

Eggar's School
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2022

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
Stephen Dunne (appointed 6 December 2022)
Alison Harris (appointed 6 December 2022)
Gareth Morgan (appointed 6 December 2022)
L Hillan (resigned 7 December 2021)
E McBriarty (resigned 7 December 2022)
E Stokes (resigned 7 December 2022)
M Green (resigned 7 December 2021)

Trustees:

L Campbell
M Green
L Hillan
J Keen
K Maddock
E McBriarty
J McKell
D Myerscough (appointed 6 December 2021)
D Reseigh
E Stokes
P Sullivan
C Terry (appointed 6 December 2021)
R White
M Young (appointed 6 December 2021)
D Allen (resigned 12 September 2022)
K Arrowsmith-Oliver (resigned 21 July 2022)
L Danks (resigned 5 July 2022)

Company Secretary

J Finnimore (School Business Manager)

Senior Management Team:

P Sullivan (Head Teacher)
S Kinteh (Deputy Head Teacher)
S Laycock (Assistant Head Teacher)
J Finnimore (School Business Manager)
C Daish (Assistant Head Teacher)
C Legg (Assistant Head Teacher)

Eggar's School

Reference and Administrative Details

Company Name
Eggar's School

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 LLP
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 2022. 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 ages 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 893 in the school year 2021-22.

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 Trust Board. Trustee appointments considered the skills required by the trust board, 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 Trustees first conducts a bespoke informal induction session with all new trustees. During her fourteen years in governance at two schools, including eight years chairing at Eggar's School, 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 trustees 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 and Development and Training Governor (DTG), who works as a Tutor presenting training courses for HCC Governor Services, support the trustees in their development and training plans. Each year as part of the HGS training package, a Whole Governing Body training course is held at the school on a topic chosen by the trust board. The 2021-22 session, held in January, was 'Inclusion, Attendance and Wellbeing'. The 2022-23 topic, set at the very start of the academic year in September, was 'Safeguarding', newly required for all governors/trustees; the Eggar's School trustees were the first to receive this training through HCC Governor Services. Each Spring an internal trustee conference, a 'Strategy 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 Full Trust Board operates a system of clerked committees with delegated responsibilities. All minutes are presented and reported on at the-half termly Full Trust Board meetings. Each committee has set Terms of Reference agreed by the Full Trust Board and reviewed annually. Major issues are referred to the Full Trust Board for ratification.

Arrangements for setting pay and remuneration of key management personnel

The Trust Board sets 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 Trust Board 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

Eggar's School

Trustees' Report

Arrangements for setting pay and remuneration of key management personnel (continued)

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

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
None	None

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	None
1%-50%	None
51%-99%	None
100%	None

Percentage of pay bill spent on facility time

Total cost of facility time	None
Total pay bill	None
Percentage of the total pay bill spent on facility time	None

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	None
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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 ruined this super programme, we have been able to reintroduce it during 2022; 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 summers of 2020 to 2022, including a 2021 Summer School and the reintroduction of our Bonding Days in Summer 2022.

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. Through this partnership, we provide different curriculum opportunities, share sporting facilities, as well as offer opportunities for work experience for pupils from both schools.

Eggar's School

Trustees' Report

Related Parties and other Connected Charities and Organisations (continued)

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 fundraising and a trip to a school in Ghana every other year; the 2021 trip has been deferred to 2023.

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

The Eggar's PTA are a 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 volunteered during the Coronavirus Pandemic to assist the school with mass testing when pupils returned to school in March 2022. Unsurprisingly, as the activities and opportunities for involvement dwindled during the pandemic, so did the PTA numbers. Led by a dynamic parent/officer, in collaboration with the school's marketing consultant, a PTA relaunch is set for mid-October, capitalising on the 'return to normalcy' and a resurgence of enthusiasm in the parent community.

The school is connected to the Eggar's Grammar School, 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.

Objectives and Activities

Objects 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.

Eggar's School

Trustees' Report

Objectives, Strategies and Activities

The main objects and aims for 2021-22, as set out in the strategic school improvement plan (SSIP), 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.

