

Registration number: 07992440

# Stramongate School

(A company limited by guarantee)

Annual report and financial statements

Year ended 31 August 2022

# Stramongate School

## Trustees' Report

### Reference and Administrative Details

Members	Julie Armitstead (resigned from 2 November 2022) Denise Noble The Reverend Jean Radley Michael Donnelly (appointed from 2 November 2022)	
Directors / Trustees	Paul Atherton, Parent David Avis, Parent Michael Donnelly, Community (resigned from 5 September 2022) Stephen Lester, Community Clive Natrass, Community Victoria Pimblett, Parent and Chair Robert Timms, Parent Helen Watson, Community (appointed 4 July 2022)	
Governors	Paul Atherton, Parent David Avis, Parent Matthew Beresford, Headteacher and Accounting Officer Sharron Butler, Staff Michael Donnelly, Community (resigned from 5 September 2022) Stephen Lester, Community Jenny Mason, Staff Clive Natrass, Community Victoria Pimblett, Parent and Chair Kate Skellern, Staff (resigned 31 August 2022) Robert Timms, Parent Helen Watson, Community (appointed 4 July 2022)	
Company Secretary	Elaine Gilpin	
Senior Management Team	Headteacher / Chief Executive Officer	Matthew Beresford
	Head of Key Stage 2	Chris Chew
	Head of Key Stage 1	Kate Skellern until 31 August 2022 Emma Anderson from 1 September 2022
	Inclusion Manager	Karen Alston-Hewitt
	Chief Financial Officer	Elaine Gilpin
Company Name	Stramongate School	
Principal and Registered Office	Stramongate School Blackhall Road Kendal Cumbria, LA9 4BT	
Company Registration Number	07992440	
Independent Auditor	Saint and Co. The Old Police Station Church Street Ambleside Cumbria, LA22 0BT	

# Stramongate School

## Trustees' Report

Internal Auditor	Stables Thompson & Briscoe Chartered Accountants & Registered Auditors Lowther House Lowther Street Kendal Cumbria, LA9 4DX
Bankers	Lloyds Bank PLC 5-6 King Street Penrith Cumbria, CA11 7AP
Solicitors	Thomson Hayton Winkley 114-116 Stricklandgate Kendal Cumbria, LA9 4QA

# Stramongate School

## Trustees' Report (continued)

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

The academy trust operates an academy for pupils aged 4 to 11 serving a catchment area in central Kendal. It has a pupil capacity of 420 and had a roll of 300 in the school census on 19 May 2022.

## Structure, Governance and Management

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### Constitution

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

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

### Members' Liability

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

### Trustees' Indemnities

The academy trust, through its Articles, has indemnified its trustees to the fullest extent permissible by law. During the period the academy trust also purchased and maintained liability insurance for its trustees (referred to as Governors' Liability Cover under the DfE Risk Protection Arrangement).

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

The management of the academy trust is the responsibility of the Governing Board under the terms of the Articles of Association. The Articles of Association state that this board should comprise of up to four community trustees; four staff trustees including the, ex officio, Headteacher (provided that the total number of trustees employed by the academy trust does not exceed one third of the total number of trustees); four parent trustees and up to two co-opted trustees. A 'co-opted trustee' means a person who is appointed to be a trustee by being co-opted by the Members in order to fulfil a particular role/project on the board. This structure was in place until Monday 14 November 2022.

Contrary to the Articles of Association, The Academy Trust Handbook 2021 stated that from 1 March 2022, any newly appointed senior executive leader can only be a trustee if the members decide to appoint them as such, the senior executive leader agrees and the trust's articles permit it. It also stated that it was the Department for Education's strong preference for no other employees to serve as trustees, nor for trustees to occupy staff establishment roles on an unpaid voluntary basis, in order to retain clear lines of accountability. The Governing Board, considering this change in guidance, have decided to restructure the Trust's governance structure. With effect from Monday 14 November 2022, employees of Stramongate School will no longer serve as trustees, although up to four staff representatives will be appointed as governors and invited to contribute to meetings of the Board of Trustees. This is reflected in the structure outlined on page 1.

# Stramongate School

## Trustees' Report (continued)

Policies and Procedures Adopted for the Induction and Training of Trustees  
Trustees are recruited by the Board of Trustees, with regard to skill set needed by the Board.

All new trustees have an induction meeting, usually with the Chair of Trustees, Clerk to the Governors and Headteacher, with the full training and induction process depending on their existing experiences.

Details of trustee training courses are made available to all trustees; the academy trust subscribes to the National Governance Association and additional training courses are available locally, through both the Local Authority and third-party providers. In-house training occurs annually; the content of such training is determined by any areas of weakness identified by an annual skills audit.

Trustees have access to all policies, improvement plans, minutes and other relevant documentation that they need to undertake their role. For a minimum of the first twelve months, new trustees are also encouraged to attend all meetings, of all committees, to allow them to develop a full understanding of the Board of Trustees' working practices.

### Organisational Structure

The academy trust's management structure consists of three levels: Members, Board of Trustees and the Senior Leadership Team.

The Members ensure that the academy trust meets with its stated aims and expected standards and ensure that the audited accounts are logged with Companies House annually.

The Board of Trustees is responsible for setting general policy, adopting an annual School Development Plan and budget, monitoring the performance of the academy trust by use of budgets and key performance data and making major, strategic decisions about the direction of the academy trust, capital expenditure and senior staff appointments.

