

Eggar's School
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2023

Company Registration Number:
08036151 (England and Wales)



Eggar's School

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Eggar's School

Reference and Administrative Details

Members

Keith Arrowsmith-Oliver
Stephen Dunne
Alison Harris
Gareth Morgan
Steven Williams (resigned 22 May 2023)
Denise Allen (appointed 14 September 2022)

Trustees

Neil Brand (appointed 17 October 2022)
Linda Campbell
Natalie Drew (appointed 1 December 2022)
Martin Green
Lisa Hillan
Sarah Holman (appointed 1 September 2023)
Jacqueline Keen
Emma McBriarty
David Myerscough
Elizabeth Stokes
Catherine Terry
Mark Young
Denise Allen (resigned 12 September 2022)
Katherine Maddock (resigned 8 November 2022)
James Mckell (resigned 20 July 2023)
Daryl Reseigh (resigned 7 November 2023)
Patrick Sullivan (resigned 31 August 2023)
Ruth White (resigned 13 October 2023)

Company Secretary

Juliet Woolman

Senior Management Team

P Sullivan (Headteacher to 31 August 2023)
S Holman (Headteacher from 1 September 2023)
S Kinteh (Deputy Headteacher)
S Laycock (Assistant Headteacher)
C Daish (Assistant Headteacher)
C Legg (Assistant Headteacher)
J Finnimore (School Business Manager to 31 December 2022)
S Harvey-Forrester (School Business Manager from 31 October 2022)

Company Name

Eggar's School

Eggar's School

Reference and Administrative Details

Principal and Registered Office

London Road
Holybourne
Alton
Hampshire
GU34 4EQ

Company Registration Number

08036151 (England and Wales)

Independent Auditor

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

Bankers

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

Solicitors

Veale Wasbrough Vizards
Orchard Court
Orchard Lane
Bristol
BS1 5WS

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

Eggar's School

Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2023. 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 2022-23.

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 the DfE RPA insurance. The insurance provides cover for up to £10,000,000 for any one loss and any one membership year.

Method of Recruitment and Appointment or Election of Trustees

The academy appoints Trustees in accordance with clauses 45 – 56 of its Articles of Association. Parent Trustee vacancies are filled through advertisement and a ballot by parents. 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.

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 nearly twenty years in governance at two schools, including nine years chairing at Eggar's School, the Chair has conducted approximately twenty informal inductions. As part of passing the baton to the incoming Chair, interest and induction sessions are being conducted jointly.

Eggar's School

Trustees' Report

Policies and Procedures Adopted for the Induction and Training of Trustees (continued)

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) supports 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 2022-23 session, held in January, was 'Safeguarding'. The 2023-24 topic, to held on 6th September, is "Finance" with focus on 1) Trustees' duties, 2) monitoring and challenging finance reports using the school's most recent financial documents, and 3) illustrations of good governance in discharging the core function of overseeing the school's financial performance. Each Spring an internal trustee conference, a 'Strategy Saturday', has been held to review the vision, ethos and strategic direction of the school. In 2023-24, Trustees will move to termly strategic sessions. This Autumn term, the Trustees have agreed to an extended Full Trustee Board meeting, to review the school's new Strategic School Improvement Plan.

Organisational Structure

The Headteacher 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 and have continued with during 2023; 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 2023, 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 was deferred to 2023; but was a successful trip with 25 students and teachers visiting Mankoadze Village and Vocational College.

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 PTA 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 took place in Autumn 2022, capitalising on the 'return to normalcy' and a resurgence of enthusiasm in the parent community. Event hospitality is now once again raising necessary funds for Eggar's School.

