capital grants

	Unrestricted funds	Restricted funds	2020/21 Total	2019/20 Total
	£	£	£	£
Capital grants	-	663,678	663,678	43,003
Total 2020	-	43,003	43,003	

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

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

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
DfE / ESFA grants				
General Annual Grant (GAG)	-	4,860,000	4,860,000	4,492,899
Pupil Premium	-	154,293	154,293	163,487
Rates reclaim	-	34,212	34,212	25,000
Year 7 catch up grant	-	-	-	8,435
Teachers' pay grant	-	65,432	65,432	65,513
Teachers' pension grant	-	184,895	184,895	174,903
Other DfE grants	-	16,800	16,800	-
	-	5,315,632	5,315,632	4,930,237
Other government grants				
Local authority grants	-	57,937	57,937	51,961
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	-	22,708	22,708	-
Summer schools programme fund	-	27,162	27,162	-
	-	49,870	49,870	-
COVID-19 additional funding (non-DfE/ESFA)				
Coronavirus Job Retention Scheme grant	-	-	-	5,206
Other Coronavirus funding	-	62,867	62,867	-
	-	62,867	62,867	5,206
Other income from the Academy Trust's educational operations				
Trip income	-	5,168	5,168	97,949
Tuition fee income	-	22,399	22,399	23,269
Other income	-	489,487	489,487	93,706
	-	517,054	517,054	214,924
	-	6,003,360	6,003,360	5,202,328
Total 2020	1,438	5,200,890	5,202,328	

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 3 Funding for the Academy Trust's educational operations (continued)

Following the reclassification of some grants received from the Department for Education and the ESFA in the Academies Accounts Direction 2020/21, the Academy Trust's funding for Rates reclaim, Year 7 catch up grant, Teachers' pay grant, and Teachers' pension grant are no longer reported under the Other DfE grants heading, but as separate lines under the DfE/ESFA grants heading. The prior year numbers have been reclassified.

The Academy Trust received £22,708 of funding for catch-up premium and costs incurred in respect of this funding totalled £22,708.

The Academy Trust received other Coronavirus funding in respect of Mass testing, Outbreak Management Grant, and Winter Grant Support.

### 4 Other trading activities

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Hire of facilities	49,119	-	49,119	68,819
Total 2020	68,819	-	68,819	

### 5 Investment income

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Short term deposits	250	-	250	1,278
Total 2020	1,278	-	1,278	

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 6 Expenditure

	Staff costs £	Non Pay Expenditure		Total 2020/21 £	Total 2019/20 £
		Premises £	Other £		
Academy's educational operations:					
Direct costs	3,722,555	-	285,480	4,008,035	3,959,347
Allocated support costs	737,765	1,251,017	553,265	2,542,047	1,772,615
	<u>4,460,320</u>	<u>1,251,017</u>	<u>838,745</u>	<u>6,550,082</u>	<u>5,731,962</u>
Total 2020	<u>4,217,120</u>	<u>575,881</u>	<u>938,961</u>	<u>5,731,962</u>	

Net income/(expenditure) for the period includes:

	2020/21 £	2019/20 £
Operating lease rentals	89,507	88,790
Depreciation	218,411	220,449
Fees payable to auditor for:		
Audit	6,830	6,585
Other services	<u>1,510</u>	<u>5,493</u>

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000	
		Amount £	Reason
Unrecoverable debts	891	-	-

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 7 Charitable activities

	2020/21 Total £	2019/20 Total £
Direct costs	4,008,035	3,959,347
Support costs	2,542,047	1,772,615
	<u>6,550,082</u>	<u>5,731,962</u>

#### Analysis of support costs:

	Educational operations £	2020/21 Total £	2019/20 Total £
Support staff costs	737,765	737,765	672,677
Depreciation	218,411	218,411	220,449
Technology costs	82,084	82,084	81,672
Premises costs	1,251,017	1,251,017	575,881
Other support costs	242,470	242,470	209,608
Governance costs	10,300	10,300	12,328
Total support costs	<u>2,542,047</u>	<u>2,542,047</u>	<u>1,772,615</u>

Total 2020 1,772,615 1,772,615

Premises costs includes £555,094 (2020: £48,178) in respect of expenditure on capital projects, which were funded by capital grants from the ESFA.