Strategic Report

Achievements and Performance

	Eggar's 2021/22	Eggar's 2020/21	Eggars 2019/20
Basics 4+ inc Eng & Maths	80.7%	74.3%	82.4%
Basics 5+ inc Eng & Maths	56.4%	50.0%	60.5%
A8	53.34	54.33	54.85
English Language 4+	84.2%	83.6%	86.3%
Maths 4+	87.6%	77.6%	85.9%
EBacc entered	40.6%	46.7%	41.5%
EBacc achieved	36.6%	34.9%	32.7%

Eggar's School

Trustees' Report

Key Performance Indicators

- Attendance in 2021-22 92.5% (2020-21 94.2%)
- Staffing costs as a percentage of General Annual Grant income are 81.0% (2020-21 85.3%)
- Staffing costs as a percentage of total costs are 76% (2020-21 65.5%)
- 2021-22 funded number on roll 925
- 2022-23 funded number on roll 893
- Current number on roll 844

Going Concern

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

Financial Review

The 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 91.3% (2021: 92.3%) of the revenue income received in 2021/22. Income for 2021/22 was based upon 925 students, the academy will receive funding for 893 students in 2022-23. The Academy's Strategic plan is to continue in its aim of maintaining and growing its number on roll.

The academy was heavily impacted by staff absence due to COVID-19, resulting in a high increase in supply costs. There were also the intangible costs of educating year groups at home, on a rotating basis, during March. Whilst our home learning platforms are very well established, the cost to students of not being educated in school is unquantifiable.

Fortunately, the academy was able to return to holding Open events to showcase our school and to run its Primary Liaison programme, which provides students from the local community and beyond the opportunity to experience life at Eggar's. Both these strategies helped prevent a repeat of the large drop in Year 7 intake numbers we experienced last year. Nevertheless, we continue to operate with only one Deputy Head Teacher instead of two and we have had to abandon plans to repair an access road at the back of the school (which provides delivery-vehicle approach to our Refectory), in a bid to minimise a negative impact on our reserves.

Extra COVID-19 funding was deployed to help fund the continued higher costs of cleaning, supply teacher provision and investment in well-being and pastoral support.

Eggar's School

Trustees' Report

Reserves Policy

The reserves as at 31 August 2022 were as follows:

- Unrestricted (free) reserves of £555,809
- A restricted fixed asset fund on £11,259,684, which can only be realised through disposal of tangible fixed assets.
- A pension deficit of £258,000
- Other restricted funds of £502,702
- Total funds of £12,060,195

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 £258,000 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.

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 has been subject to dynamic review by the working party of trustees and a report provided to the Full Trust Board as an agenda item. Risk Register review is an ongoing process, and the most recent version is on the agenda for review, discussion and approval at the October meeting of the Full Trust Board.

Fundraising

As part of its work within the community, the Academy Trust undertakes fundraising activities, for example through fetes, cake sales, non-uniform days, sponsored events, house activities, crowd funding etc. The Academy Trust raises funds in order to support its own operations and also to make donations to local and national charities. The Academy Trust 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 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)
- Systematically develop teacher practice to achieve improved outcomes for all, with continuous focus on impeccable behaviour for learning
- Improve 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
- Invest in solar panels and continue to replace lighting with LED lights in order to mitigate recent increase in electricity costs.

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 5 December 2022 and signed on the board's behalf by:

Lisa L. Hillan
Lisa L. Hillan (Dec 8, 2022 15:59 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 six 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	1	6
Keith Arrowsmith-Oliver (to 21.07.22)	4	6
Linda Campbell	5	6
Lesley Danks (to 05.07.22)	5	6
Martin Green	5	6
Lisa Hillan	4	6
Jackie Keen	4	6
Kandy Maddock	5	6
Emma McBriarty	4	6
Jim McKell	5	6
David Myerscough (from 06.12.21)	3	4
Daryl Reseigh	5	6
Liz Stokes	1	6
Patrick Sullivan	4	6
Cate Terry (from 06.12.21)	3	4
Ruth White	3	6
Mark Young (from 06.12.21)	3	4

Keith Arrowsmith-Oliver completed his term as a Community Governor/Trustee, carrying on as a Member. Three new Trustees were appointed to fill vacancies; two parent trustee terms of office will expire in November 2022, with elections to be held.