The Senior Leadership Team controls the day-to-day running of the business of the academy trust, implementing the policies laid down by the Governing Board and reporting back to them.

The Headteacher undertakes the role of Accounting Officer.

### Arrangements for setting pay and remuneration of key management personnel

The Headteacher's pay scale has been set by reference to the School Teachers' Pay and Conditions and the salary paid is set in line with the pay scales published by the School Teachers' Review Body. Headteacher pay and performance is reviewed annually by an external consultant who, in turn, advises and makes recommendations to the Governing Board Pay and Performance Management Committee regarding performance targets and pay progression.

Senior Leadership pay and performance is managed by the Headteacher, under advice from specialist advisors, Capita HR, using Single Status Pay and Performance guidelines and School Teachers Pay and Conditions guidelines, as appropriate. Pay and progression is recommended by the Headteacher and approved by the Governing Board Pay and Performance Committee.

The Board of Trustees benchmark spend on management personnel to comparable schools using the DfE's benchmarking tools.

### Related Parties and other Connected Charities and Organisations

No related parties control nor hold significant influence over the decisions or operations of the academy trust. The academy trust has no sponsors.

The Headteacher and one trustee of Stramongate School act as two out of three trustees of Stramongate Nursery, a Charitable Incorporated Organisation, which leases premises from Stramongate School.

# Stramongate School

## Trustees' Report (continued)

The lease between Stramongate School and Stramongate Nursery has received approval from the Secretary of State for Education and been reported as a related party transaction to the Education and Skills Funding Agency (ESFA).

Stramongate Nursery provides nursery education to children aged between 2 and 4 years old as well as wrap-around childcare, in the form of an afterschool club, for pupils of Stramongate School.

The Nursery pays rent and donates its profits to Stramongate School, it also purchases meals and other supplies and services from the School. Income received from Stramongate Nursery during the year to 31 August 2022 totalled £12,713.83 (comprising £6,000 in rental payments, £6,579.36 in meals purchases and £134.47 for the provision of other services) and therefore did not meet the threshold set by the Education and Skills Funding Agency for approval, of £20,000.

## Objectives and Activities

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### Objects and Aims

The principle object and activity of the charitable company is the operation of Stramongate School, to provide education for pupils aged 4 to 11.

### Objectives, Strategies and Activities

The Stramongate School motto of "be kind, work hard and discover" is underlined by the core values of respect, perseverance, self-belief, pride and achievement.

The main objectives of the academy trust are to:

- Ensure well-being is at our core, enabling children and staff to thrive;
- Provide a safe, balanced and purposeful curriculum with opportunities for all;
- Embrace diversity and be an inclusive community;
- Celebrate our position in the heart of Kendal;
- Continue to develop the school, providing an excellent learning environment;
- Provide value for money; and
- Operate adhering to the highest standards of integrity, probity and openness.

The strategies and activities implemented to enable the academy trust to achieve these objectives, are:

- The use of high-quality teaching processes, which are transparent and inform all subsequent actions;
- The secure use of data and tracking, to measure progress and inform actions and interventions;
- Monitoring and management of school attendance;
- Offering a variety of inclusive extra-curricular opportunities;
- Use of external, independent third-party experts to validate/challenge the trust's own assessment of key performance indicators; and
- Use of benchmarking the trust's performance against those nationally and against 'similar' schools in terms of a range of key areas including: Standards, Structure and Finance.

The academy trust applies the following criteria to measure its success. Ensuring that:

- Pupils are well cared for and know how to manage risks and make good decisions for their own and others' well-being;
- Pupil cohort attainment in the Early Years, Year 1 Phonics, Year 4 Multiplication Check and KS1 & KS2 assessments are at least in line with national averages;

# Stramongate School

## Trustees' Report (continued)

- Pupil progress is at least in line with Analyse School Performance (ASP) averages and Fischer Family Trust (FFT) estimates;
- Positive outcomes from Ofsted inspections are gained; and
- Feedback on the Trust's effectiveness is sought from stakeholders, both informally and through bi-annual attitudinal surveys generated, collated and benchmarked against nation datasets via an independent third party.

The main objectives for the year to 31 August 2022 were:

- To ensure well-being is at our core, enabling children and staff to thrive;
- Provide a safe, balanced and purposeful curriculum with opportunities for all;
- Embrace diversity and be an inclusive community;
- Celebrate our position in the heart of Kendal; and
- Continue to develop the school, providing an excellent learning environment.

To achieve a 5-year vision to:

- Have strong academic outcomes, further closing the attainment gap;
- Have a well-balanced, rich and evolving curriculum where children's voices and opinions are heard;
- Have happy, healthy, ambitious children;
- Further involve parents and carers in their child's education;
- Support our staff and provide development opportunities;
- Increase our school roll; and
- Have invested in outdoor and indoor learning spaces.

The strategies and activities implemented to enable the academy trust to achieve this vision, were to:

*Have strong academic outcomes, further closing the attainment gap*

- Input accurate pupil data into FFT on a termly basis, including the implementation of the Reception Baseline Assessment, to aid analysis, tracking and subsequent refining of classroom focus;
- Hold termly pupil progress meetings, attended by the Inclusion manager and Headteacher, to ensure the effectiveness of intervention groups;
- Ensure that parents and staff have access to clear, sequenced, subject plans which show term by term progression of skills and knowledge via the Stramongate School website;
- Focus on consistency in handwriting and presentation across the school;
- Identify Gifted and Talented pupils using FFT data to ensure that they are challenged with work at an appropriate level in all year groups;
- Close the attainment gap between the most and least disadvantaged children by addressing gaps in coverage and attainment on both class and individual level in core subjects through frequent assessments and analysis; tailored teaching and learning specified to the needs of children in class through quality first teaching and carefully planned interventions as well as careful monitoring of vulnerable children.