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 8 Staff

#### a) Staff costs

Staff costs during the period were:

	2020/21	2019/20
	£	£
Wages and salaries	3,175,069	3,067,329
Social security costs	322,416	308,077
Pension costs	862,224	812,203
	<u>4,359,709</u>	<u>4,187,609</u>
Agency staff costs	84,375	29,511
Staff restructuring costs	16,236	-
	<u>4,460,320</u>	<u>4,217,120</u>

Staff restructuring costs comprise:

Severance payments	16,236	-
	<u>16,236</u>	<u>-</u>

#### b) Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £16,236 (2020: £nil). Individually, the payments were: £16,236.

#### c) Staff numbers

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

	2020/21	2019/20
	No.	No.
Teachers	57	58
Administration and support	30	32
Management	7	8
	<u>94</u>	<u>98</u>

#### d) Higher paid staff

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

	2020/21	2019/20
	No.	No.
£60,001 - £70,000	1	-
£70,001 - £80,000	2	2
£90,001 - £100,000	1	1

#### e) Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £613,611 (2020: £639,411).

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 9 Related Party Transactions – Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the Academy Trust. 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:

		2020/21	2019/20
		£000	£000
L Danks (Staff trustee)	Remuneration	40-45	40-45
	Employer's pension contributions paid	5-10	5-10
P Sullivan (Staff trustee)	Remuneration	90-95	90-95
	Employer's pension contributions paid	20-25	20-25
D Reseigh (Staff trustee from 8 November 2019)	Remuneration	35-40	30-35
	Employer's pension contributions paid	5-10	5-10
K Shawyer (Staff trustee to 4 October 2019)	Remuneration	-	0-5
	Employer's pension contributions paid	-	0-5

During the period ended 31 August 2021, travel and subsistence expenses totalling £58 were reimbursed or paid directly to one trustee (2020: £127 to two trustees).

### 10 Trustees and officers insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5m on any one claim and the cost for the period ended 31 August 2021 was £173 (2020: £166). The cost of this insurance is included in the total insurance cost.

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 11 Tangible fixed assets

	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost					
At 1 September 2020	12,651,483	306,854	276,500	27,515	13,262,352
At 31 August 2021	<u>12,651,483</u>	<u>306,854</u>	<u>276,500</u>	<u>27,515</u>	<u>13,262,352</u>
Depreciation					
At 1 September 2020	1,189,434	239,800	246,211	459	1,675,904
Charged in year	164,008	37,736	11,164	5,503	218,411
At 31 August 2021	<u>1,353,442</u>	<u>277,536</u>	<u>257,375</u>	<u>5,962</u>	<u>1,894,315</u>
Net book values					
At 31 August 2020	11,462,049	67,054	30,289	27,056	11,586,448
At 31 August 2021	<u>11,298,041</u>	<u>29,318</u>	<u>19,125</u>	<u>21,553</u>	<u>11,368,037</u>

### 12 Stock

	2020/21 £	2019/20 £
Other stocks	<u>1,328</u>	<u>5,738</u>

### 13 Debtors

	2020/21 £	2019/20 £
Trade debtors	14,222	40,424
VAT recoverable	126,931	34,822
Prepayments and accrued income	803,052	176,772
	<u>944,205</u>	<u>252,018</u>



# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

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

	2020/21	2019/20
	£	£
Trade creditors	106,832	71,279
Other taxation and social security	81,426	74,941
Other creditors falling due within one year	20	97,484
Accruals and deferred income	467,451	290,008
	<u>655,729</u>	<u>533,712</u>

	2020/21	2019/20
	£	£
Deferred income at 1 September 2020	93,543	177,930
Released from previous years	(93,543)	(177,930)
Resources deferred in the year	<u>154,367</u>	<u>93,543</u>
Deferred income at 31 August 2021	<u>154,367</u>	<u>93,543</u>

At the balance sheet date, the academy trust was holding funds received in advance of £nil (2020: £20,000) in respect of deferred catering income, £20,000 (2020: £30,000) in respect of deferred lettings income, and £134,367 (2020: £43,543) of other income relating to the forthcoming financial year.

