

Registration number: 08512087

Battling Brook Primary School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022

Battling Brook Primary School

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Battling Brook Primary School

Reference and Administrative Details

Members	D Tampin P Woolaston J Cooling (appointed 1 September 2021)
Trustees (Directors)	D Tampin (Chair of Trustees) A Banbury (appointed 1 September 2021 and resigned 28 December 2021) S Collins (appointed 1 September 2021) J Cooling R Deacon (appointed 1 September 2021) L Hughes P Leigh (appointed 1 September 2021 and resigned 27 March 2022) S Marsden (resigned 14 October 2022) L Mathie K Plaza (appointed 1 September 2021 and resigned 3 January 2022) M Prettyjohn (resigned 27 September 2021) A Radford (resigned 8 July 2022) L Ryland (appointed 1 September 2021) P Woolaston M Saunders (appointed 1 February 2022) J Burgess (appointed 7 April 2022)
Senior Management Team	L Mathie, Acting Headteacher Fay Bourne, Business Manager Stewart Marsden, Head Teacher (resigned 24 October 2022)
Principal and Registered Office	Frederick Avenue Hinckley Leicestershire LE10 0EX
Company Registration Number	08512087
Auditors	Fortus Audit LLP Chartered Accountants and Registered Auditor Hamilton Office Park 31 High View Close Leicester LE4 9LJ

Battling Brook Primary School

Reference and Administrative Details (continued)

Bankers

Natwest
13 The Borough
Hinckley
Leicestershire
LE10 1LG

Lloyds Bank PLC
PO Box 1000
BX1 1L

Solicitors

Browne Jacobson
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

Battling Brook Primary School

Trustees' Report for the Year Ended 31 August 2022

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates an academy for pupils aged 3 to 11 serving a catchment area in Leicestershire. It has a pupil capacity of 630 and had a roll of 602 in the Spring 2022 school census.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 08512087.

The governors act as the trustees for the charitable activities of Battling Brook Primary School and are also the directors of the charitable company for the purposes of company law.

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

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

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance for the academic year September 2021 to August 2022 was £33 (2021: £937).

Method of recruitment and appointment or election of Trustees

The basic regulations concerning the appointment of Trustees are specified in the Articles of Association.

There is a maximum of 12 Trustees which include: -

- a minimum of 2 elected Parent Trustees selected from registered pupils at the Academy Trust;
- a maximum of 1 Trustee appointed by the members;
- a maximum of 4 Community Trustees as people who are dedicated to the Academy Trust, live and work in the Community;
- a maximum of 2 Co-opted Trustees who have been approached by current Trustees of the Academy Trust;
- 2 elected Staff Trustees; and
- the Principal as a Trustee ex-officio.

The term of office for a Trustee is four years.

All Trustees are required to undertake personal checks and disclose any relationships/business interests that may have a negative impact upon the integrity of the Academy Trust practices whilst in office. To become a Member, a Trustee would be officially nominated by the Trustees. That Member would then remain in office for the term of their appointment as a Trustee. No employee can act as a Member. Parent and Staff Trustees are appointed by invitation to nominate, followed by an election process. Community and Co-opted Trustees are sourced by the Board of Trustees.

Battling Brook Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Policies and procedures adopted for the induction and training of Trustees

The Academy Trust follow an induction process formulated by Trustees for the induction of newly appointed Trustees. This process is undertaken by the Chair and the Clerk to ensure the role, responsibilities and functions of the newly appointed Trustee are set out with clarity and ensure understanding. The process includes a skills audit to produce a profile of the newly appointed and existing Trustees. This supports the division of Trustees into sub-committees and informs discussions about the qualities and skills of future appointments. All Trustees undertake training with the Governor Development Service based at Leicestershire County Council and they are also able to access online training through a subscribed National Governors Association platform. Trustees are appointed as set out in the Academy's Articles of Association sections 50-59 inclusive.

Organisational structure

Working closely with the Head Teacher who is also the Accounting Officer for the school, the Board of Trustees aim to set the strategic direction of the school by setting vision and values that are incorporated within the school improvement strategy, priorities and targets. They assist in producing an Annual Report and approve the annual budget. In addition, their role is to hold senior leaders to account for aspects of the Academy performance and ensure legal compliance through robust policies, procedures and assurances.

The Board of Trustees regard the monitoring of the achievement of key performance targets by the school leadership team as an extremely important aspect of its work. Trustees meet at least termly in the sub-committees below, to strategically review the aims and objectives of policies, set targets for achieving those aims and objectives, monitor and evaluate attainment and to challenge and give support to the Head Teacher. Discussions also focus on the school finances and ensure that long term provisions are in place. In doing so Trustees ensure legislation is adhered to and risk is minimised.

The day to day management and effective leadership of the school is very much the responsibility of the Head Teacher and his Senior Leadership Team to whom responsibilities are delegated. The Senior Leadership Team, which includes the Business Manager, meet regularly to discuss any key issues relating to the 'business'. The Deputy Head Teacher works daily alongside the Head Teacher managing and overseeing all aspects of pupil education and family relationships. The Business Manager acts as Chief Financial Officer and is responsible for overseeing the school finances, short and long term plans, Personnel, Premises and Health & Safety compliance. Phase Leaders meet weekly with the Head Teacher and Deputy Head Teacher to ensure a consistent teaching approach across the school and to self-evaluate, in relation to that teaching & learning, behaviour, welfare, safety and any other general aspects of school life.

Battling Brook Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Battling Brook during the academic year September 2021 to August 2022 had a Board of Trustees with the following sub-committees reporting to it:-

Personal Development, Behaviour and & Attitudes Committee

Dina Tampin (Chair)
Leanne Hughes
Alan Banbury - Resigned
Patricia Hughes - Resigned
Rob Deacon
Lucy Ryland (Chair)
Lisa Mathie (Acting Head Teacher)
Anne Radford
Marie Saunders

Curriculum Committee

Jenny Cooling (Chair)
Dina Tampin
Phil Woolaston
Shaun Collins
Kirsty Plaza - Resigned
Lucy Ryland
Leanne Hughes
Stewart Marsden
Lisa Mathie
Marie Saunders

Pay & Performance Committee

Dina Tampin (Chair)
Jenny Cooling
Phil Woolaston
Stewart Marsden

Resources Committee

Phil Woolaston (Chair)
Shaun Collins
Jenny Cooling
Alan Banbury - Resigned
Patricia Leigh - Resigned
Rob Deacon
Kirsty Plaza - Resigned
Stewart Marsden
Jane Burgess
In attendance: Fay Bourne

Other identified roles for Trustees are

- Phase Groups;
- Safeguarding;
- Risk Management;
- SEND/Looked After Children;
- Sports Premium;
- Higher Attaining Pupils; and
- Pupil Premium.