Eggar's School

Governance Statement

Governance (continued)

During the 2021-22 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 trustees 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 trustees. Despite these difficulties it has been decided that sub-committee meetings will continue online while Board of Trustee meetings will be held face to face.

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 has added 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; all of these has continued to impact through this academic year; especially evident in Year 9 students who were leaving primary school when the first Covid lockdown occurred. 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 and 2021 have resulted in a decline in incoming Year 7 students in September 2021 and 2022. 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 2021-22 academic year with several projects underway, with emphasis on a working party to revamp our Risk Register. Over 2020-21 and 2021-22, we conducted a thorough review of the administrative roles and responsibilities essential to supporting the Trust Board, prompted by our Clerk's retirement in July 2022; an experienced Governance Professional and Clerk was appointed and started on 1st September. Our Academy Trust's Articles of Association from 2012 were sufficiently out of date that substantial revisions were necessary. On the advice of Hampshire County Council's Governor Services, we deferred filling two trustee vacancies, and aware of pending trustee retirements, and co-opted three trustees based on their skill sets and areas of expertise, particularly as regards Health & Safety, as 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 few years, 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 24 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.

Conflicts of interest:

An up-to-date and complete register of interests is maintained by the Governance Professional and finance manager. At the commencement of all meetings attendees are asked to declare any conflicts of interest—including any potential appearance of conflict—and leave the meeting at any point where decisions are made in relation to this.

Governance reviews:

We have always benefitted from the insights and analysis of our external advisors but layering the 'internal scrutiny' process starting in 2022 has been especially helpful and impactful. The objective, dispassionate assessments by Jill McColl have brought into focus much-needed steps. These have included:

- Revision of our Articles, based on the current Model Articles of Association for Academy Trusts
- Formal adoption of a Scheme of Delegation
- Full and comprehensive revision of our Terms of Reference (TOR), for our Finance & Personnel and Curriculum & Standards committees and the creation of TORs for our Full Trust Board.
- Six newly empanelled Members, separate from Trustees, who are a 'dream team' of engaged and dynamic people
- Review of our website documentation undertaken and cross-referenced with Get Information About Schools and Companies House, to ensure all information is consistent and correct.
- Review of our Risk Register to allow the tracking and monitoring of our key risks and risk controls to be an integral part of our business planning and decision-making processes.

Eggar's School

Governance Statement

Governance (continued)

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 Trust Board and to receive reports, monitor and make recommendations to the Full Trust Board. 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	2	5
Lesley Danks	5	5
Lisa Hillan	5	5
Jackie Keen (member of CS&E)	1	1
Kandy Maddock (member of CS&E)	1	1
Emma McBriarty	2	4
David Myerscough	2	3
Daryl Reseigh	3	5
Liz Stokes	3	5
Patrick Sullivan	4	5
Ruth White (member of CS&E)	1	1

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

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:

- Withdrawing from the HCC broadband service and replacing this with a contract with an external company, significantly reducing outgoings.
- Reviewing the staffing structure and not replacing surplus staff when resignations have occurred, in particular, one deputy head teacher.
- Review of colour copier lease, remaining with current supplier but at a reduced cost, but also a faster machine. The current supplier remains the best value for money compared to other suppliers.

Eggar's School

Governance Statement

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 2021 to 31 August 2022 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 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

The Academy 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 employ Jill McCall as internal auditor
- To buy in a Health & Safety (H&S) support service from Ray West

Eggar's School

Governance Statement

The Risk and Control Framework (continued)

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 Academy Trust Handbook
- H&S audit and extensive telephone support

In 2021-22 the Internal Scrutiny auditor, Jill McCall, reported to the Board of Trustees twice 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.