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 15 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2021 £
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	4,860,000	(4,423,868)	-	-	436,132
Pupil premium	-	154,293	(154,293)	-	-	-
Rates reclaim	-	34,212	(34,212)	-	-	-
Teachers' pay grant	-	65,432	(65,432)	-	-	-
Teachers' pension grant	-	184,895	(184,895)	-	-	-
Other DfE grants	-	16,800	(16,800)	-	-	-
Local authority grants	-	57,937	(57,937)	-	-	-
Catch-up premium	-	22,708	(22,708)	-	-	-
Summer schools programme	-	27,162	(27,162)	-	-	-
Other Coronavirus funding	-	62,867	(62,867)	-	-	-
Insurance claim - flooding	-	306,035	(306,035)	-	-	-
Other educational activities	-	211,019	(211,019)	-	-	-
	-	6,003,360	(5,567,228)	-	-	436,132
Pension reserve	(1,716,000)	-	(209,000)	-	(59,000)	(1,984,000)
	(1,716,000)	6,003,360	(5,776,228)	-	(59,000)	(1,547,868)
<b>Restricted fixed asset funds</b>						
Fixed asset fund	11,586,448	-	(218,411)	-	-	11,368,037
ESFA capital grants (DFC)	371	20,200	-	-	-	20,571
ESFA capital grants (CIF)	-	643,478	(555,094)	54,561	-	142,945
	11,586,819	663,678	(773,505)	54,561	-	11,531,553
<b>Total restricted funds</b>	<b>9,870,819</b>	<b>6,667,038</b>	<b>(6,549,733)</b>	<b>54,561</b>	<b>(59,000)</b>	<b>9,983,685</b>
<b>Total unrestricted funds</b>	<b>481,763</b>	<b>49,369</b>	<b>(349)</b>	<b>(54,561)</b>	<b>-</b>	<b>476,222</b>
<b>Total funds</b>	<b>10,352,582</b>	<b>6,716,407</b>	<b>(6,550,082)</b>	<b>-</b>	<b>(59,000)</b>	<b>10,459,907</b>

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 15 Funds (continued)

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

#### General annual grant

This includes all funding received from the ESFA to carry out the objectives of the academy. It includes the school budget share; minimum funding guarantee; education services grant; insurance; rates; and pre-16 high needs funding streams.

#### Other DfE/ESFA grants

This is funding received from the ESFA for specific purposes.

#### Local authority grants

This is funding received from the local authority for specific purposes, for example Special Educational Needs funding.

#### Other educational activities

This includes all other educational income/expenditure.

#### Pension reserve

This represents the negative reserve in respect of the liability on the LGPS pension scheme which was transferred to the Academy Trust on conversion.

#### Fixed asset fund

The fund includes the value of the tangible fixed assets of the academy on conversion, and amounts transferred from GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

#### DfE/ESFA capital grants

This is funding received from the DfE/ESFA specifically for expenditure on tangible fixed assets.