Battling Brook Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Arrangements for setting pay and remuneration of key management personnel

All Academy Trust Key Management Personnel are required to disclose any related parties that may influence procurement.

The school's Governors Allowance Policy states the basis on which any remuneration is entitled and settled. In general, Trustees may claim an allowance when specific costs are incurred whilst carrying out their duties.

The arrangements for setting pay is determined by the Board of Trustees Pay & Performance Committee.

All Trustees and senior management team are recognised as Key Management Personnel. The Trust applies to all teachers the terms and conditions as set out by the National STPCD, in conjunction with the Trust's Teachers Pay Policy. This includes pay ranges, points, allowances and values set as of September 2021.

All key management teaching personnel salaries and remunerations are determined by a series of annual Pay Performance related reviews against the National Teaching Standards, benchmarking, and experience. The pay values fall within the parameters as set out within in the Academy Trust's Teachers Pay Policy. To ensure effectiveness, fairness and consistency an independent assessor supports the appraisal process conducted by the Pay and Performance Committee regarding the Head Teacher. Appraisals and the outcomes for all other teaching staff are managed by the Head Teacher and Deputy Headteacher. All pay grades are reported to the Trust's Pay and Performance Committee who consider the costs within the overall school budget.

Key management support staff salary values are set by Trustees and mirror that of the Local Authority's' pay scale for NJC staff (Support Staff). Pay levels are determined by the Head Teacher considering targets, benchmarking, experience, and effectiveness. All pay grades are reported to the Trust's Pay and Performance Committee who consider the costs within the overall school budget.

Connected organisations, including related party relationships

The Academy Trust has an affiliation with the Thomas Estley Learning Alliance ensuring on-going support and the sharing of best practices in regard to Assessment, Special Needs, English, Maths, Training, Business Manager networking (procurement and best practice), NQT's and EYFS. Battling Brook's relevant policies and operations may be adapted/adjusted as a result. Other connected groups and support mechanisms include:

- Local Hinckley Heads Group
- Leicestershire Primary Heads
- Co-ordinating governor training
- Leicestershire LA - moderation
- RML Development days
- Angela Kirk - Assessment analysis
- Beth Clements - Education Effectiveness Partner
- Michael Crane - Performance Management Review - HT
- Business Manager
- Supporting other schools; and
- Ensuring value for money/sharing resources
- Forest Way Teaching School Alliance - SENCo Network Meetings

Battling Brook Primary School also enjoys a valued relationship with its Parents Teachers and Friends Association (PTFA registered charity). They are a hard-working committee who organise fundraising, social and family events, which we hope all parents will enjoy. This enables them to support the school through chosen projects.

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Trustees' Report for the Year Ended 31 August 2022 (continued)

Objectives and activities

Objects and aims

The Academy Trust's object is to advance education for pupils between the ages of 3 – 11 across its Primary and Nursery provision, ensuring inclusive and the removal of barriers to learning. This object is to be carried out whilst operating the trust as an ongoing concern, ensuring integrity, objectivity, accountability, openness, honesty and leadership.

In undertaking its objects, the trust believes all children should be able to participate fully in school life regardless of any difficulties, so that they may experience outstanding opportunities. This means that equality of opportunity must be reality for our children, including those with Special Educational Needs and Disabilities (SEND).

The Trust will introduce broad learning experiences to develop a love of education and culture of today whilst ensuring our pupil's wellbeing.

The Trustees set out objectives annually to achieve their vision for the school. Those objectives are

- the curriculum
- personal development
- the school culture
- the deployment of resources

The aims are:

- To design and deliver an ambitious broad and balanced curriculum for all learners, that enables pupils to achieve their full potential.
- To ensure the effective and sustainable deployment of all resources for both the children of today and tomorrow.
- To actively promote the personal development, resilience and emotional well being of all people at the school.
- To ensure our organisational culture and people enable pupils to flourish and learn without limits.

Battling Brook Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Objectives, strategies and activities

Battling Brook Primary School's core objectives are outlined within the annual Battling Brook Priority Improvement Plan (BB PIP) created by the SLT (Head Teacher, Deputy Head teacher and School Business Manager) with phase/year leader and governor support.

The core objectives for the academic year in summary are:

- Children to achieve at least in line with school expectations in writing;
- Children to achieve at least in line with school expectations in maths;
- Curriculum Leadership and assessment is strengthened by re-writing our curriculum as a team
- Active Learning (based on LPA principles) is clearly evident throughout the school in all aspects of teaching
- To further develop an engaging, safe, sustainable learning environment

The strategic focus for literacy is accessed through the use of our Battling Brook Curriculum (BBC), which ensures that learning is relevant and interesting for our children. The rich variety of opportunities this enables, brings learning to life ensuring not only the acquisition of key skills, but also aiming to nurture the love of learning itself.

Staff supplement the BBC topics with some elements of the "Cornerstones" curriculum publications. Teachers adapt and alter the published resources in order to ensure that the sessions remain relevant for Battling Brook pupils, therefore significant to those at the heart of the planning.

In order to develop the fundamental skills of reading, we use the Ruth Miskin literacy strategy as our synthetic systematic phonics programme. This ensures that all of our children have the best start in their reading and writing journey.

Our numeracy strategy focuses on a clear and systematic approach to the teaching of the key aspects of mathematics. The White Rose scheme is utilised to support long, medium and short term planning. It is not used as a prescriptive scheme, but supports staff to tailor their teaching to the needs of the individual children. There is a particular focus on ensuring foundational concepts are secure before the next stage of progression.

An intervention specialist helps to accelerate and sustain children's progress, particularly in Y5 and Y6 writing and Y6 maths.

There is a systematic approach to teacher CPD observations, monitoring and feedback relating to both the teacher standards and current specific areas for whole school improvement. This approach feeds into staff appraisals furthering a continuous development to ongoing learners.

A series of reviews throughout the year linked to the availability of funding and future planning by the Head Teacher and Business Manager, enable maximum benefits from funds without jeopardising the long term ongoing concern of the academy.

Public benefit

In setting our objective and planning out activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit. We confirm that we have complied with our duties under part 4 of the Charities Act 2011 and have considered the public benefit guidance published by the Charity Commission.

The Trustees' Report gives a description of the activities undertaken by Battling Brook Primary School during the period in furtherance of its charitable purposes, and the Trustees are satisfied that such activities provide public benefit.