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

With Headteacher Sarah Holman newly in post, a top priority is the development as a matter of urgency of a new School Improvement Plan (SIP). The main objects and aims for 2022-23, as set out in the Strategic School Improvement Plan (SSIP), remain in place until completion and adoption of the new SIP, and are as follows:

1. Teaching Learning and Assessment:
 - a. QUEST
 - b. Eggar's Learner

2. Well-Being:
 - a. Wellbeing of staff
 - b. Wellbeing of students
 - c. Wellbeing of families

3. Curriculum:
 - a. Key stage 3 and Key stage 4 curriculum development
 - b. Recovery/Catch-up curriculum

4. Eggar's Experience:
 - a. Eggar's Enrichment Activities (including sports, trips & visits)
 - b. Student Leadership
 - c. Home Learning

5. Sustainability
 - a. Budget & Facilities
 - b. Community & Business development including recycling

The new 2023-2024 school improvement priorities are

1. High Quality Curriculum
2. High Quality teaching and behaviour for learning
3. Impactful intervention and improved outcomes for Year 11
4. High expectations of attendance and inclusion
5. Community: School of choice

The progress and impact of the Improvement Plan will be discussed in the 2023 -24 Trustees' Report.

Public Benefit

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

Eggar's School

Trustees' Report

Strategic Report

Achievements and Performance

	Eggar's 2022/23	Eggar's 2021/22	Eggar's 2020/21
Basics 4+ inc Eng & Maths	76.7%	80.7%	74.3%
Basics 5+ inc Eng & Maths	50.3%	56.4%	50.0%
A8	49.33%	53.69%	54.33
English Language 4+	71.4%	84.2%	83.6%
Maths 4+	85.9%	87.6%	77.6%
EBacc entered	32.6%	40.6%	46.7%
EBacc achieved	25.9%	36.6%	34.9%

Key Performance Indicators

- Attendance in 2022-23 89.35% (2021-22 92.5%)
- Staffing costs as a percentage of General Annual Grant income are 94.0% (2021-22 81.0%)
- Staffing costs as a percentage of total costs are 75% (2021-22 76%)
- 2022-23 funded number on roll 893
- 2023-24 funded number on roll 843
- Current number on roll 850

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 mindful of the challenging economic circumstances facing Eggar's School—and many schools at this time—and continue to engage in robust analysis and monitoring of the school's financial position. We are developing a Deficit Recovery Scheme based on realistic and cautious financial projections as we work toward 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 88.7% (2022: 91.7%) of the revenue income received in 2022/23. Income for 2022/23 was based upon 893 students, the academy will receive funding for 843 students in 2023-24. The Academy's Strategic plan is to continue in its aim of maintaining and growing its number on roll.

Eggar's School

Trustees' Report

Financial Review (continued)

Fortunately, the academy has been 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 recently experienced. Nevertheless, we continue to operate with only one Deputy Headteacher instead of two and are reviewing the replacement of staff after resignations on a case-by-case basis, in a bid to minimise a negative impact on our reserves.

Reserves Policy

The reserves as at 31 August 2023 were as follows:

- Unrestricted (free) reserves of £653,374 (2022: £555,809)
- A restricted fixed asset fund of £11,133,066 (2022: £11,259,684), which can only be realised through disposal of tangible fixed assets
- A pension deficit of £83,000 (2022: £258,000)
- Other restricted funds of £113,200 (2022: £502,702)
- Total funds of £11,816,640 (2022: £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; and
- 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:

- 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 an ongoing dynamic review by the working party of Trustees and a report provided to the Full Trust Board as an agenda item. In July and August, senior Trustees completed a comprehensive review of all areas of the Risk Register, and the most recent version is on the agenda for review, discussion and approval at the December meeting of the Full Trust Board. The Risk Register is a standing agenda item towards the end of every Full Trust Board and committee meeting to ensure that review remains dynamic and Trustees reflect on the risk-related implications of that meeting's discussions and decisions.

After grappling with a rather unwieldy Risk Register in recent years, Trustees now have a more useful and easily navigable living document that enables us to discharge our responsibilities in ensuring a safe, well-maintained and legally compliant school.