#### Transfers between funds

Transfers to the restricted fixed asset fund represent the cost of fixed asset additions which have been funded from restricted or unrestricted general funds.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 15 Funds (continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2020 £
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	4,492,899	(4,576,124)	83,225	-	-
Pupil premium	-	163,487	(163,487)	-	-	-
Rates reclaim	-	25,000	(25,000)	-	-	-
Year 7 catch up grant	-	8,435	(8,435)	-	-	-
Teachers' pay grant	-	65,513	(65,513)	-	-	-
Teachers' pension grant	-	174,903	(174,903)	-	-	-
Local authority grants	-	51,961	(51,961)	-	-	-
Coronavirus Job Retention Sch.	-	5,206	(5,206)	-	-	-
Other educational activities	-	213,486	(213,486)	-	-	-
	-	5,200,890	(5,284,115)	83,225	-	-
Pension reserve	(1,161,000)	-	(154,000)	-	(401,000)	(1,716,000)
	(1,161,000)	5,200,890	(5,438,115)	83,225	(401,000)	(1,716,000)
<b>Restricted fixed asset funds</b>						
Fixed asset fund	11,738,759	-	(220,449)	68,138	-	11,586,448
ESFA capital grants (DFC)	38,360	19,795	-	(57,784)	-	371
ESFA capital grants (CIF)	24,638	-	(24,638)	-	-	-
Other capital grants	-	23,208	(10,000)	(13,208)	-	-
School contribution	13,954	-	(13,540)	(414)	-	-
	11,815,711	43,003	(268,627)	(3,268)	-	11,586,819
<b>Total restricted funds</b>	<b>10,654,711</b>	<b>5,243,893</b>	<b>(5,706,742)</b>	<b>79,957</b>	<b>(401,000)</b>	<b>9,870,819</b>
<b>Total unrestricted funds</b>	<b>515,405</b>	<b>71,535</b>	<b>(25,220)</b>	<b>(79,957)</b>	<b>-</b>	<b>481,763</b>
<b>Total funds</b>	<b>11,170,116</b>	<b>5,315,428</b>	<b>(5,731,962)</b>	<b>-</b>	<b>(401,000)</b>	<b>10,352,582</b>

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 16 Analysis of net assets between funds

	Un- restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	11,368,037	11,368,037
Current assets	476,222	1,091,861	-	163,516	1,731,599
Current liabilities	-	(655,729)	-	-	(655,729)
Pension scheme liability	-	-	(1,984,000)	-	(1,984,000)
<b>Total net assets</b>	<b>476,222</b>	<b>436,132</b>	<b>(1,984,000)</b>	<b>11,531,553</b>	<b>10,459,907</b>

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

	Un- restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	11,586,448	11,586,448
Current assets	481,763	533,712	-	371	1,015,846
Current liabilities	-	(533,712)	-	-	(533,712)
Pension scheme liability	-	-	(1,716,000)	-	(1,716,000)
<b>Total net assets</b>	<b>481,763</b>	<b>-</b>	<b>(1,716,000)</b>	<b>11,586,819</b>	<b>10,352,582</b>

### 17 Capital commitments

	2020/21	2019/20
	£	£
Contracted for, but not provided in the financial statements	142,945	-

### 18 Long-term commitments, including operating leases

At 31 August 2021 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2020/21	2019/20
	£	£
Amounts due within one year	88,344	89,280
Amounts due between one and five years	245,362	320,315
Amounts due after five years	-	6,575
	<b>333,706</b>	<b>416,170</b>

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

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

	2020/21	2019/20
	£	£
Net income / (expenditure) for the reporting period	166,325	(416,534)
Adjusted for:		
Depreciation	218,411	220,449
Capital grants from DfE and other capital income	(663,678)	(43,003)
Interest receivable	(250)	(1,278)
Defined benefit pension scheme cost less contributions payable	181,000	133,000
Defined benefit pension scheme finance cost	28,000	21,000
Decrease / (increase) in stocks	4,410	(1,081)
(Increase) / decrease in debtors	(177,405)	55,947
Increase / (decrease) in creditors	122,017	(71,673)
Net cash used in Operating Activities	<u>(121,170)</u>	<u>(103,173)</u>

### 20 Cash flows from investing activities

	2020/21	2019/20
	£	£
Dividends, interest and rents from investments	250	1,278
Purchase of tangible fixed assets	-	(68,138)
Capital grants from DfE Group	148,896	43,003
Net cash provided by / (used in) investing activities	<u>149,146</u>	<u>(23,857)</u>

### 21 Analysis of cash and cash equivalents

	2020/21	2019/20
	£	£
Cash at bank and in hand	<u>786,066</u>	<u>758,090</u>

### 22 Analysis of changes in net debt

	At 1 September 2020	Cash flows	Acquisition/ disposal of subsidiaries	New finance leases	Other non-cash changes	At 31 August 2021
	£	£	£	£	£	£
Cash	758,090	27,976	-	-	-	786,066
Total	<u>758,090</u>	<u>27,976</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>786,066</u>

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 23 Members liability

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

### 24 Pension and similar obligations

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

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

Contributions amounting to £nil were payable to the schemes at 31 August 2021 (2020: £78,081) and are included within creditors.