Battling Brook Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Achievements and performance

The Trust members and Trustees are responsible for establishing the strategic direction of the Trust. They ensure accountability through recruitment, performance management, financial performance, monitoring and evaluation of education and support, and engaging with stakeholders to ensure they too get their voices heard.

The Trustees undertake meetings with the Senior Leadership Team, they review specific targets and objectives set out in the Improvement Plan by visiting with Phase Leaders and Year Leaders. They will complete learning walks and phase visits (to meet with year group leaders) to ascertain accountability and progress. They also undertake parent, student and staff questionnaires and discussions to ensure key stakeholder views on effectiveness and support are reflected. Their findings are evaluated in line with the Key Performance Indicators measurements and shared with other committees and the full Board of Trustees to evidence the achievements and performance of the school in line with the Improvement Plan.

- Teaching and learning through the curriculum design, planning and delivery - to ensure pupils achieve in line with school expectations;
- Assessment and Improvement – to ensure teaching overtime is consistently good;
- Welfare, behavior and safeguarding - engaging, safe, sustainable learning and working environment;
- Leadership and management – to ensure quality teaching, CPD, high levels of staff retention and to be good or better as categorized by Ofsted;
- Financial performance and effective use of resources – no red flags and the school is well resourced to support both the learning and wellbeing needs of all stakeholders; and
- Teacher assessments will be used to assess achievements.

Summer 2022 KS2 results

KS2 %	Reading	Writing
School EXS or above	64	67
National EXS or above	75	69
School GDS	18	6
National GDS	28	13

In summary - In maths and writing the school performed roughly in line with national (although due to COVID schools should not draw comparisons this academic year) and below national, but not significantly below in reading.

Battling Brook Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Key non-financial performance indicators

Financial performance indicators for the trust were

- operating a financial year within a balanced budget;
- maintaining sufficient reserves;
- growth/savings;
- balance carry forward; and
- pupils on roll numbers.

The everyday operational finances of the school were conducted within a balanced budget and due to financial monitoring a minimal underspend was achieved. This financial outcome met the trusts long term financial planning target. The underspend will be used as a carry forward to best support the needs of the school during the 2022/2023 academic year. The school was successful at maintaining its levels of reserves, which are judged as reasonable considering its standalone status and nursery provision, against the financial risk.

During 2021/2022 pupil recruitment continued to remain high with 99.5% of all pupil places taken across the school.

Staffing levels remained stable with the loss of 6 member of staff including retirement and maternity. An overall movement of 5.5%.

Going concern

Trustees are confident that with long term budget planning, contingencies and risk assessments in place they believe that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. This is subject to the risk factors of pupil place applications, funding formulas and staffing levels remaining consistent for the foreseeable future. For this reason, the Academy continues to adopt the going concern basis in preparing the financial statements and budget planning. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

During 2021/2022 significant funds were allocated to capital projects which included the improvement of air ventilation to an internal classroom. Unfortunately the CIF bids were unsuccessful, however this enabled the Trust to use commitment funds to develop IT in line with planned spending. The Trust continued to invest in online learning platforms with the continuation of an external tutoring programme. These improvements and investments were as a result of a combination of years' budget monitoring.

Battling Brook Primary School ended the year showing a minimal increase to its budget balances. The support staff Local Government Pension Scheme closing position as at 31 August 2022 was at a deficit of £179,000. This was after an in year adjustment of £352,000 and actuarial gains of £2,802,000.

A carry forward of £3,412,878 will be shown in the next Academic Year 2022 planning to support annual costs and the Priority Improvement Plan. Investments are managed by principles outlined within the school's Investment Policy.

The majority of Battling Brook Primary School's funding comes from the Education and Skills Funding Agency (ESFA) based on pupil numbers on roll. Annual objectives going forward continue to be sourcing funding for projects and ensuring procurement is reviewed regularly maximising the effectiveness of the school budget. Battling Brook Primary School will continue to development the premises where funds allow and ensure the continuing viability of Battling Brook Primary School through active monitoring of funds.

Battling Brook Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Reserves policy

The Trustees have reviewed the reserves of the charity; this review encompassed the nature of the income and expenditure streams, the need to match them with commitments and the nature of reserves. The Trustees will keep the level of reserves under review. Currently there are reserves of £271,660 in respect of unrestricted funds, which incorporate the Nursery provision, and restricted funds of £309,793, of which £Nil has been ring fenced for Pupil Premium funds. No capital reserves have been held due to capital investment.

The agreed medium-term target for Battling Brook Primary School is to maintain a level of reserves (excluding any revaluation reserve for the capital works) to a level which equates in excess of 6 months working capital, as a prudent level of resources designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies.

The Trust will review the balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2022. In the statements that follow this would be a net surplus of £581,453.

No funds were reserved for future projects.

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teacher's scheme, separate assets are held to fund future liabilities.

Investment policy

During the financial year Battling Brook Primary School's accumulated funds were invested within respected institutions approved in line with Battling Brook Primary School's Investment Policy.

The objective of the Academy Trust is to ensure that sufficient funds are available at short or no notice to meet unforeseeable requirements, while earning an acceptable rate of return without undue risk with optimal returns. This is achieved by having a number of accounts with variable interest rates. The main current account covers all day-to-day working capital requirements.

The Trustees will review any capital investment taking into account current planning legislation, social, environmental and ethical considerations that may impact upon the local community.

For all purchases estimated above £10,000 three tenders are required. Purchases above £50,000 are required to go to formal tender unless the Trustees deem not to do so.

Trustees as the Resources sub-committee inc. finance, will determine the amount of surplus cash to invest in any one transaction and recommend to the Full Board of Trustees to ratify.

The objectives of investing cash surpluses are:-

- To ensure there is no risk of loss in the capital value of any cash funds invested;
- To protect the capital value of any invested funds against inflation; and
- To optimise returns on invested funds.

Battling Brook Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Principal risks and uncertainties

Trustees annually review principal risks and uncertainties for the Academy Trust recorded as a Risk Register. These risks and any evolving risks that may be local, national and global are included and the register is updated with adequate control measures. This process minimises the impact to the Academy Trust.

The principal risks facing the Academy Trust were:-

- Recruitment following an unfavourable Ofsted report;
- Security threats to IT systems and corruption of data;
- Loss of funding due to reducing pupils on roll
- Change of funding policy and introduction of new education priorities by Government;
- Key person lost for long term i.e. ill health;
- A major capital disaster i.e. COVID-19, fire, flood etc;
- Legislative requirements are not complied with;
- Unforeseen significant increase to pension contributions due to Local Government Pension deficit; and
- Trustees have a high public profile and may cause the Academy Trust to attract damaging publicity.