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:

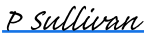
- the work of the internal auditor
- the work of the external auditor
- the school resource management self-assessment tool
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

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 5 December 2022 and signed on its behalf by:


Lisa L. Hillan (Dec 8, 2022 15:59 GMT)

L Hillan
Chair of Trustees


P Sullivan (Dec 14, 2022 12:09 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 Academy Trust Handbook 2021.

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 Academy Trust Handbook 2021.

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.

P Sullivan

P Sullivan (Dec 14, 2022 12:09 GMT)

P Sullivan
Accounting Officer
5 December 2022

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 2021 to 2022
- 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 5 December 2022 and signed on its behalf by:


Lisa L. Hillan (Dec 8, 2022 15:59 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 2022 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 2021 to 2022 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 2022 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 2021 to 2022.

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 Academy Trust Handbook 2021, and the Academies Accounts Direction 2021 to 2022.
- 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. 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 14, 2022 14:29 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 14/12/2022

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 1 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, 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 2021 to 31 August 2022 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 Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 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 Academy Trust Handbook (effective from 1 September 2021) (ATH).
- Review of any special payments to staff, including compromise agreements, to consider whether prior approval was sought where required by the ATH 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 ATH.
- 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 ATH.
- Review of governance arrangements to determine whether the requirements of the ATH 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 2021 to 31 August 2022 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 14, 2022 14:29 GMT)

J Flood ACA

Reporting Accountant

Hopper Williams & Bell Limited

Chartered Accountants

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

Date 14/12/2022

Eggar's School

Statement of Financial Activities for the year ended 31 August 2022 (including Income and Expenditure Account)

	Note	Un- restricted funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2021/22 Total £	2020/21 Total £
Income and endowments from:							
Donations and capital grants	3	4,580	-	-	19,643	24,223	663,678
Other trading activities	5	74,909	-	-	-	74,909	49,119
Investments	6	98	-	-	-	98	250
Charitable activities:							
Funding for the academy trust's educational operations	4	-	5,826,954	-	-	5,826,954	6,003,360
Total		79,587	5,826,954	-	19,643	5,926,184	6,716,407
Expenditure on:							
Charitable activities:							
Academy trust educational operations	8	-	5,696,252	280,000	355,644	6,331,896	6,550,082
Net income / (expenditure)		79,587	130,702	(280,000)	(336,001)	(405,712)	166,325
Transfers between funds	16	-	(64,132)	-	64,132	-	-
Other recognised gains / (losses):							
Actuarial gains / (losses) on defined benefit pension schemes	25	-	-	2,006,000	-	2,006,000	(59,000)
Net movement in funds		79,587	66,570	1,726,000	(271,869)	1,600,288	107,325
Reconciliation of funds							
Total funds brought forward		476,222	436,132	(1,984,000)	11,531,553	10,459,907	10,352,582
Total funds carried forward		555,809	502,702	(258,000)	11,259,684	12,060,195	10,459,907

The notes on pages 30 to 51 form part of these financial statements.

Eggar's School

Balance Sheet as at 31 August 2022

Company Number 08036151

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	12		11,219,470		11,368,037
Current assets					
Stock	13	1,328		1,328	
Debtors	14	226,456		944,205	
Cash at bank and in hand		<u>1,238,553</u>		<u>786,066</u>	
		1,466,337		1,731,599	
Liabilities					
Creditors: Amounts falling due within one year	15	<u>(367,612)</u>		<u>(655,729)</u>	
Net current assets			<u>1,098,725</u>		<u>1,075,870</u>
Total assets less current liabilities			12,318,195		12,443,907
Defined benefit pension scheme liability	25		(258,000)		(1,984,000)
Total net assets			<u>12,060,195</u>		<u>10,459,907</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	16	11,259,684		11,531,553	
Restricted income fund	16	502,702		436,132	
Pension reserve	16	<u>(258,000)</u>		<u>(1,984,000)</u>	
Total restricted funds			11,504,386		9,983,685
Unrestricted income funds	16		555,809		476,222
Total funds			<u>12,060,195</u>		<u>10,459,907</u>

The financial statements on pages 27 to 51 were approved by the trustees and authorised for issue on 5 December 2022 and are signed on their behalf by:

Lisa L. Hillan

Lisa L. Hillan (Dec 8, 2022 15:59 GMT)

L Hillan

Chair of Trustees

The notes on pages 30 to 51 form part of these financial statements.