Fundraising

As part of its work within the community, the Academy Trust undertakes fundraising activities, for example through fetes, cake sales, non-uniform days 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.

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 reduce the 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 9.84% 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.
- Continue to replace lighting with LED lights 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 6 December 2023 and signed on the Board's behalf by:

Linda Campbell

L Campbell

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 Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between 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 nine 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>
Neil Brand	7	8
Linda Campbell	9	9
Natalie Drew	6	7
Martin Green	5	9
Lisa Hillan	8	9
Jacqueline Keen	7	9
Kandy Maddock	1	2
Emma McBriarty	2	9
Jim McKell	7	9
David Myerscough	5	9
Daryl Reseigh	5	9
Elizabeth Stokes	7	9
Patrick Sullivan	8	9
Catherine Terry	2	9
Ruth White	5	9
Mark Young	8	9

Eggar's School

Governance Statement

Governance (continued)

There have been additional meetings owing to the recruitment of a new Headteacher for September 2023.

During the 2022-23 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.

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. Whilst we continue to monitor the educational performance of the school, as well as the performance management of staff, we have seen how recent 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 the Business 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 over the last three years has been especially helpful and impactful. The objective, dispassionate assessments by Jill McCall 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 Governance and Financial Schemes 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;
- Development of meaningful and rigorous monitoring discussions with the Members, who remain a 'dream team' of engaged and dynamic people;
- Continued review of our website documentation undertaken and cross-referenced with Get Information About Schools, Academies Handbook and Companies House, to ensure all information is consistent, correct and compliant; and
- Substantive revisions and improvements to 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. Review of sections of the Risk Register will become an agenda item for all Trustee meetings.

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 functions 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>
Neil Brand	4	5
Natalie Drew	3	4
Lisa Hillan	6	6
Emma McBriarty	3	6
David Myerscough	3	6
Daryl Reseigh	6	6
Elizabeth Stokes	3	6
Patrick Sullivan	6	6

Attendance at Pay Committee meetings for 2022-23

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Emma McBriarty	1	2
David Myerscough	2	2
Elizabeth Stokes	1	2
Ruth White	2	2

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.

Eggar's School

Governance Statement

Review of Value for Money

As Accounting Officer the Headteacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes as well as estates safety and management, achieved in return for the taxpayer resources received. The Academy has undertaken during the year, the 5 yearly check of electrical wiring and ensured that recommendations were implemented. The Academy contracts with a Health and Safety specialist to ensure regulations are complied with. The Academy also contracts with a company to assist with reactive and statutory maintenance is undertaken. The Trustees undertake a rolling programme of checking including estates.

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:

- Installing Solar panels to reduce energy costs and improve the school's carbon footprint;
- Moving to a new broadband provider, reducing the costs by 75%;
- Continuing to replace outdated lighting with modern LED's; and
- Undertaking the 5-year fixed wiring test and ensuring recommendations were implemented.

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 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy 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 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

Eggar's School

Governance Statement

The Risk and Control Framework

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

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

The Board of Trustees considered the need for a specific internal audit function and decided in 2022-23:

- To employ Jill McCall as internal scrutineer for a third year
- To continue buying in a Health & Safety (H&S) support service from Ray West

The internal scrutineer'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 and recommendations for best governance practices in terms of approach by the Pay Committee;
- Testing of purchase systems;
- Testing of control account/bank reconciliations;
- Testing of compliance with the Academy Trust Handbook; and
- Telephone support to the new Business Manager.

In 2022-23 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 again prepared 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. Jill McCall's informal and formal reports are always shared with all Trustees, not just those on the Finance and Personnel Committee, and the final report is shared with the Members.