Control measures in place are:

Transfer: For some risks the best response may be to transfer them e.g. purchase of insurance

Tolerate: The exposure may be tolerable without any further action being taken e.g. risk of funding approach changes. This option is supplemented by a five year contingency plan.

Treat: The purpose of treatment is not necessarily to obviate the risk, but more likely to take control action to contain the risk to an acceptable level e.g. purchase of a payroll provider to ensure pension contributions are correct

Terminate: Some risks will only be treatable, or containable to acceptable levels, by terminating the activity.

Take the Opportunity: This option is not an alternative to those above; rather it is an option which should be considered whenever tolerating, transferring or treating a risk. There are two aspects to this. The first is whether or not at the same time as mitigating threats, an opportunity arises to exploit a positive impact. The second is whether or not circumstances arise which, whilst not generating threats, offer positive opportunities - for example a drop in cost e.g. purchase of capital property.

The Senior Leadership Team meet with Trustees routinely to report and discuss changes in circumstances, developments and completed projects during the year that impact upon risk. COVID-19 became a new principal risk during 2019/20 and continued into 2021/22. Actions that arise are reported back at follow up meetings.

Credit Arrangements:

The Academy Trust minimises financial risk by stipulating within its Financial Regulations that money above the value of £10,000, payable over a period of more than twelve months, is only borrowed with the written permission from the Secretary of State (i.e. external loans or bank overdrafts). Yearly cash flow predictions over an academic year and subsequent monthly reviews are based on actual movement of monies.

Fundraising

During this academic year Battling Brook raised funds for the following charities:

Red Nose Day £600

Children in Need £593.

Battling Brook Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Plans for future periods

Future developments

The key objectives for the future are:

- 'Continued improvement on the school's learning culture, and its impact on pupil attainment and progress;
- To maintain an in year balance;
- To maintain pupil recruitment;
- Source alternative income streams; and
- Continue the management project of building improvements.

Trustees wish for the Academy to continue its new 'Active Learning' approach for consistent, engaging pupil progress in teaching, learning and developing the premises. The intense small pupil groups will continue, to allow focused learning and additional support where needed. Planning will be focused on broadening the learning curriculum towards after school sessions and updating heating systems where funds allow. The Academy will continue to collaborate with neighbouring schools and share resources for the best practice of the community. However, the key objective is to continue to improve pupil outcomes.

Battling Brook Primary School

Trustees' Report for the Year Ended 31 August 2022 (continued)

Funds held as Custodian Trustee on behalf of others

The Academy Trust does not hold any funds on behalf of another organisation or charity.

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- 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.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Fortus Audit LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Governing Body on 8 December 2022 and signed on its behalf by:

.....
D Tampin (Chair of Trustees)
Trustee

Battling Brook Primary School

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Battling Brook Primary 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.

The Governing Body has delegated the day-to-day responsibility to L Mathie, 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 Battling Brook Primary School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body 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 Governing Body has formally met 5 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
D Tampin (Chair of Trustees)	5	5
P Woolaston	3	5
J Cooling (appointed 1 September 2021)	5	5
L Hughes	4	5
A Banbury (appointed 1 September 2021 and resigned 28 December 2021)	2	5
P Leigh (appointed 1 September 2021 and resigned 27 March 2022)	3	5
R Deacon (appointed 1 September 2021)	5	5
K Plaza (appointed 1 September 2021 and resigned 3 January 2022)	3	5
L Ryland (appointed 1 September 2021)	5	5
S Collins (appointed 1 September 2021)	3	5
L Mathie	5	5
A Radford (resigned 8 July 2022)	3	5
M Saunders (appointed 1 February 2022)	2	5
J Burgess (appointed 7 April 2022)	1	5

The composition of the board has remained unchanged as detailed in the schools Articles of Association.

A Trustees' role is to ensure clarity of vision, ethos and strategic direction of the Academy Trust. They also hold executive leaders to account for the educational performance of the organisation and its pupils, and the performance management of staff. Each Trustee is assessed of their own effectiveness by the application of a skills audit and any training is undertaken to remove any particular barriers to ensure compliance with any changes in legislation.

Battling Brook Primary School

Governance Statement (continued)

The Resources Committee is a sub-committee of the main Board of Trustees and includes finance and audit responsibilities. Its purpose is to:

RESOURCES

- act on matters delegated by the Full Governing body;
- liaise and consult with other committees where necessary;
- contribute to the school's Priority Improvement Plan;
- ensure compliance with all statutory requirements of the Academy Trust Handbook;
- monitor and evaluate the management of premises, staffing and finances of the school as outlined in the Strategic Plan;

FINANCE & AUDIT

- review, adopt and monitor a Finance Policy which includes the local scheme of delegation for spending and budgetary adjustments for the committee, Head Teacher and other nominated staff;
- monitor the income and expenditure of all delegated and devolved funds against the annual budget plan;
- establish and maintain a three-year financial plan, taking into account the priorities of the Academy Improvement Plan, rolling projection and signals from central government and (if applicable) the LA regarding future years' budgets, within the constraints of available information;
- draft and propose to the governing body for adoption an annual school budget taking into account the priorities of the School Improvement Plan;
- make decisions in respect of service level agreements; .
- receive at least termly budget monitoring reports from the Business Manager;
- approve any budgetary adjustments that will from time to time be necessary in response to the evolving requirements of the school (including repairs and maintenance);
- prepare the Trustees' Report to form part of the Statutory Accounts of the governing body and for filing accordance with Companies Act requirements;
- ensure that an ongoing risk assessment of the finances is carried out, to make regular assessment of any risk factors, and to monitor and evaluate outcomes;
- receive auditors' reports and to recommend the governing body action as appropriate in response to audit findings;
- recommend to the full governing body the appointment or reappointment of the auditors; and
- review and agree the scope of internal scrutiny work annually.

The Internal audit showed two recommendations, both were actioned internally by staff and resolved on the day of the audit. These were reported to the committee as actioned.

There were 3 meetings and attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
P Woolaston	3	3
J Cooling (appointed 1 September 2021)	2	3
A Banbury (appointed 1 September 2021 and resigned 28 December 2021)	1	3
P Leigh (appointed 1 September 2021 and resigned 27 March 2022)	0	3
R Deacon (appointed 1 September 2021)	3	3
K Plaza (appointed 1 September 2021 and resigned 3 January 2022)	1	3
S Marsden (resigned 14 October 2022)	3	3

Battling Brook Primary School

Governance Statement (continued)

Review of value for money

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

The Accounting Officer considers how the 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:

- In house management of projects and procurement;
- Delivery & installation of outdoor sinks for all years;
- Whole school in house training for all staff on IT and Safeguarding; and
- Staff flu vaccinations in an attempt to reduce staff absence.