Eggar's School

Statement of Cash Flows for the year ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	20	496,393	(121,170)
Cash flows from investing activities	21	(43,906)	149,146
Change in cash and cash equivalents in the reporting period		<u>452,487</u>	<u>27,976</u>
Cash and cash equivalents at 1 September 2021		786,066	758,090
Cash and cash equivalents at 31 August 2022	22	<u>1,238,553</u>	<u>786,066</u>

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2022

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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the Academy Trust and are rounded to the nearest £1.

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 2022

Income (continued)

- 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 2022

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

No depreciation has been provided on long leasehold land 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 2022

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 2022

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 2022

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 2022. 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 25.

Critical areas of judgement

There are no other critical areas of judgement.

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Academy Trust was subject to limits at 31 August 2022 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy Trust has not exceeded these limits during the year ended 31 August 2022.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Capital grants	-	19,643	19,643	663,678
Other donations	4,580	-	4,580	-
	<u>4,580</u>	<u>19,643</u>	<u>24,223</u>	<u>663,678</u>
Total 2021	-	663,678	663,678	

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2022

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
DfE / ESFA grants				
General Annual Grant (GAG)	-	5,080,875	5,080,875	4,860,000
Pupil Premium	-	145,930	145,930	154,293
Rates reclaim	-	43,520	43,520	34,212
Year 7 catch up grant	-	22,159	22,159	-
Teachers' pay grant	-	-	-	65,432
Teachers' pension grant	-	-	-	184,895
Other DfE grants	-	116,626	116,626	16,800
	-	5,409,110	5,409,110	5,315,632
Other government grants				
Local authority grants	-	85,816	85,816	57,937
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	-	-	-	22,708
Summer schools programme fund	-	-	-	27,162
	-	-	-	49,870
COVID-19 additional funding (non-DfE/ESFA)				
Other Coronavirus funding	-	-	-	62,867
Other income from the Academy Trust's educational operations				
Trip income	-	36,299	36,299	5,168
Tuition fee income	-	25,704	25,704	22,399
Catering income	-	128,359	128,359	19,951
Other income	-	141,666	141,666	469,536
	-	332,028	332,028	517,054
	-	5,826,954	5,826,954	6,003,360
Total 2021	-	6,003,360	6,003,360	

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Notes to the Financial Statements for the Year Ended 31 August 2022

5 Other trading activities

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Hire of facilities	74,909	-	74,909	49,119
Total 2021	49,119	-	49,119	

6 Investment income

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Short term deposits	98	-	98	250
Total 2021	250	-	250	

7 Expenditure

	Staff costs £	Non Pay Expenditure		Total 2021/22 £	Total 2020/21 £
		Premises £	Other £		
Academy's educational operations:					
Direct costs	3,768,153	-	381,440	4,149,593	4,008,035
Allocated support costs	842,165	747,150	592,988	2,182,303	2,542,047
	4,610,318	747,150	974,428	6,331,896	6,550,082
Total 2021	4,460,320	1,251,017	838,745	6,550,082	

Net income/(expenditure) for the period includes:

	2021/22 £	2020/21 £
Operating lease rentals	86,060	89,507
Depreciation	212,214	218,411
Fees payable to auditor for:		
Audit	8,100	6,830
Other services	6,235	5,345

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000	
		Amount £	Reason
Unrecoverable debts	2,825	-	-

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2022

8 Charitable activities

	2021/22	2020/21
	Total	Total
	£	£
Direct costs – educational operations	4,149,593	4,008,035
Support costs – educational operations	2,182,303	2,542,047
	<u>6,331,896</u>	<u>6,550,082</u>