Eggar's School

Governance Statement

The Risk and Control Framework (continued)

The internal auditor has delivered their schedule of work as planned; undertaking reviews of:

- Governance arrangements
- Personnel and Payroll procedures
- Capital Projects, funding, budgets and expenditure
- Strategic financial management and reporting
- Risk Management strategies and Risk Registers
- Whistleblowing and Business Continuity

The control issues highlighted were:

- To review the Performance Management Policy and ensure the policy is being adhered to.
- To ensure personnel files are maintained in line with statutory requirements
- Succession planning in place for key roles

The remedial actions taken are:

- The Performance and Capability Policy was revised in January 2023
- A new HR Manager has been employed and personnel files brought up to date
- A programme of work is in place to be reviewed and implemented in the Autumn Term 2023

Review of Effectiveness

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

- the work of the internal scrutineer
- 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 6 December 2023 and signed on its behalf by:

Linda Campbell

L Campbell
Chair of Trustees

Sarah Holman

S Holman
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, including for estates safety and management, under the funding agreement 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 2022, including responsibilities for estates safety and management.

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 2022.

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

Sarah Holman

S Holman

Accounting Officer

6 December 2023

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 2022 to 2023
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the Board of Trustees on 6 December 2023 and signed on its behalf by:

Linda Campbell

L Campbell

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 2023 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 2022 to 2023 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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2022 to 2023.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the 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 the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 2022, and the Academies Accounts Direction 2022 to 2023.
- 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

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 Dec 2023

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 2022 to 2023, 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 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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 2022) (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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

James Flood

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

Date14. Dec. 2023.....

Eggar's School

Statement of Financial Activities for the year ended 31 August 2023 (including Income and Expenditure Account)

	Note	Un- restricted funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2022/23 Total £	2021/22 Total £
Income and endowments from:							
Donations and capital grants	3	21,481	-	-	81,809	103,290	24,223
Other trading activities	5	71,431	-	-	-	71,431	74,909
Investments	6	4,653	-	-	-	4,653	98
Charitable activities:							
Funding for the academy trust's educational operations	4	-	6,112,941	-	-	6,112,941	5,826,954
Total		97,565	6,112,941	-	81,809	6,292,315	5,926,184
Expenditure on:							
Charitable activities:							
Academy trust educational operations	8	-	6,495,573	70,000	215,297	6,780,870	6,331,896
Net income / (expenditure)		97,565	(382,632)	(70,000)	(133,488)	(488,555)	(405,712)
Transfers between funds	17	-	(6,870)	-	6,870	-	-
Other recognised gains / (losses):							
Actuarial gains on defined benefit pension schemes	25	-	-	245,000	-	245,000	2,006,000
Net movement in funds		97,565	(389,502)	175,000	(126,618)	(243,555)	1,600,288
Reconciliation of funds							
Total funds brought forward		555,809	502,702	(258,000)	11,259,684	12,060,195	10,459,907
Total funds carried forward		653,374	113,200	(83,000)	11,133,066	11,816,640	12,060,195

The notes on pages 31 to 53 form part of these financial statements.

Eggar's School

Balance Sheet as at 31 August 2023

Company Number 08036151

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	12		11,114,150		11,219,470
Current assets					
Stock	13	-		1,328	
Debtors	14	183,971		226,456	
Investments	15	101,339		-	
Cash at bank and in hand		768,675		1,238,553	
		<u>1,053,985</u>		<u>1,466,337</u>	
Liabilities					
Creditors: Amounts falling due within one year	16	(268,495)		(367,612)	
Net current assets			<u>785,490</u>		<u>1,098,725</u>
Total assets less current liabilities			<u>11,899,640</u>		<u>12,318,195</u>
Defined benefit pension scheme liability	25		(83,000)		(258,000)
Total net assets			<u>11,816,640</u>		<u>12,060,195</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	17	11,133,066		11,259,684	
Restricted income fund	17	113,200		502,702	
Pension reserve	17	(83,000)		(258,000)	
Total restricted funds			<u>11,163,266</u>		<u>11,504,386</u>
Unrestricted income funds	17		653,374		555,809
Total funds			<u>11,816,640</u>		<u>12,060,195</u>

The financial statements on pages 28 to 53 were approved by the Trustees and authorised for issue on 6 December 2023 and are signed on their behalf by:

Linda Campbell

L Campbell
Chair of Trustees

The notes on pages 31 to 53 form part of these financial statements.