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 ongoing 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 Battling Brook Primary School for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body 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 Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

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 Governing Body;
- regular reviews by the Finance and General Purposes 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 Governing Body has decided:

- to buy-in an internal audit service from Tina Hutson-Goater (Independent Auditor).

Battling Brook Primary School

Governance Statement (continued)

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

- testing of payroll systems;
- testing of purchase systems;
- testing of control account/bank reconciliations;
- testing of website; and
- testing of reporting procedures in line with the AFH.

On a termly basis, the Chair of the Resources Committee reports to the Board of Trustees, through the Full Board of Trustee meetings on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

On an annual basis the Internal Audit Service Report to the Chair of Trustees detailing the areas inspected and any issues arising from the review. As a result, any actions required are summarised in an action plan, responses are detailed from the Business Manager to rectify any issues and this completed document is presented at the following Board of Trustees meeting. The agenda item is presented, the Board of Trustees assess and ratify the changes within a reasonable timescale. Once changes are signed off by the Business Manager, the completed action plan will be represented to the Finance and Audit Committee who in turn present to the Board of Trustees.

The internal audit was undertaken in July 2022 by Tina Hudson-Goater (Independent Auditor). A number of recommendations were made of which were reviewed; reported to the Board of Trustees and actioned where necessary.

Review of effectiveness

As Accounting Officer, L Mathie 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 ;
- the work of the external auditor;
- the financial management and governance self-assessment process or 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 General Purposes 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 Governing Body on 8 December 2022 and signed on its behalf by:

.....
D Tampin (Chair of Trustees)
Trustee

.....
L Mathie
Trustee

Battling Brook Primary School

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Battling Brook Primary School I have considered my responsibility to notify the academy trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the academy trust Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2021.

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

.....
L Mathie
Accounting officer

8 December 2022

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 on 8 December 2022 and signed on its behalf by:

.....
D Tampin (Chair of Trustees)
Trustee

Battling Brook Primary School

Independent Auditor's Report on the Financial Statements to the Members of Battling Brook Primary School

Opinion

We have audited the financial statements of Battling Brook Primary School (the 'Academy') for the year ended 31 August 2022, which comprise the Statement of Financial Activities, Balance Sheet, 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 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2021 to 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 Academy's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

Other information (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)

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. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Battling Brook Primary School

Independent Auditor's Report on the Financial Statements to the Members of Battling Brook Primary School (continued)

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 20], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor Responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Battling Brook Primary School

Independent Auditor's Report on the Financial Statements to the Members of Battling Brook Primary School (continued)

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Academy Trust and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting frameworks.

We understood how the Academy Trust is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assessed the susceptibility of the Academy Trust's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the Academy Trust has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Academy's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's trustees 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 Academy and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Richard Buckby FCA (Senior Statutory Auditor)
For and on behalf of Fortus Audit LLP, Statutory Auditor

Hamilton Office Park
31 High View Close
Leicester
LE4 9LJ

Date:.....

Battling Brook Primary School

Independent Reporting Accountant's Assurance Report on Regularity to Battling Brook Primary School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Battling Brook Primary School during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Battling Brook Primary School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Battling Brook Primary 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 Battling Brook Primary School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated and the Academies Financial Handbook extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- On a sample basis testing transactions and balances.
- Making enquiries of the Academy regarding systems and controls in place that are relevant to our regularity conclusion.
- On a sample basis reviewing records for evidence of those systems and controls in operation.

Battling Brook Primary School

Independent Reporting Accountant's Assurance Report on Regularity to Battling Brook Primary School and the Education and Skills Funding Agency (continued)

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 year from 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

.....
Richard Buckby FCA
For and on behalf of Fortus Audit LLP, Chartered Accountants

Hamilton Office Park
31 High View Close
Leicester
LE4 9LJ

Date:.....

Battling Brook Primary School

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

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2021/22 Total £
Income and endowments from:					
Donations and capital grants	2	-	-	10,739	10,739
Other trading activities	4	73,147	-	-	73,147
Investments	5	89	-	-	89
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	3,048,695	-	3,048,695
Total		<u>73,236</u>	<u>3,048,695</u>	<u>10,739</u>	<u>3,132,670</u>
Expenditure on:					
Raising funds	6	64,972	115,477	-	180,449
<i>Charitable activities:</i>					
Academy trust educational operations	7	-	3,162,316	84,791	3,247,107
Total		<u>64,972</u>	<u>3,277,793</u>	<u>84,791</u>	<u>3,427,556</u>
Net income/(expenditure)		8,264	(229,098)	(74,052)	(294,886)
Transfers between funds		(2,438)	(8,421)	10,859	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	21	-	2,802,000	-	2,802,000
Net movement in funds/(deficit)		5,826	2,564,481	(63,193)	2,507,114
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021		<u>265,832</u>	<u>(2,433,686)</u>	<u>3,073,618</u>	<u>905,764</u>
Total funds carried forward at 31 August 2022		<u><u>271,658</u></u>	<u><u>130,795</u></u>	<u><u>3,010,425</u></u>	<u><u>3,412,878</u></u>

Battling Brook Primary School

Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
Income and endowments from:					
Donations and capital grants	2	-	3,677	21,273	24,950
Other trading activities	4	60,584	-	-	60,584
Investments	5	387	-	-	387
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	2,948,018	-	2,948,018
Total		<u>60,971</u>	<u>2,951,695</u>	<u>21,273</u>	<u>3,033,939</u>
Expenditure on:					
Raising funds	6	32,648	140,201	-	172,849
<i>Charitable activities:</i>					
Academy trust educational operations	7	-	3,041,087	80,247	3,121,334
Total		<u>32,648</u>	<u>3,181,288</u>	<u>80,247</u>	<u>3,294,183</u>
Net income/(expenditure)		28,323	(229,593)	(58,974)	(260,244)
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	21	-	(531,000)	-	(531,000)
Net movement in funds/(deficit)		28,323	(760,593)	(58,974)	(791,244)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		<u>237,509</u>	<u>(1,673,093)</u>	<u>3,132,592</u>	<u>1,697,008</u>
Total funds/(deficit) carried forward at 31 August 2021		<u><u>265,832</u></u>	<u><u>(2,433,686)</u></u>	<u><u>3,073,618</u></u>	<u><u>905,764</u></u>