*Have a well-balanced, rich and evolving curriculum where children's voices and opinions are heard*

- Ensure that each mixed age group achieve an appropriate balance of subjects through carefully thought out timetables that include RHE and use cross-curricular approaches to embed basic skills;

# Stramongate School

## Trustees' Report (continued)

- Enrich experiences through regular on and off-site visits/visitors to enhance pupil motivation, develop vocabulary and allow children to thrive;
- Reinstate the School Council, to provide an active voice in school decisions;
- Raise the profile of the RHE curriculum across the school through the Life Bus visit, Coram Life SCARF scheme of work and clear timetabling of RHE as well as developing links with Cumbria Public Health and the School Nursing Team. An RHE adopted and approved policy has been shared via the school website.

### *Have happy, healthy, ambitious children*

- Support more children to be within the healthier weight range;
- Implement a healthy packed lunch initiative by providing parents with health packed lunch information and engagement with Public Health 5-19 staff;
- Offer frequent PE and Daily Dash times to develop cardio vascular systems and a love of physical activity, with a range of sporting opportunities provided;
- Respond to COVID guidelines, as needed;
- Timetable regular RHE lessons throughout the year across different areas of the RHE curriculum to allow pupils to talk openly;
- Identify and respond to safeguarding concerns quickly, with necessary support provided and continuing of positive multi-agency working; and
- Reinstate class, phase and whole school assemblies to offer regular opportunities for collective worship and embedding of school vision and core values as well as celebration of achievements and raising of aspirations and motivations via visitor assemblies.

### *Further involve parents and carers in their child's education*

- Introduce the Go-Read App parents, to replace paper reading diaries and encourage increased home-reading engagement and practise;
- Introduce a mid-Autumn term Parents' Evening to give parents initial targets to work on, an opportunity discuss how their child has settled in and a chance to raise any queries;
- Re-establish a range of Friends of Stramongate School Events, such as discos and film nights, to support family and child friendships;
- Continue to develop home-school communication through regular Headteacher newsletters and teacher communications via Parentmail, Do-Jo and Tapetsy;
- Hold curriculum information evenings to improve involvement and understanding from parents for reading, vocabulary, handwriting and spelling approaches;
- Re-establish parent-pupil reading mornings, with school opening early each Tuesday and Thursday for parents to read in school with their child; and
- Offer targeted Family Learning Courses in phonics and 'Bounceback' ability.

### *Support our staff and provide development opportunities*

- Hold regular staff meetings linking to school priorities, performance management targets, School Develop Plan and vision;
- Ensure that INSET Days are well planned, informative and support the School Development Plan and vision;
- Ensure that staff attend regular external training and disseminate knowledge to teams;
- Ensure that regular in-school training is available, including half-termly TA meetings to share knowledge and further identify training needs;
- Respond to staff training identified needs, increasing training budget and nurturing and planning for staff ideas; and

# Stramongate School

## Trustees' Report (continued)

- Identify a Mental Health School Lead.

### *Increase our school roll*

- Continue to work with Stramongate Nursery;
- Continue to market the school via Facebook and attendance at local sporting and arts events;
- Offer informative, persuasive face to face tours of the school to prospective new starters in October and an ad-hoc basis;
- Develop visual marketing displays in high footfall areas of school, including the front entrance, reception and junior entrances; and
- Operate an up to date website.

### *Have invested in outdoor and indoor leaning spaces*

- Increase the use of outdoor space across the whole year to increase activity levels and further develop pupil engagement in healthy lifestyles. Facilitated by investing in an outdoor shed to support Forest Fridays and a shelter / sail to provide shelter for outdoor activities as well as Stramongate branded waterproofs;
- Complete fire remediation and roofing refurbishment project; and
- Develop The Hub (previously known as the Scout Hut) by converting the upper hall to a dance and drama studio and remodelling the ground floor into more effective teaching spaces and more accessible toilet areas.

### To ensure that:

- Children make the Speaking and Listening and Phonics Phase milestones, with at least 86% of Year 1 pupils meeting the Phonics Screening Score target in June 2022, in line with national averages;
- An increased number of children are working at Age Related Expectations, with at least 75% of pupils in Key Stage 1 and 85% of children in Key Stage 2 meeting expectations;
- A reduction in the gap in terms of rate of progress or achievement between non-SEND disadvantaged groups and others, with at least 65% of Year 2 pupils eligible for Pupil Premium funding and 75% of Year 6 pupils eligible for Pupil Premium funding working at Age Related Expectations;
- Improvements in the outcome of the Year 4 Multiplication Check, with at least 75% achieving the target grade;
- Children demonstrate, through their social interactions, attitudes to learning and actions, that they can confidently take on new challenges; exploring boundaries, understanding and ideas to progressively build leadership, organisation, resilience, initiative and communication skills;
- Attendance levels exceed 96% for all children and School persistent absence levels are below the national average;
- Outcomes of Reception and Year 6 height and weight screenings improve, with less than 11% of reception being assessed as overweight (less than 5% very over weight) and less than 20% of Year 6 being assessed as overweight; and
- Improved parental engagement with face to face or phone contact being made with at least 95% of parents and carers via Parents Evenings; and
- Increased Reception intake numbers, with 90% of Stramongate Nursery pre-schoolers moving into Stramongate Reception in Sept 2022 and an overall intake exceeding 45 pupils.