Eggar's School

Statement of Cash Flows for the year ended 31 August 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	20	(355,355)	496,393
Cash flows from investing activities	21	(114,523)	(43,906)
Change in cash and cash equivalents in the reporting period		<u>(469,878)</u>	<u>452,487</u>
Cash and cash equivalents at 1 September 2022		1,238,553	786,066
Cash and cash equivalents at 31 August 2023	22	<u>768,675</u>	<u>1,238,553</u>

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2023

1 Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), 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 2022 to 2023 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 2023

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 2023

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	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 2023

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.

Current asset investments

Current asset investments comprise fixed term bank deposits. These investments are classified as a basic financial instrument and are measured at amortised cost.

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 2023

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.

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Notes to the Financial Statements for the Year Ended 31 August 2023

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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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 2023 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 2023.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	2022/23 Total £	2021/22 Total £
Capital grants	-	81,809	81,809	19,643
Other donations	21,481	-	21,481	4,580
	<u>21,481</u>	<u>81,809</u>	<u>103,290</u>	<u>24,223</u>
<i>Total 2022</i>	<i>4,580</i>	<i>19,643</i>	<i>24,223</i>	

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2023

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2022/23 Total £	2021/22 Total £
DfE / ESFA grants				
General Annual Grant (GAG)	-	5,009,957	5,009,957	5,080,875
Pupil Premium	-	159,449	159,449	145,930
Rates reclaim	-	25,600	25,600	43,520
Year 7 catch up grant	-	30,733	30,733	22,159
Other DfE grants	-	298,347	298,347	116,626
	-	5,524,086	5,524,086	5,409,110
Other government grants				
Local authority grants	-	202,208	202,208	85,816
Other income from the Academy Trust's educational operations				
Trip income	-	110,301	110,301	36,299
Tuition fee income	-	24,843	24,843	25,704
Catering income	-	160,199	160,199	128,359
Other income	-	91,304	91,304	141,666
	-	386,647	386,647	332,028
	-	6,112,941	6,112,941	5,826,954
<i>Total 2022</i>	-	5,826,954	5,826,954	

5 Other trading activities

	Unrestricted funds £	Restricted funds £	2022/23 Total £	2021/22 Total £
Hire of facilities	71,431	-	71,431	74,909
<i>Total 2022</i>	74,909	-	74,909	

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Notes to the Financial Statements for the Year Ended 31 August 2023

6 Investment income

	Unrestricted funds £	Restricted funds £	2022/23 Total £	2021/22 Total £
Short term deposits	4,653	-	4,653	98
<i>Total 2022</i>	<i>98</i>	<i>-</i>	<i>98</i>	

7 Expenditure

	Non Pay Expenditure		Total	Total	
	Staff costs £	Premises £	Other £	2022/23 £	2021/22 £
Academy's educational operations:					
Direct costs	4,127,467	-	547,674	4,675,141	4,149,593
Allocated support costs	808,698	686,742	610,289	2,105,729	2,182,303
	<u>4,936,165</u>	<u>686,742</u>	<u>1,157,963</u>	<u>6,780,870</u>	<u>6,331,896</u>
<i>Total 2022</i>	<i>4,610,318</i>	<i>747,150</i>	<i>974,428</i>	<i>6,331,896</i>	

Net income/(expenditure) for the period includes:

	2022/23 £	2021/22 £
Operating lease rentals	93,911	86,060
Depreciation	204,966	212,214
Fees payable to auditor for:		
Audit	8,955	8,100
Other services	7,700	6,235