Battling Brook Primary School
(Registration number: 08512087)
Balance Sheet as at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	3,010,425	3,073,618
Current assets			
Debtors	12	37,202	39,861
Cash at bank and in hand		<u>756,508</u>	<u>602,373</u>
		793,710	642,234
Creditors: Amounts falling due within one year	13	<u>(212,257)</u>	<u>(181,088)</u>
Net current assets		<u>581,453</u>	<u>461,146</u>
Total assets less current liabilities		<u>3,591,878</u>	<u>3,534,764</u>
Net assets excluding pension liability		3,591,878	3,534,764
Pension scheme liability	21	<u>(179,000)</u>	<u>(2,629,000)</u>
Net assets including pension liability		<u><u>3,412,878</u></u>	<u><u>905,764</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		309,793	195,314
Restricted fixed asset fund		3,010,425	3,073,618
Restricted pension fund		<u>(179,000)</u>	<u>(2,629,000)</u>
		3,141,218	639,932
Unrestricted funds			
Unrestricted general fund		<u>271,660</u>	<u>265,832</u>
Total funds		<u><u>3,412,878</u></u>	<u><u>905,764</u></u>

The financial statements on pages 26 to 49 were approved by the Trustees, and authorised for issue on 8 December 2022 and signed on their behalf by:

.....
D Tampin (Chair of Trustees)
Trustee

.....
L Mathie
Trustee

Battling Brook Primary School

Statement of Cash Flows for the year ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	16	164,905	(33,338)
Cash flows from investing activities	17	<u>(10,770)</u>	<u>(11,906)</u>
Change in cash and cash equivalents in the year		154,135	(45,244)
Cash and cash equivalents at 1 September		<u>602,373</u>	<u>647,617</u>
Cash and cash equivalents at 31 August	18	<u><u>756,508</u></u>	<u><u>602,373</u></u>

Battling Brook Primary School

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

1 Accounting policies

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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.

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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Donations

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

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (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.

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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.

Tangible fixed assets

Assets costing £1,000 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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic 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.

Asset class	Depreciation method and rate
Long-term leasehold property	2% straight line per annum
Long-term leasehold land	Over term of the lease

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Furniture and fittings	10% straight line per annum
Computer equipment	33.33% straight line per annum

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.

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.

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 Chapter 3 Part 11 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.

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Pension 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 of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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.

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

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.

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

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 annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. See note 11 for the carrying amount of the tangible fixed assets, and accounting policies for the useful economic lives for each class of assets.

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, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31/08/2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The Judgements that have had a significant effect on amounts recognised in the financial statements are those covering the choice of depreciation policies and asset lives.

2 Donations and capital grants

	Restricted fixed asset funds £	2021/22 Total £	2020/21 Total £
Capital grants	10,739	10,739	10,773
Other donations	-	-	3,677
Donated fixed assets	-	-	10,500
	<u>10,739</u>	<u>10,739</u>	<u>24,950</u>

The income from donations and capital grants was £10,739 (2021: £24,950) which was allocated between the funds as follows; £Nil unrestricted funds (2021: £Nil), £Nil restricted funds (2021: £3,677), £10,739 restricted fixed asset funds (2021: £21,273) and £Nil endowment funds (2021: £Nil).

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

3 Funding for the Academy Trust's educational operations

	Restricted funds £	2021/22 Total £	2020/21 Total £
DfE/ESFA revenue grants			
General Annual Grant (GAG)	2,503,820	2,503,820	2,272,500
Pupil premium	121,987	121,987	108,956
UIFSM	88,321	88,321	90,726
Teachers pay and pension grant	-	-	108,483
Other DfE/ESFA grants	78,072	78,072	34,802
	<u>2,792,200</u>	<u>2,792,200</u>	<u>2,615,467</u>
Other government grants			
Local Authority grants	95,333	95,333	108,636
Nursery grants	118,215	118,215	142,860
	<u>213,548</u>	<u>213,548</u>	<u>251,496</u>
Non-government grants and other income			
Other income	42,947	42,947	32,221
Covid-19 additional funding (DfE/ESFA)			
Catch-up premium	-	-	47,920
Other DfE/ESFA COVID-19 funding	-	-	914
	<u>-</u>	<u>-</u>	<u>48,834</u>
Total grants	<u>3,048,695</u>	<u>3,048,695</u>	<u>2,948,018</u>

The funding for educational operations was £3,048,695 (2021: £2,948,018) which was allocated between the funds as follows; £Nil unrestricted funds (2021: £Nil), £3,048,695 restricted funds (2021: £2,948,018), £Nil restricted fixed asset funds (2021: £Nil) and £Nil endowment funds (2021: £Nil).

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

4 Other trading activities

	Unrestricted funds £	2021/22 Total £	2020/21 Total £
Lettings and facilities income	13,978	13,978	14,552
Catering income	34,205	34,205	28,240
Teacher placement income	9,354	9,354	1,164
Breakfast club income	6,347	6,347	8,743
Nursery income	9,263	9,263	7,885
	<u>73,147</u>	<u>73,147</u>	<u>60,584</u>

The income from other trading activities was £73,148 (2021: £60,584) which was allocated between the funds as follows; £73,148 unrestricted funds (2021: £60,584), £Nil restricted funds (2021: £Nil), £Nil restricted fixed asset funds (2021: £Nil) and £Nil endowment funds (2021: £Nil).

5 Investment income

	Unrestricted funds £	2021/22 Total £	2020/21 Total £
Short term deposits	<u>89</u>	<u>89</u>	<u>387</u>

The income from other trading activities was £89 (2021: £387) which was allocated between the funds as follows; £89 unrestricted funds (2021: £387), £Nil restricted funds (2021: £Nil), £Nil restricted fixed asset funds (2021: £Nil) and £Nil endowment funds (2021: £Nil).

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

6 Expenditure

	Non Pay Expenditure			2021/22	2020/21
	Staff costs £	Premises £	Other costs £	Total £	Total £
Expenditure on raising funds					
Direct costs	115,477	-	64,972	180,449	172,849
Academy's educational operations					
Direct costs	2,097,454	84,791	291,157	2,473,402	2,274,016
Allocated support costs	<u>654,076</u>	<u>66,957</u>	<u>52,672</u>	<u>773,705</u>	<u>847,318</u>
	<u><u>2,867,007</u></u>	<u><u>151,748</u></u>	<u><u>408,801</u></u>	<u><u>3,427,556</u></u>	<u><u>3,294,183</u></u>

Net income/(expenditure) for the year includes:

	2021/22 £	2020/21 £
Operating lease rentals	4,809	5,000
Depreciation	80,247	80,000
Fees payable to auditor - audit	7,000	13,000
- other audit services	<u>950</u>	<u>3,000</u>