Analysis of support costs:

	Teaching school hub	Educational operations	2021/22	2020/21
	£	£	Total	Total
	£	£	£	£
Support staff costs	-	842,165	842,165	737,765
Depreciation	-	212,214	212,214	218,411
Technology costs	-	92,033	92,033	82,084
Premises costs	-	747,150	747,150	1,251,017
Legal costs - other	-	1,732	1,732	-
Other support costs	-	269,484	269,484	242,470
Governance costs	-	17,525	17,525	10,300
Total support costs	-	<u>2,182,303</u>	<u>2,182,303</u>	<u>2,542,047</u>
Total 2021	-	<u>2,542,047</u>	<u>2,542,047</u>	

Premises costs includes £143,430 (2021: £555,094) 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 2022

9 Staff

a) Staff costs

Staff costs during the period were:

	2021/22	2020/21
	£	£
Wages and salaries	3,216,357	3,175,069
Social security costs	331,703	322,416
Pension costs	936,122	862,224
	<u>4,484,182</u>	<u>4,359,709</u>
Agency staff costs	126,136	84,375
Staff restructuring costs	-	16,236
	<u>4,610,318</u>	<u>4,460,320</u>

Staff restructuring costs comprise:

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

b) Staff numbers

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

	2021/22	2020/21
	No.	No.
Teachers	54	57
Administration and support	36	30
Management	6	7
	<u>96</u>	<u>94</u>

c) Higher paid staff

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

	2021/22	2020/21
	No.	No.
£60,001 - £70,000	1	1
£70,001 - £80,000	1	2
£90,001 - £100,000	1	1

d) 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 £527,525 (2021: £613,611).

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2022

10 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:

		2021/22	2020/21
		£000	£000
L Danks	Remuneration	40-45	40-45
(Staff trustee)	Employer's pension contributions paid	0-5	5-10
P Sullivan	Remuneration	95-100	90-95
(Staff trustee)	Employer's pension contributions paid	20-25	20-25
D Reseigh	Remuneration	35-40	35-40
(Staff trustee from 8 November 2019)	Employer's pension contributions paid	5-10	5-10

During the period ended 31 August 2022, no trustees received any reimbursement of expenses (2021: £58 to one trustee).

11 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 2022 was £173 (2021: £173). The cost of this insurance is included in the total insurance cost.

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Notes to the Financial Statements for the Year Ended 31 August 2022

12 Tangible fixed assets

	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost					
At 1 September 2021	12,651,483	306,854	276,500	27,515	13,262,352
Acquisitions	-	-	63,647	-	63,647
At 31 August 2022	<u>12,651,483</u>	<u>306,854</u>	<u>340,147</u>	<u>27,515</u>	<u>13,325,999</u>
Depreciation					
At 1 September 2021	1,353,442	277,536	257,375	5,962	1,894,315
Charged in year	164,007	23,284	19,420	5,503	212,214
At 31 August 2022	<u>1,517,449</u>	<u>300,820</u>	<u>276,795</u>	<u>11,465</u>	<u>2,106,529</u>
Net book values					
At 31 August 2021	11,298,041	29,318	19,125	21,553	11,368,037
At 31 August 2022	<u>11,134,034</u>	<u>6,034</u>	<u>63,352</u>	<u>16,050</u>	<u>11,219,470</u>

13 Stock

	2021/22 £	2020/21 £
Other stocks	<u>1,328</u>	<u>1,328</u>

14 Debtors

	2021/22 £	2020/21 £
Trade debtors	6,163	14,222
VAT recoverable	47,026	126,931
Prepayments and accrued income	173,267	803,052
	<u>226,456</u>	<u>944,205</u>

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Notes to the Financial Statements for the Year Ended 31 August 2022

15 Creditors: amounts falling due within one year

	2021/22	2020/21
	£	£
Trade creditors	104,557	106,832
Other taxation and social security	80,282	81,426
Other creditors falling due within one year	353	20
Accruals and deferred income	182,420	467,451
	<u>367,612</u>	<u>655,729</u>

	2021/22	2020/21
	£	£
Deferred income at 1 September 2021	154,367	93,543
Released from previous years	(154,367)	(93,543)
Resources deferred in the year	102,927	154,367
Deferred income at 31 August 2022	<u>102,927</u>	<u>154,367</u>

At the balance sheet date, the academy trust was holding funds received in advance of £10,000 (2021: £20,000) in respect of deferred lettings income, and £92,927 (2021: £134,367) of other income relating to the forthcoming financial year.