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2023

8 Charitable activities

	2022/23	2021/22
	Total	Total
	£	£
Direct costs – educational operations	4,675,141	4,149,593
Support costs – educational operations	2,105,729	2,182,303
	<u>6,780,870</u>	<u>6,331,896</u>

Analysis of support costs:

	Educational	2022/23	2021/22
	operations	Total	Total
	£	£	£
Support staff costs	808,698	808,698	842,165
Depreciation	204,966	204,966	212,214
Technology costs	81,375	81,375	92,033
Premises costs	686,742	686,742	747,150
Legal costs - other	15,813	15,813	1,732
Other support costs	292,715	292,715	269,484
Governance costs	15,420	15,420	17,525
Total support costs	<u>2,105,729</u>	<u>2,105,729</u>	<u>2,182,303</u>
<i>Total 2022</i>	<u>2,182,303</u>	<u>2,182,303</u>	

Premises costs includes £10,331 (2022: £143,430) 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 2023

9 Staff

a) Staff costs

Staff costs during the period were:

	2022/23	2021/22
	£	£
Wages and salaries	3,524,668	3,216,357
Social security costs	364,558	331,703
Pension costs	815,944	936,122
	<u>4,705,170</u>	<u>4,484,182</u>
Agency staff costs	226,303	126,136
Staff restructuring costs	4,692	-
	<u>4,936,165</u>	<u>4,610,318</u>

Staff restructuring costs comprise:

Other restructuring costs	4,692	-
	<u>4,692</u>	<u>-</u>

b) Staff numbers

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

	2022/23	2021/22
	No.	No.
Teachers	54	54
Administration and support	39	36
Management	6	6
	<u>99</u>	<u>96</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:

	2022/23	2021/22
	No.	No.
£60,001 - £70,000	3	1
£70,001 - £80,000	1	1
£90,001 - £100,000	-	1
£100,001 - £110,000	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 £585,251 (2022: £527,525).

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2023

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:

		2022/23	2021/22
		£000	£000
L Danks (Staff trustee to 5 July 2022)	Remuneration	-	40-45
	Employer's pension contributions paid	-	0-5
P Sullivan (Staff trustee to 31 August 2023)	Remuneration	105-110	95-100
	Employer's pension contributions paid	25-30	20-25
D Reseigh (Staff trustee)	Remuneration	40-45	35-40
	Employer's pension contributions paid	5-10	5-10
N Brand (Staff trustee from 17 October 2022)	Remuneration	50-55	-
	Employer's pension contributions paid	10-15	-

During the period ended 31 August 2023, no Trustees received any reimbursement of expenses (2022: none).

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Notes to the Financial Statements for the Year Ended 31 August 2023

11 Trustees' and officers' insurance

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

12 Tangible fixed assets

	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost					
At 1 September 2022	12,651,483	306,854	340,147	27,515	13,325,999
Acquisitions	52,828	9,843	36,975	-	99,646
At 31 August 2023	<u>12,704,311</u>	<u>316,697</u>	<u>377,122</u>	<u>27,515</u>	<u>13,425,645</u>
Depreciation					
At 1 September 2022	1,517,449	300,820	276,795	11,465	2,106,529
Charged in year	164,006	5,181	30,276	5,503	204,966
At 31 August 2023	<u>1,681,455</u>	<u>306,001</u>	<u>307,071</u>	<u>16,968</u>	<u>2,311,495</u>
Net book values					
At 31 August 2022	11,134,034	6,034	63,352	16,050	11,219,470
At 31 August 2023	<u>11,022,856</u>	<u>10,696</u>	<u>70,051</u>	<u>10,547</u>	<u>11,114,150</u>

13 Stock

	2022/23 £	2021/22 £
Other stocks	-	1,328

14 Debtors

	2022/23 £	2021/22 £
Trade debtors	4,636	6,163
VAT recoverable	56,463	47,026
Prepayments and accrued income	122,872	173,267
	<u>183,971</u>	<u>226,456</u>

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Notes to the Financial Statements for the Year Ended 31 August 2023