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

7 Charitable activities

	2021/22	2020/21
	£	£
Direct costs - educational operations	2,473,402	2,274,016
Support costs - educational operations	<u>773,705</u>	<u>847,318</u>
	<u><u>3,247,107</u></u>	<u><u>3,121,334</u></u>
	Educational operations	2021/22
	£	Total
		£
		2020/21
		Total
		£
Analysis of support costs		
Support staff costs	654,076	523,677
Premises costs	66,957	103,023
Other support costs	52,672	217,521
Governance costs	<u>-</u>	<u>3,097</u>
Total support costs	<u><u>773,705</u></u>	<u><u>847,318</u></u>

8 Staff

Staff costs

	2021/22	2020/21
	£	£
Staff costs during the year were:		
Wages and salaries	1,961,528	1,956,029
Social security costs	154,738	153,562
Operating costs of defined benefit pension schemes	<u>743,560</u>	<u>638,996</u>
	2,859,826	2,748,587
Supply staff costs	<u>7,181</u>	<u>3,339</u>
	<u><u>2,867,007</u></u>	<u><u>2,751,926</u></u>

Staff numbers

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

	2021/22	2020/21
	No	No
Teachers	29	30
Administration and support	69	77
Management	<u>3</u>	<u>3</u>
	<u><u>101</u></u>	<u><u>110</u></u>

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

8 Staff (continued)

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2022 No	2021 No
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1

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 key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £261,264 (2021: £280,425).

9 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

S Marsden (Staff Trustee):

Remuneration: £75,000 - £80,000 (2021 - £75,000 - £80,000)

Employer's pension contributions: £15,000 - £20,000 (2021 - £15,000 - £20,000)

L Mathie (Headteacher and Accounting Officer):

Remuneration: £65,000 - £70,000 (2021 - £65,000 - £70,000)

Employer's pension contributions: £15,000 - £20,000 (2021 - £15,000 - £20,000)

A Radford (Staff Trustee):

Remuneration: £15,000 - £20,000 (2021 - £15,000 - £20,000)

Employer's pension contributions: £0 - £5,000 (2021 - £0 - £5,000)

Other related party transactions involving the trustees are set out in note 22.

10 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £Nil on any one claim and the cost for the year ended 31 August 2022 was £33 (2021 - £937).

The cost of this insurance is included in the total insurance cost.

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

11 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2021	3,397,211	179,693	98,856	3,675,760
Additions	-	7,933	13,665	21,598
	3,397,211	187,626	112,521	3,697,358
	3,397,211	187,626	112,521	3,697,358
Depreciation				
At 1 September 2021	403,205	120,914	78,023	602,142
Charge for the year	55,486	18,452	10,853	84,791
	458,691	139,366	88,876	686,933
	458,691	139,366	88,876	686,933
Net book value				
At 31 August 2022	2,938,520	48,260	23,645	3,010,425
At 31 August 2021	2,994,006	58,779	20,833	3,073,618

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

12 Debtors

	2022 £	2021 £
VAT recoverable	3,542	5,329
Prepayments	13,658	16,001
Accrued grant and other income	20,002	18,531
	37,202	39,861

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	32,416	32,969
Other creditors	45,722	49,587
Accruals	36,657	20,563
Deferred income	97,462	77,969
	212,257	181,088
	2022 £	2021 £

Deferred income

Deferred income at 1 September 2021	(77,969)	(137,000)
Resources deferred in the period	97,462	77,969
Amounts released from previous periods	77,969	137,000
	97,462	77,969

At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals income, Nursery funding and School Trip income for the 2022/23 academic year,

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

14 Funds

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	187,937	2,503,821	(2,373,544)	(8,421)	309,793
Pupil premium	-	121,987	(121,987)	-	-
Other ESFA/DfE grants	-	78,072	(78,072)	-	-
Local Authority grants	-	95,332	(95,332)	-	-
Other income	-	42,947	(42,947)	-	-
UIFSM	-	88,321	(88,321)	-	-
Catch-up Premium	7,377	-	(7,377)	-	-
Nursery Grants	-	118,215	(118,215)	-	-
	<u>195,314</u>	<u>3,048,695</u>	<u>(2,925,795)</u>	<u>(8,421)</u>	<u>309,793</u>
Restricted fixed asset funds					
Restricted Fixed Asset Fund	3,073,618	-	(84,051)	20,858	3,010,425
Devolved Formula Capital	-	10,739	(740)	(9,999)	-
	<u>3,073,618</u>	<u>10,739</u>	<u>(84,791)</u>	<u>10,859</u>	<u>3,010,425</u>
Restricted pension funds					
Pension reserve	<u>(2,629,000)</u>	-	<u>(352,000)</u>	<u>2,802,000</u>	<u>(179,000)</u>
Total restricted funds	639,932	3,059,434	(3,362,586)	2,804,438	3,141,218
Unrestricted funds					
Unrestricted general funds	<u>265,832</u>	<u>73,236</u>	<u>(64,970)</u>	<u>(2,438)</u>	<u>271,660</u>
Total funds	<u><u>905,764</u></u>	<u><u>3,132,670</u></u>	<u><u>(3,427,556)</u></u>	<u><u>2,802,000</u></u>	<u><u>3,412,878</u></u>

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

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

14 Funds (continued)

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	(As restated) Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	201,907	2,276,175	(2,290,147)	-	187,935
Pupil premium	-	108,956	(108,956)	-	-
Other ESFA/DfE grants	-	34,802	(34,802)	-	-
Local Authority grants	-	108,636	(108,636)	-	-
Other income	-	32,221	(32,221)	-	-
Teachers' Pay and Pension grant	-	108,483	(108,483)	-	-
UIFSM	-	90,726	(90,726)	-	-
Catch-up Premium	-	47,920	(40,543)	-	7,377
Other DfE/ESFA COVID-19 funding	-	914	(914)	-	-
Nursery Grants	-	142,860	(142,860)	-	-
	<u>201,907</u>	<u>2,951,693</u>	<u>(2,958,288)</u>	<u>-</u>	<u>195,312</u>
Restricted fixed asset funds					
Restricted Fixed Asset Fund	3,132,592	-	(80,247)	21,273	3,073,618
Devolved Formula Capital	-	10,773	-	(10,773)	-
Donations	-	10,500	-	(10,500)	-
	<u>3,132,592</u>	<u>21,273</u>	<u>(80,247)</u>	<u>-</u>	<u>3,073,618</u>
Restricted pension funds					
Pension reserve	<u>(1,875,000)</u>	<u>-</u>	<u>(223,000)</u>	<u>(531,000)</u>	<u>(2,629,000)</u>
Total restricted funds	1,459,499	2,972,966	(3,261,535)	(531,000)	639,930
Unrestricted funds					
Unrestricted general funds	<u>237,509</u>	<u>60,971</u>	<u>(32,648)</u>	<u>-</u>	<u>265,832</u>
Total funds	<u><u>1,697,008</u></u>	<u><u>3,033,937</u></u>	<u><u>(3,294,183)</u></u>	<u><u>(531,000)</u></u>	<u><u>905,762</u></u>

The academy trust is not subject to GAG carried forward limits.