Details as to the academy trust's performance against these objectives is outlined in pages 10 to 12.

# Stramongate School

## Trustees' Report (continued)

### Public Benefit

The trustees confirm that they have complied with their duties under Section 4 of the Charities Act 2011 to have due regard to the guidance on public benefit provided by the Charity Commission in exercising their powers and duties. In setting our objectives and planning our activities, the trustees have carefully considered the Charity Commission's general guidance on public benefit. The academy trust provides educational services to children in the local area.

## Strategic Report

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### Achievements and Performance

The academy trust's main strategic objective is to raise standards of achievement and progress through an unrelenting focus on continuous improvement in all aspects of the organisation. The core purpose of the academy trust is teaching and learning and therefore its key focus is on the progress made and standards achieved by its pupils.

### Key Performance Indicators

#### Ofsted inspections

In its most recent inspection (January 2020), Ofsted concluded that Stramongate School continues to be a 'Good' school where leaders make sure that pupils enjoy school, reflecting the (then) School motto 'learning is fun'; staff provide a wide range of interesting experiences for pupils and pupils learn the importance of keeping healthy and say that staff listen to them and help them with any worries. Pupils make a significant contribution to School life and, in 2019, at the end of key stage 2, pupil's achievement in reading, writing and mathematics was higher than pupils nationally; leaders have developed the wider curriculum to help pupils achieve well across different subjects.

This follows Ofsted judgements as a 'Good' school in June 2016 and February 2011.

# Stramongate School

## Trustees' Report (continued)

### Examination results

Results for the 2021-22 academic year were very pleasing on a number of measures, as indicated below.

<b>Key</b>	
GLD – Good Level of Development;	RWM – Reading, Writing and Maths combined;
EM – not engaged in subject specific study	EGPS – English Grammar, Punctuation and Spelling.
PKS – Pre-key stage;	
WTS – Working towards;	
EXS – Working at expected;	
GDS – Greater Depth;	

EYFS	Number in Cohort	Good Level of Development (Meeting first 12 Early Learning Goals)	
		School	National average
	37	72%	Not yet published

Year 1 Phonics Screening	Number in Cohort	Percentage of pupils meeting target level	
		School	National average
	41	66%	75% <sup>1</sup>

KS1 SATS	No. in Cohort	Attainment	Reading		Writing		Maths	
			School	National Average <sup>1</sup>	School	National Average <sup>1</sup>	School	National Average <sup>1</sup>
37		Not engaged (EM)	2%	N/A	2%	N/A	2%	N/A
		Pre-key stage (PKS)	14%	N/A	16%	N/A	8%	N/A
		Working towards (WTS)	24%	N/A	59%	N/A	41%	N/A
		Working at expected (EXS)	38%	N/A	22%	N/A	32%	N/A
		EXS or above	60%	67%	22%	58%	48%	68%
		Greater depth (GDS)	22%	18%	0%	8%	16%	15%

Notes from FFT on 6 July 2022, "Pupils in Year 2 this year have had the whole of Key Stage 1 disrupted by COVID. Given that context, it is unsurprising that their attainment was lower compared to previous cohorts, at least in the 600 schools that have shared data with us. Perhaps in retrospect the differences aren't as large as might have been feared. This cohort will be assessed at the end of Key Stage 2 in 2026. Assuming that the patterns in Key Stage 1 results hold in the national data when it is published, the government's target that 90% of pupils will achieve the expected standard in reading, writing and maths by 2030 now seems even further way."

The Governing Board, Senior Leadership Team and class teachers are aware of the significant impact COVID and the associated school closures and disruption to formal education had on pupil's wellbeing and education. The school is working hard with parents and carers to sensitively support children and has developed strategies to address identified gaps in learning, including additional investment in small-group support through the use of the COVID catch-up and School Led Tutoring grants as well as the purchase of a new Little Wandle phonics scheme, to be implemented from September 2022, funded from the trust's reserves. However, it is expected that the impact on the results achieved by some pupils will be seen for a number of years.

<sup>1</sup> <https://explore-education-statistics.service.gov.uk/find-statistics/key-stage-1-and-phonics-screening-check-attainment/2021-22>

## Stramongate School Trustees' Report (continued)

Year 4 Multiplication Check	Number in Cohort	Score (total possible 25)	Percentage of pupils	
			School	National average
	48	Not assessed (below level)	6%	N/A
		11-12 marks	6%	N/A
		13 – 19 marks	23%	N/A
		20 or above	65%	N/A
		25 marks	27%	N/A

KS2 SATS	No. in Cohort	Subject	Percentage of pupils achieving at least expected standard		Average scaled score	
			School	National average <sup>2</sup>	School	National average <sup>2</sup>
	52	Reading	78%	74%	107	105
		Writing	80%	69%	N/A	N/A
		Mathematics	86%	71%	106	104
		EGPS	80%	72%	107	105
		Science	86%	79%	N/A	N/A

The pandemic, and related school closures, has had an obvious impact on children's learning and attainment. Key Stage 2 assessments for the 2022 Year 6 cohort show that, whilst pupils' achievement was below the 85% target set by the trust, it was above national average for all subjects, which is an excellent outcome.