15 Current asset investments

	2022/23	2021/22
	£	£
Bank deposits	101,339	-

16 Creditors: amounts falling due within one year

	2022/23	2021/22
	£	£
Trade creditors	53,455	104,557
Other taxation and social security	88,627	80,282
Other creditors falling due within one year	2,211	353
Accruals and deferred income	124,202	182,420
	268,495	367,612

	2022/23	2021/22
	£	£
Deferred income at 1 September 2022	102,927	154,367
Released from previous years	(102,927)	(154,367)
Resources deferred in the year	55,951	102,927
Deferred income at 31 August 2023	55,951	102,927

At the balance sheet date, the academy trust was holding funds received in advance of £nil (2022: £10,000) in respect of deferred lettings income, and £55,951 (2022: £92,927) of other income relating to the forthcoming financial year.

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2023

17 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2023 £
Restricted general funds						
General Annual Grant (GAG)	502,702	5,009,957	(5,399,459)	-	-	113,200
Pupil premium	-	159,449	(159,449)	-	-	-
Rates reclaim	-	25,600	(25,600)	-	-	-
Year 7 catch up grant	-	30,733	(30,733)	-	-	-
Other DfE grants	-	298,347	(298,347)	-	-	-
Local authority grants	-	202,208	(202,208)	-	-	-
Other educational activities	-	386,647	(379,777)	(6,870)	-	-
	502,702	6,112,941	(6,495,573)	(6,870)	-	113,200
Pension reserve	(258,000)	-	(70,000)	-	245,000	(83,000)
	244,702	6,112,941	(6,565,573)	(6,870)	245,000	30,200
Restricted fixed asset funds						
Fixed asset fund	11,219,470	-	(204,966)	99,646	-	11,114,150
ESFA capital grants (DFC)	40,214	56,809	(10,331)	(67,776)	-	18,916
Other capital grants	-	25,000	-	(25,000)	-	-
	11,259,684	81,809	(215,297)	6,870	-	11,133,066
Total restricted funds	11,504,386	6,194,750	(6,780,870)	-	245,000	11,163,266
Total unrestricted funds	555,809	97,565	-	-	-	653,374
Total funds	12,060,195	6,292,315	(6,780,870)	-	245,000	11,816,640

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Notes to the Financial Statements for the Year Ended 31 August 2023

17 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 capital improvements.

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.

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2023

17 Funds (continued)

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

	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 2023

18 Analysis of net assets between funds

	Un-restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	11,114,150	11,114,150
Current assets	653,374	381,695	-	18,916	1,053,985
Current liabilities	-	(268,495)	-	-	(268,495)
Pension scheme liability	-	-	(83,000)	-	(83,000)
Total net assets	653,374	113,200	(83,000)	11,133,066	11,816,640

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	-	-	-	11,219,470	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

19 Long-term commitments, including operating leases

Operating leases

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

	2022/23	2021/22
	£	£
Amounts due within one year	96,105	92,760
Amounts due between one and five years	104,489	189,391
	200,594	282,151

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2023

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

	2022/23	2021/22
	£	£
Net expenditure for the reporting period	(488,555)	(405,712)
Adjusted for:		
Depreciation	204,966	212,214
Capital grants from DfE and other capital income	(81,809)	(19,643)
Interest receivable	(4,653)	(98)
Defined benefit pension scheme cost less contributions payable	58,000	248,000
Defined benefit pension scheme finance cost	12,000	32,000
Decrease in stocks	1,328	-
Decrease in debtors	42,485	717,749
Decrease in creditors	(99,117)	(288,117)
Net cash (used in) / provided by Operating Activities	<u>(355,355)</u>	<u>496,393</u>