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2022

16 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2022 £
Restricted general funds						
General Annual Grant (GAG)	436,132	5,080,875	(5,014,305)	-	-	502,702
Pupil premium	-	145,930	(145,930)	-	-	-
Rates reclaim	-	43,520	(43,520)	-	-	-
Year 7 catch up grant	-	22,159	(22,159)	-	-	-
Other DfE grants	-	116,626	(116,626)	-	-	-
Local authority grants	-	85,816	(85,816)	-	-	-
Other educational activities	-	332,028	(267,896)	(64,132)	-	-
	436,132	5,826,954	(5,696,252)	(64,132)	-	502,702
Pension reserve	(1,984,000)	-	(280,000)	-	2,006,000	(258,000)
	(1,547,868)	5,826,954	(5,976,252)	(64,132)	2,006,000	244,702
Restricted fixed asset funds						
Fixed asset fund	11,368,037	-	(212,214)	63,647	-	11,219,470
ESFA capital grants (DFC)	20,571	19,643	-	-	-	40,214
ESFA capital grants (CIF)	142,945	-	(143,430)	485	-	-
	11,531,553	19,643	(355,644)	64,132	-	11,259,684
Total restricted funds	9,983,685	5,846,597	(6,331,896)	-	2,006,000	11,504,386
Total unrestricted funds	476,222	79,587	-	-	-	555,809
Total funds	10,459,907	5,926,184	(6,331,896)	-	2,006,000	12,060,195

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2022

16 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.

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Notes to the Financial Statements for the Year Ended 31 August 2022

16 Funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2021 £
Restricted general funds						
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)
Restricted fixed asset funds						
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
Total restricted funds	9,870,819	6,667,038	(6,549,733)	54,561	(59,000)	9,983,685
Total unrestricted funds	481,763	49,369	(349)	(54,561)	-	476,222
Total funds	10,352,582	6,716,407	(6,550,082)	-	(59,000)	10,459,907

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2022

17 Analysis of net assets between funds

	Un- restricted funds £	Restricted general funds £	Restricted pension funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	11,219,470	11,219,470
Current assets	555,809	870,314	-	40,214	1,466,337
Current liabilities	-	(367,612)	-	-	(367,612)
Pension scheme liability	-	-	(258,000)	-	(258,000)
Total net assets	555,809	502,702	(258,000)	11,259,684	12,060,195

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	-	-	-	11,368,037	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)
Total net assets	476,222	436,132	(1,984,000)	11,531,553	10,459,907

18 Capital commitments

	2021/22 £	2020/21 £
Contracted for, but not provided in the financial statements	-	142,945

19 Long-term commitments, including operating leases

Operating leases

At 31 August 2022 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2021/22 £	2020/21 £
Amounts due within one year	92,760	88,344
Amounts due between one and five years	189,391	245,362
	282,151	333,706

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Notes to the Financial Statements for the Year Ended 31 August 2022

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

	2021/22	2020/21
	£	£
Net (expenditure) / income for the reporting period	(405,712)	166,325
Adjusted for:		
Depreciation	212,214	218,411
Capital grants from DfE and other capital income	(19,643)	(663,678)
Interest receivable	(98)	(250)
Defined benefit pension scheme cost less contributions payable	248,000	181,000
Defined benefit pension scheme finance cost	32,000	28,000
Decrease in stocks	-	4,410
Decrease / (increase) in debtors	717,749	(177,405)
(Decrease) / increase in creditors	(288,117)	122,017
Net cash provided by / (used in) Operating Activities	<u>496,393</u>	<u>(121,170)</u>