To ensure that standards are continually raised, the academy trust, Governing Board and Senior Leadership Team operate a robust quality assurance calendar which monitors the quality of teaching and learning and undertake rigorous reviews of attainment. Utilising Analyse School Performance (ASP) and Fischer Family Trust (FFT) data, rates of pupil progress are analysed, paying particular regard to achievement on-entry and levels of progress secured against those achieved nationally and locally.

### Pupil Attendance Data

COVID-19 has had a significant impact on attendance as pupils displaying potential symptoms were absent awaiting test results, pupils who had been in close contact with confirmed cases in the school community were absent due to self-isolation and a small number of pupils were absent as a result of confirmed infection. Whilst the impact of COVID related absences is starting to reduce, an increase in term-time holidays has been noted as families have now started to re-arrange holidays delayed during the pandemic and, anecdotally, these are being predominantly offered by holiday companies in term time weeks only.

Pupil attendance for the year to 31 August 2022 was 93%, which is below the academy trust's target of 96% but in line with those achieved by primary schools nationally of 92.2%.

The Governing Board review attendance termly and the Trust's Inclusion Manager works closely with the families of pupils with low attendance to help them overcome any obstacles to attending school regularly.

<sup>2</sup> <https://explore-education-statistics.service.gov.uk/find-statistics/key-stage-2-attainment>

# Stramongate School

## Trustees' Report (continued)

### Parental Engagement Data

Increased use of social media platforms, specifically Facebook, has increased communication with parents. The school's Facebook page has a 'reach' of over 200 individuals. Anecdotal evidence shows parents seem happy with the education the school is offering with very few complaints and lots of positive comments.

### Intake Data

32 children joined Stramongate's Reception class in September 2022, which is below the targeted 45. Governing Board and Senior Management investigations suggest that all families who visit Stramongate are impressed and apply for a places, however, the birth rate in the school catchment area is low with just 41 children eligible for a Reception 2022 start born within the school catchment area.

92% of children leaving Stramongate Nursery to attend primary school joined Stramongate School in September 2022; the remaining 8% of children have significant additional learning needs which cannot be met within a mainstream setting and are attending specialist provision.

### Financial Performance

The Governing Board are committed to achieving financial sustainability and offering value for money. Key financial performance indicators are set annually, based on guidance received from the ESFA and financial advisors, and performance against these is reviewed termly. Areas of focus include:

- Teaching staff costs as a percentage of total expenditure
- Average teacher cost
- Teacher contact ratio
- Pupil to teacher ratio
- Leadership staff costs as a percentage of total teaching staff costs
- Educational support staff costs as a percentage of total expenditure
- Administrative and clerical staff costs as a percentage of total expenditure
- Other staff costs as a percentage of total expenditure
- Premises costs as a percentage of total expenditure
- Capital expenditure per pupil
- Cash inflow/outflow

### Going Concern

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

## Financial Review

The majority of the academy trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year to 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. During the year ended 31 August 2022, expenditure exceeded income on the restricted fund by £72,209, before transfers and actuarial gains.

The academy trust generates additional income through the hire of facilities, sale of meals and other items and running a Breakfast Club as well as receiving donations. This income is shown as unrestricted

# Stramongate School

## Trustees' Report (continued)

funds in the Statement of Financial Activities and is used to support the trust's core educational provision as well as provide pupils with additional educational opportunities and experiences. During the year ended 31 August 2022, unrestricted income exceeded expenditure by £1,667, before transfers.

During the year to 31 August 2022, after transfers to the restricted fixed asset fund, the academy trust incurred an in-year deficit of £114,909 and, as at 31 August 2022, the Academy Trust had restricted general funds plus unrestricted funds, excluding capital and pension reserves, of £105,810.

The trust also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Report by Charities (SORP 2015)', such grants are shown, prior to being spent, ring-fenced within the restricted general fund or, after being spent, in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation over the expected useful lives of the assets concerned.

On 23 June 2021, Stramongate School was informed that an application to the Conditional Improvement Fund (CIF) for grant funding to allow the academy trust to undertake a series of roof refurbishments and fire remediation works had been successful. These works commenced on 25 July 2021 and at 31 August 2022, the income, including an agreed contribution from the trust's reserves, relating to the Conditional Improvement Fund grant exceeded expenditure by £129,104. The works were successfully completed on 4 November 2022.

At 31 August 2022, the net book value of fixed assets was £2,083,401. The fixed assets were used exclusively for providing education and the associated support services to the pupils of the academy trust.

### Reserves Policy

As at 31 August 2022, the Academy Trust had reserves of £2,044,315, this comprised of:

- The Restricted Income Fund of £0. This figure represents the amount of restricted funding received, including the General Annual Grant, less the amount spent;
- The Restricted Fixed Asset Fund of £2,212,505. This related to:
  - Capitalised fixed assets of £2,083,401, which is the cost of the tangible and intangible assets held by the academy, net of depreciation and any provision for impairment.
  - Unspent Conditional Improvement Fund grant of £129,104. These funds will be spent, in full, by the end of the project.

These funds could only be realised for use by the Academy through the sale of such assets;

- The Restricted Pension Fund of -£274,000. This is the pension deficit relating to the academy trust. The academy trust will continue to make pension contributions, as advised by the scheme actuary and expects that this deficit will be addressed through increased employers' pension contributions in future periods, which will impact the academy trust's future cash flow; and
- The Unrestricted Income Fund of £105,810. This is the excess of unrestricted income generated by the Academy over expenditure relating to unrestricted activities.