#### Teachers' Pension Scheme

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

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 24 Pension and similar obligations (continued)

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £562,352 (2020: £548,486).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was as follows:

	2021	2020
	£	£
Employer's contributions	117,000	130,000
Employees' contributions	39,000	39,000
	<u>156,000</u>	<u>169,000</u>

The agreed contribution rates for future years are 18.9% for employers and 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an Academy Trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

#### Principal actuarial assumptions

	2021	2020
Rate of increase in salaries	3.6%	3.2%
Rate of increase for pensions in payment/inflation	2.6%	2.2%
Discount rate for scheme liabilities	1.7%	1.7%
Inflation assumption (CPI)	<u>2.6%</u>	<u>2.2%</u>

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

	2021	2020
Retiring today		
Males	23.1	23.0
Females	<u>25.5</u>	<u>25.5</u>
Retiring in 20 years		
Males	24.8	24.7
Females	<u>27.3</u>	<u>27.2</u>



# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 24 Pension and similar obligations (continued)

Sensitivity analysis	Increase/(reduction) in defined benefit obligation	
	2021	2020
	£	£
Discount rate +0.1%	(119,000)	(98,000)
Discount rate -0.1%	123,000	102,000
Mortality assumption – 1 year increase	169,000	132,000
Mortality assumption – 1 year decrease	(164,000)	(132,000)

The Academy Trust's share of the assets in the scheme were:

	2021	2020
	£	£
Equities	1,490,000	1,160,000
Gilts	458,000	397,000
Property	154,000	123,000
Cash	21,000	33,000
Other	451,000	332,000
Total market value of assets	<u>2,574,000</u>	<u>2,045,000</u>

The actual return on scheme assets was £381,000 (2020: £70,000).

Amount recognised in the Statement of Financial Activities

	2020/21	2019/20
	£	£
Current service cost	298,000	263,000
Interest income	(36,000)	(36,000)
Interest cost	64,000	57,000
Total amount recognised in the SOFA	<u>326,000</u>	<u>284,000</u>

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 24 Pension and similar obligations (continued)

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

	2020/21	2019/20
	£	£
At 1 September	3,761,000	2,977,000
Current service cost	298,000	263,000
Interest cost	64,000	57,000
Employee contributions	39,000	39,000
Actuarial loss	404,000	435,000
Benefits paid	(8,000)	(10,000)
At 31 August	<u>4,558,000</u>	<u>3,761,000</u>

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

	2020/21	2019/20
	£	£
At 1 September	2,045,000	1,816,000
Interest income	36,000	36,000
Actuarial gain	345,000	34,000
Employer contributions	117,000	130,000
Employee contributions	39,000	39,000
Benefits paid	(8,000)	(10,000)
At 31 August	<u>2,574,000</u>	<u>2,045,000</u>

# Eggar's School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 25 Related party transactions

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

#### Expenditure Related Party Transactions:

Di Owen Marketing - a business controlled by a close friend of L Danks (trustee):

- The academy trust purchased marketing services totalling £15,435 (2020: £12,439) during the period. £2,995 was owed to Di Owen Marketing at 31 August 2021 (2020: £nil).
- The Academy Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which L Danks neither participated in, nor influenced.
- In entering into the transaction the Academy Trust has complied with the requirements of the Academies Financial Handbook 2020.
- The element above £2,500 has been provided 'at no more than cost' and Di Owen Marketing has provided a statement of assurance confirming this.