21 Cash flows from investing activities

	2021/22	2020/21
	£	£
Dividends, interest and rents from investments	98	250
Purchase of tangible fixed assets	(63,647)	-
Capital grants from DfE Group	19,643	148,896
Net cash (used in) / provided by investing activities	<u>(43,906)</u>	<u>149,146</u>

22 Analysis of cash and cash equivalents

	2021/22	2020/21
	£	£
Cash at bank and in hand	<u>1,238,553</u>	<u>786,066</u>

23 Analysis of changes in net debt

	At 1 September 2021	Cash flows	Acquisition/ disposal of subsidiaries	New finance leases	Other non-cash changes	At 31 August 2022
	£	£	£	£	£	£
Cash	786,066	452,487	-	-	-	1,238,553
Total	<u>786,066</u>	<u>452,487</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,238,553</u>

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2022

24 Members liability

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

25 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.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2022

25 Pension and similar obligations (continued)

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

The employer's pension costs paid to TPS in the period amounted to £475,342 (2021: £562,352).

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 2022 was as follows:

	2022	2021
	£	£
Employer's contributions	129,000	117,000
Employees' contributions	42,000	39,000
	<u>171,000</u>	<u>156,000</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

	2022	2021
Rate of increase in salaries	3.7%	3.6%
Rate of increase for pensions in payment/inflation	2.7%	2.6%
Discount rate for scheme liabilities	4.1%	1.7%
Inflation assumption (CPI)	<u>2.7%</u>	<u>2.6%</u>

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

	2022	2021
Retiring today		
Males	22.9	23.1
Females	<u>25.4</u>	<u>25.5</u>
Retiring in 20 years		
Males	24.7	24.8
Females	<u>27.1</u>	<u>27.3</u>

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2022

25 Pension and similar obligations (continued)

Sensitivity analysis

	Increase/(reduction) in defined benefit obligation	
	2022	2021
	£	£
Discount rate +0.1%	(78,000)	(119,000)
Discount rate -0.1%	81,000	123,000
Mortality assumption – 1 year increase	81,000	169,000
Mortality assumption – 1 year decrease	(81,000)	(164,000)

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

	2022	2021
	£	£
Equities	1,587,000	1,490,000
Gilts	417,000	458,000
Property	214,000	154,000
Cash and other liquid assets	25,000	21,000
Other	498,000	451,000
Total market value of assets	<u>2,741,000</u>	<u>2,574,000</u>

The actual return on scheme assets was a loss of £173,000 (2021: a gain of £381,000).

Amount recognised in the Statement of Financial Activities

	2021/22	2020/21
	£	£
Current service cost	377,000	298,000
Interest income	(47,000)	(36,000)
Interest cost	79,000	64,000
Total amount recognised in the SOFA	<u>409,000</u>	<u>326,000</u>

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2022

25 Pension and similar obligations (continued)

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

	2021/22	2020/21
	£	£
At 1 September	4,558,000	3,761,000
Current service cost	377,000	298,000
Interest cost	79,000	64,000
Employee contributions	42,000	39,000
Actuarial (gain) / loss	(2,226,000)	404,000
Benefits paid	169,000	(8,000)
At 31 August	<u>2,999,000</u>	<u>4,558,000</u>

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

	2021/22	2020/21
	£	£
At 1 September	2,574,000	2,045,000
Interest income	47,000	36,000
Actuarial (loss) / gain	(220,000)	345,000
Employer contributions	129,000	117,000
Employee contributions	42,000	39,000
Benefits paid	169,000	(8,000)
At 31 August	<u>2,741,000</u>	<u>2,574,000</u>

26 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. 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 from Di Owen Marketing totalling £15,699 (2021: £15,435) during the period. There were no amounts outstanding at 31 August 2022 (2021: £2,995).
- 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 Academy Trust Handbook 2021.
- 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.