The Governing Board review the current and projected level of reserves on an annual basis, ensuring that it is adequate for the continued operation of the academy trust, based on current and projected funding levels and educational policies. The current level of reserves is considered adequate by the Governing Board to meet short-term emergencies; and for cash-flow management, to ensure employees and suppliers can be paid.

The objective of the Governing Board in recent periods has been to achieve a total level of restricted and unrestricted reserves sufficient to enable the Academy Trust to meet one month's salaries and services

# Stramongate School

## Trustees' Report (continued)

costs. The current level of reserves does not achieve this, having been diminished by the £125,000 contributed to the fire remediation and roof refurbishment works completed during the year.

### Investment policy

The Governing Board ensures all monies are in the appropriate investment accounts at the bank. These are used to maintain good cash flow over the year. The Board do not consider it necessary to have a formal investment policy at this time.

### Principal risks and uncertainties

#### Coronavirus (COVID-19)

The Coronavirus (COVID-19) pandemic continued to have an impact on the academy trust during the year to 31 August 2022, including financially.

- Financial difficulties experienced by Stramongate Nursery as a result of the COVID-19 restrictions resulted in the loss of expected profit-share income;
- COVID-19 restrictions limited the ability to run fundraising events, particularly during the Autumn and Spring terms;
- Additional costs have been incurred in relation to increased cleaning routines and provision of additional hygiene facilities;
- Additional costs have also been incurred in relation to supporting children to close attainment gaps and address the impact on wellbeing, with additional investment in small-group intervention support and an increase in demand for pastoral services (such as counselling); and
- Additional costs incurred covering COVID-19 related absences.

School Led Tutoring and COVID Catch-up grants, which continue into the 2022-23 academic year, contribute towards some of the costs incurred in relation to closing attainment gaps, however, these do not cover the full cost of provision and will not be sufficient to address all increased need.

#### Fluctuations in Pupil Numbers

The majority of the academy trust's income is obtained from the ESFA in the form of recurrent grants calculated on the basis of pupil numbers. The key risk to the trust is, therefore, fluctuation in pupil numbers. The number of pupils on roll has declined in recent years; the School had 306 pupils in the school census on the 1 October 2020, 291 pupils in the school census on the 7 October 2021 census and 287 pupils in the school census on the 6 October 2022 census. The Governing Board are monitoring pupil numbers, and budgets, closely and have taken early actions to ensure that the trust is able to achieve a balanced budget in future periods.

#### Inflation

With current rates of inflation in excess of 8%<sup>3</sup>, the costs of goods and supplies is increasing at a greater rate than can be recovered through seeking cost-efficiency opportunities alone.

Energy costs are increasing at an even faster pace; based on current market predictions, the academy trust is budgeting for energy costs to increase by 50% from April 2023, the date of the next contract price renewal. However, actual increases may exceed this.

The Supplementary Grant was announced in the Autumn 2021 spending review to provide support for the costs of the Health and Social Care Levy and wider cost increases. However, if current market conditions continue, this may not be sufficient to enable the academy trust to cover its increased costs.

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<sup>3</sup> As at September 2022, <https://www.ons.gov.uk/economy/inflationandpriceindices>

# Stramongate School

## Trustees' Report (continued)

The Governing Board monitor finances closely but the trustees may face making some difficult decisions, to the detriment of children's teaching and learning and wider school experience, in order to achieve a balanced budget.

### Changes in Government Policy

Changes in government policy on school funding and allocations, such as the cessation of the Educational Services Grant (ESG), introduction of the National Funding Formula, or teachers' pay and remuneration, including changes in National Insurance and pension contribution rates, also pose potential risks to the Trust.

The Government announcement of a 5% pay increase for all teachers on 19 July 2022 and the 2022 NJC pay award of an increase of £1,925 to each scale point, agreed on 1 November 2022, are far in excess of the amounts budgeted by and affordable to the academy trust. With no additional funding being provided to support this, this will have a detrimental impact on the academy trust's finances.

The Board keep themselves apprised of proposed changes to educational funding, policy and procedures, through subscribing to relevant publications and working with specialist advisors. Budgets and cash flows are monitored closely and early, prudent financial planning and continual management of the workforce is essential to ensure the Trust remains sustainable.

### Fundraising

Friends of Stramongate School (FOSS), a registered charity which comprises staff, parents and carers of pupils at Stramongate School, undertake fundraising activities on behalf of the academy trust; these include the sale of tea-towels, cake sales, pupil discos and a summer fair. These activities are run in conjunction with and overseen by the trustees who, following Charities Commission guidance, ensure compliance with relevant data protection and licensing legislation as well as the protection of the public and vulnerable people from unreasonably intrusive or persistent fundraising approaches or undue pressure to donate.

The Academy Trust does not, nor have any current plans to, work with any commercial partners or professional fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

### Plans for Future Periods

The academy trust's key objectives continue into the forthcoming year. The key areas being focussed on for development will be:

- Increase the number of children working at Age Related Expectations to 75% in KS1 and 85% in KS2, with the expectation of 90% of KS2 children achieving Age Related Expectations by 2030;
- Embed the Little Wandle Phonics Scheme;
- Basic numeracy skills are reinforced and developed frequently
- Complete a poverty-proofing audit and identify strategies to mitigate any barriers to learning;
- To raise attainment and accelerate progress of disadvantaged and lower attaining pupils.
- Strengthen and develop the expertise of all staff, in order to recognise and remove/mitigate barriers to learning (inc. those caused by SEND, poverty or mental health), so that all children are fully engaged and focused on their learning at all times.
- To develop the academy trust's outdoor areas through fundraising for the installation of a Multi-Use Games Area (MUGA);

The School Development Plan outlines our plans to achieve these objectives (available from our website, [www.stramongate.co.uk](http://www.stramongate.co.uk)).