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

14 Funds (continued)

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

Unrestricted funds:

Unrestricted funds are to be used towards meeting any of the charitable objectives of the Academy Trust at the discretion of the Trustees.

General Annual Grant (GAG):

Funds from the Education and Skills Funding Agency for the provision of education, in line with the funding agreement.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Pupil Premium:

Additional funds from the Education and Skills Funding Agency to support their disadvantaged pupils and close the attainment gap between them and their peers. This is allocated for every pupil who receives free school meals.

Other DfE/ESFA grants:

Other funds provided by the DfE/ESFA for particular purposes within the Academy Trust's educational operations.

Other Government grants:

These are grants received from the Local Authority and other institutions for use on specific educational projects.

Universal Infant Free School Meals:

These are funds provided by the ESFA to enable the Academy Trust to offer free school meals to pupils in reception, year 1 and year 2.

Other income:

This consists of income from all other sources to be used primarily for the Academy Trust's educational operations.

Capital grants:

This consists of Devolved Formula Capital (DFC) and other capital funding from the Education and Skills Funding Agency. The DFC is to be used for ICT items, improvements to buildings and other facilities or capital repairs and refurbishments and minor works. Other capital grants are to be used as per the individual terms of the agreement and for the specific capital projects as applied for.

Pension reserve:

Being the fund in relation to the defined benefit pension scheme liability included in the Balance Sheet. The fund is in deficit given the nature of the liability, however, this is not payable immediately. Plans are in place to address the deficit.

15 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

15 Analysis of net assets between funds (continued)

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	3,010,425	3,010,425
Current assets	271,660	522,050	-	793,710
Current liabilities	-	(212,257)	-	(212,257)
Pension scheme liability	-	(179,000)	-	(179,000)
Total net assets	<u>271,660</u>	<u>130,793</u>	<u>3,010,425</u>	<u>3,412,878</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	3,073,618	3,073,618
Current assets	265,832	376,402	-	642,234
Current liabilities	-	(181,088)	-	(181,088)
Pension scheme liability	-	(2,629,000)	-	(2,629,000)
Total net assets	<u>265,832</u>	<u>(2,433,686)</u>	<u>3,073,618</u>	<u>905,764</u>

16 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2021/22 £	2020/21 £
Net expenditure	(294,886)	(260,244)
Depreciation	84,791	80,247
Capital grants from DfE and other capital income	(10,739)	(10,773)
Interest receivable	(89)	(387)
Defined benefit pension scheme obligation inherited	306,000	189,000
Defined benefit pension scheme finance cost	46,000	34,000
Decrease in debtors	2,659	2,580
Increase/(decrease) in creditors	31,169	(67,761)
Net cash provided by/(used in) Operating Activities	<u>164,905</u>	<u>(33,338)</u>

17 Cash flows from investing activities

	2021/22 £	2020/21 £
Dividends, interest and rents from investments	89	387
Purchase of tangible fixed assets	(21,598)	(23,066)
Capital funding received from sponsors and others	10,739	10,773
Net cash used in investing activities	<u>(10,770)</u>	<u>(11,906)</u>

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

18 Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	756,508	602,373
Total cash and cash equivalents	<u>756,508</u>	<u>602,373</u>

19 Analysis of changes in net debt

	At 1 September 2021 £	At 31 August 2022 £
Cash	602,373	602,373
Loans falling due within one year	<u>(181,088)</u>	<u>(181,088)</u>
Total	<u>421,285</u>	<u>421,285</u>

20 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.

21 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 Leicestershire 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 to the period ended 31 March 2019.

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

Teachers' Pension Scheme

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

The TPS is an unfunded scheme to which both 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.

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

21 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £45,345 (2021: £49,587).

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 scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £235,000 (2021 - £236,000), of which employer's contributions totalled £189,000 (2021 - £190,000) and employees' contributions totalled £46,000 (2021 - £46,000). The agreed contribution rates for future years are 22.9 per cent for employers and 5.5% to 12.5% per cent for employees.

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

Principal actuarial assumptions

	2022 %	2021 %
Rate of increase in salaries	3.60	3.40
Rate of increase for pensions in payment/inflation	3.10	2.90
Discount rate for scheme liabilities	4.30	1.70
Commutation of pensions to lump sums	<u>50.00</u>	<u>50.00</u>

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

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

21 Pension and similar obligations (continued)

	2022	2021
Retiring today		
Males retiring today	21.50	21.70
Females retiring today	24.00	24.20
Retiring in 20 years		
Males retiring in 20 years	22.40	22.60
Females retiring in 20 years	<u>25.70</u>	<u>25.90</u>

The academy trust's share of the assets in the scheme were:

	2022	2021
	£	£
Equities	1,742,000	1,536,000
Other bonds	800,000	768,000
Property	257,000	186,000
Cash and other liquid assets	<u>57,000</u>	<u>159,000</u>
Total market value of assets	<u>2,856,000</u>	<u>2,649,000</u>

The actual return on scheme assets was (£4,000) (2021 - £457,000).

Battling Brook Primary School

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

21 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2021/22	2020/21
	£	£
Current service cost	(495,000)	(379,000)
Interest income	45,000	35,000
Interest cost	(91,000)	(69,000)
Total amount recognized in the SOFA	<u>(541,000)</u>	<u>(413,000)</u>

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

	2021/22	2020/21
	£	£
At start of period	5,278,000	3,852,000
Current service cost	495,000	379,000
Interest cost	91,000	69,000
Employee contributions	46,000	46,000
Actuarial (gain)/loss	(2,851,000)	953,000
Benefits paid	(24,000)	(21,000)
At 31 August	<u>3,035,000</u>	<u>5,278,000</u>

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

	2021/22	2020/21
	£	£
At start of period	2,649,000	1,977,000
Interest income	45,000	35,000
Actuarial gain/(loss)	(49,000)	422,000
Employer contributions	189,000	190,000
Employee contributions	46,000	46,000
Benefits paid	(24,000)	(21,000)
At 31 August	<u>2,856,000</u>	<u>2,649,000</u>

22 Related party transactions

Owing to the nature of the academy trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest.

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 9.