21 Cash flows from investing activities

	2022/23	2021/22
	£	£
Dividends, interest and rents from investments	4,653	98
(Increase) / decrease in current asset investments	(101,339)	-
Purchase of tangible fixed assets	(99,646)	(63,647)
Capital grants from DfE Group	56,809	19,643
Capital funding received from sponsors and others	25,000	-
Net cash used in investing activities	<u>(114,523)</u>	<u>(43,906)</u>

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2023

22 Analysis of cash and cash equivalents

	2022/23	2021/22
	£	£
Cash at bank and in hand	<u>768,675</u>	<u>1,238,553</u>

23 Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	Acquisition/ disposal of subsidiaries £	New finance leases £	Other non-cash changes £	At 31 August 2023 £
Cash	1,238,553	(469,878)	-	-	-	768,675
Total	1,238,553	(469,878)	-	-	-	768,675

24 Member 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.

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2023

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 2022.

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 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019. The key elements of the valuation and subsequent consultation were:

- 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%.

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2023

25 Pension and similar obligations (continued)

The employer's pension costs paid to TPS in the period amounted to £512,113 (2022: £475,342).

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 2023 was as follows:

	2023	2022
	£	£
Employer's contributions	159,000	129,000
Employees' contributions	51,000	42,000
	<u>210,000</u>	<u>171,000</u>

The agreed contribution rates for future years are 17.9% 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Principal actuarial assumptions

	2023	2022
Rate of increase in salaries	4.0%	3.7%
Rate of increase for pensions in payment/inflation	3.0%	2.7%
Discount rate for scheme liabilities	5.2%	4.1%
Inflation assumption (CPI)	3.0%	2.7%
Commutation of pensions to lump sums	<u>70.0%</u>	<u>70.0%</u>

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

	2023	2022
<i>Retiring today</i>		
Males	22.1	22.9
Females	<u>24.7</u>	<u>25.4</u>
<i>Retiring in 20 years</i>		
Males	22.6	24.7
Females	<u>25.7</u>	<u>27.1</u>

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Notes to the Financial Statements for the Year Ended 31 August 2023

25 Pension and similar obligations (continued)

Sensitivity analysis

	Increase/(reduction) in defined benefit obligation	
	2023	2022
	£	£
Discount rate +0.1%	(62,000)	(78,000)
Discount rate -0.1%	62,000	81,000
Mortality assumption – 1 year increase	119,000	81,000
Mortality assumption – 1 year decrease	(119,000)	(81,000)
CPI rate +0.1%	60,000	72,000
CPI rate -0.1%	(60,000)	(69,000)

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

	2023	2022
	£	£
Equities	1,700,000	1,587,000
Gilts	922,000	417,000
Property	173,000	214,000
Cash and other liquid assets	86,000	25,000
Other	1,000	498,000
Total market value of assets	<u>2,882,000</u>	<u>2,741,000</u>

The actual return on scheme assets was a gain of £13,000 (2022: a loss of £173,000).

Amount recognised in the Statement of Financial Activities

	2022/23	2021/22
	£	£
Current service cost	217,000	377,000
Interest income	(115,000)	(47,000)
Interest cost	127,000	79,000
Total amount recognised in the SOFA	<u>229,000</u>	<u>409,000</u>

Eggar's School

Notes to the Financial Statements for the Year Ended 31 August 2023

25 Pension and similar obligations (continued)

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

	2022/23	2021/22
	£	£
At 1 September	2,999,000	4,558,000
Current service cost	217,000	377,000
Interest cost	127,000	79,000
Employee contributions	51,000	42,000
Actuarial gain	(347,000)	(2,226,000)
Benefits paid	(82,000)	169,000
At 31 August	2,965,000	2,999,000

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

	2022/23	2021/22
	£	£
At 1 September	2,741,000	2,574,000
Interest income	115,000	47,000
Actuarial loss	(102,000)	(220,000)
Employer contributions	159,000	129,000
Employee contributions	51,000	42,000
Benefits paid	(82,000)	169,000
At 31 August	2,882,000	2,741,000

26 Related party transactions

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 10.