## Stramongate School Trustees' Report (continued)

The academy trust is currently exploring the possibility of installing a Multi-Use Games Area to improve its all-weather sporting provision as well as a shelter/sail or outdoor leaning classroom to support increased outside learning. Longer-term plans are also to develop a dance and drama studio in the Hub building.

The Trustees are satisfied with the schools objectives and plans for the current year and were involved in setting the 5 year vision for the school. Trustees are aware of the commitment of the school in responding to the developing needs of its pupils and staff and the need to be flexible in this ever-changing educational landscape.

The School Leadership Team and Trustees are beginning to investigate the benefits of joining a multi academy trust and see this as a long-term strategic plan to help ensure the best education for the children at Stramongate.

### Auditor

Insofar as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 14 November 2022 and signed on the board's behalf by:



.....

Mrs Victoria Pimblett

Chair of Trustees

# Stramongate School

## Governance Statement

### Scope of Responsibility

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

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance and this is now included as part of our induction for all new trustees.

The board of trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Stramongate School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

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The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

#### Full Governing Board

The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

	<b>Meetings attended</b>	<b>Out of a possible</b>
Paul Atherton	3	4
David Avis	4	4
Sharron Butler	4	4
Matthew Beresford	4	4
Michael Donnelly	1	4
Stephen Lester	3	4
Jenny Mason	3	4
Clive Natrass	1	4
Victoria Pimblett	4	4
Kate Skellern	2	4
Robert Timms	3	4
Helen Watson (appointed 4 July 2022)	0	0
Elaine Gilpin (By invitation)	3	4

# Stramongate School

## Governance Statement (Continued)

Work of the Board of Trustees included:

- Approval of statutory policies;
- Agreement on all constitutional and compliance matters;
- Determining committee structures as well as appointing governors to committees and special functions; Approval of the academy trust's accounts and budget;
- Performance management of the Headteacher and staff structure and performance overview;
- Ensuring actions required following Ofsted inspections are taken;
- Input into, approve and monitor progress of the School Development Plan; and
- Monitor overall standards in terms of outcomes for children's learning and wider experiences across the school.

The Board of Trustees uses a wide range of third-party data to validate the information supplied by the Headteacher, e.g. Analyse School Performance (ASP), Fischer Family Trust, independent auditors, health and safety consultants and a Headteacher consultant as well as the Schools Financial Benchmarking Tool, ISBL School Optimisation Tool and the Schools Resource Management Self-Assessment Tool produced by Department for Education. The Governing Board has found information to be timely and accurate, and has questioned as relevant.

### Conflicts of interest

The Board of Trustees is aware of its duty to avoid and manage conflicts of interest.

Members and trustees avoid both real and perceived conflicts of interest by managing their personal relationships with related parties carefully, not accepting benefits from third parties and conducting themselves with integrity and openness, declaring any interests in proposed transactions or arrangements.

The Clerk to the Governing Board maintains an up-to-date register of business and pecuniary interests, which is shared with all members and trustees as well as on the Stramongate School website; trustees are asked to complete a declaration prior to being appointed and re-complete this on an annual basis. Conflicts of interest is also a standing item on each agenda.

Where a trustee has a real or perceived conflict of interest, they are asked to withdraw from any discussions or decision making relating to the proposed transaction or arrangement with which they are conflicted.

### Meetings

The Board of Trustees are satisfied that, despite meeting less than 6 times in the year to 31 August 2022, it has met regularly enough to discharge its responsibility to ensure robust governance and effective management arrangements.

The 4 meetings of the Board of Trustees were supplemented by meetings of the Planning, Monitoring, Audit and Risk and Health and Safety Committees, which share common members, as well as on-site visits conducted by trustees throughout the year.

Regular financial oversight is maintained through these meetings as well as through the sharing of monthly management accounts, termly internal scrutiny visits by an external provider and regular discussions between the School Business Manager and key trustees. During the year to 31 August 2022, the trustee Stephen Lester, a qualified Schools Resource Management Advisor, has worked closely with the School Business Manager in relation to the school finances, with particular focus on the works funded by the Conditional Improvement Fund grant and the budget setting process.

# Stramongate School

## Governance Statement (Continued)

### Governance Reviews

The Board of Trustees performed a self-evaluation of its effectiveness in September 2022, using National Governance Association template. The outcomes of this review were positive, with the Board of Trustees considering itself as operating effectively in all areas, but with some individual governors identifying opportunities for further development. In conjunction with the annual skills audit, also completed September 2022, this will be used to direct future governor training and recruitment. This review will be repeated annually.

### Planning Sub-Committee

The Planning Committee is a sub-committee of the main Board of Trustees, its purpose is to:

- In conjunction with the Headteacher and Senior Leadership Team, identify key issues and needs and to ensure their incorporation in the School Development Plan;
- Oversee and approve the School Development Plan beyond the present financial and academic years;
- Agree any Ofsted Actions at the appropriate time, for approval by the Full Governing Board;
- Identify and consider external issues affecting the school's long-term strategic development and to take appropriate action. This may include demographic/staffing issues, local development and initiatives from the LA and DfE; and
- Consider the strategic issues concerning budgetary matters beyond the current financial year and to ensure that the school upholds best value principles.

Attendance at meetings during the year was as follows:

	<b>Meetings attended</b>	<b>Out of a possible</b>
Paul Atherton	1	3
David Avis	3	3
Matthew Beresford	3	3
Michael Donnelly (resigned 5 September 2022)	2	3
Stephen Lester	2	3
Jenny Mason	3	3
Clive Natrass	2	3
Victoria Pimblett	3	3
Kate Skellern (resigned 31 August 2022)	3	3
Robert Timms	2	3
Elaine Gilpin (Not a trustee but extended an invitation as school business manager)	3	3

### Monitoring Sub-Committee

The Monitoring Committee is a sub-committee of the main Board of Trustees, its purpose is to review, monitor, evaluate and take appropriate action to deliver effective implementation of the School's aims in the current financial and academic year.

# Stramongate School

## Governance Statement (Continued)

Attendance at meetings during the year was as follows:

	Meetings attended	Out of a possible
Paul Atherton	2	3
David Avis	3	3
Matthew Beresford	3	3
Sharron Butler	3	3
Stephen Lester	2	3
Clive Natrass	2	3
Victoria Pimblett	2	3
Elaine Gilpin (Not a trustee but extended an invitation as school business manager)	3	3

### Audit and Risk Sub-Committee

The Audit and Risk Committee is a sub-committee of the main Board of Trustees, its purpose is to assist the Governing Board in meeting its obligations under the Academies Financial Handbook by directing the trust's programme of internal scrutiny and ensuring that risks are being addressed appropriately through internal scrutiny, and reporting to the Board of Trustees on the adequacy of the trust's internal control framework, including financial and non-financial controls and management of risks.

Attendance at meetings during the year was as follows:

	Meetings attended	Out of a possible
David Avis	3	3
Matthew Beresford	3	3
Stephen Lester	3	3
Clive Natrass	3	3
Victoria Pimblett	3	3
Elaine Gilpin Not a trustee but extended an invitation as school business manager	3	3

### Health and Safety Sub-Committee

The Health and Safety Committee review, monitor, evaluate and take appropriate action to deliver effective implementation of the School Health & Safety policy and any associated Health & Safety policy, to ensure compliance with legislation, good practice and mitigate against risks.

This Committee have also been responsible for the overseeing of the fire remediation and roof refurbishment works project, funded by the Conditional Improvement Fund (CIF) grant.

# Stramongate School

## Governance Statement (Continued)

Attendance at meetings during the year was as follows:

	Meetings attended	Out of a possible
Paul Atherton	1	2
David Avis	1	2
Matthew Beresford	2	2
Stephen Lester	2	2
Victoria Pimblett	0	2
Robert Timms	2	2
Elaine Gilpin	2	2
Not a trustee but extended an invitation as school business manager		

## Review of Value for Money

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

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

- Generating additional income from Outreach meals provision by satisfying a demand for good quality meals and benefitting from the associated economies of scale;
- Using online systems to collect income from parents, including by Direct Debit, to improve cash flow by allowing bills to be settled outside of the school day and during holidays; and
- Continuing to support Stramongate Nursery as they adapt to new premises, extended age range and extended opening hours to, hopefully, increase their future viability and profitability. The academy trust will benefit from this via a profit-share arrangement;
- Robustly challenging spending, to ensure the reduction of duplication and waste and the realisation of any cost savings available. During the year under review, to this effect, the Trust has:
  - Developed a robust system of financial oversight and governance through the continued development of the trust's internal scrutiny procedures, including working with new internal and external audit firms;
  - Undertaking a full review of the School's Financial Delegation Policy and purchasing procedures and authorisation levels;
  - Utilised government procurement frameworks and nationally negotiated deals, including the Energy for Schools framework operated by Crown Commercial Services and the CPC;
  - Used public sector procurement organisations for the purchasing of classroom supplies;
  - Worked with the School's Buying Hub North West to review the cost effectiveness of the school's cleaning function. This review concluded that the school's in-house cleaning team offered greater value for money than external providers;
  - Worked with the DfE Buying for Schools service to run a tender process for the purchasing of lockers;
  - Undertaken a number of restricted tender processes in relation to the academy trust's:
    - absence insurance;
    - telecoms and broadband provision;

# Stramongate School

## Governance Statement (Continued)

- ICT support services; and
- Capital expenditure projects, including desktop computers for the admin team and perimeter fencing;
- Continued using benchmarking tools to review performance and identify further efficiency opportunities; and
- Sought opportunities to generate further income from the school site, via lettings. The School House is rented to a private individual and further opportunities are being sought for the letting of the Hub.

### The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Stramongate School for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

### Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

### The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- Regular reviews by the governing board 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 and reviewing performance against these on a regular (termly) basis;
- Clearly defined purchasing (asset purchase or capital investment) guidelines; and
- Identification and management of risks.

In line with the Academy Trust Handbook, management accounts including income and expenditure account, variation to budget report, cash flow and balance sheet are produced and shared with all members and governors on a monthly basis. Updated forecasts of performance to the end of the period, with explanations of variances, is also produced monthly. The five-year budget and spend on ring-fenced items, including pupil premium and sports premium, are reviewed and reported on the trustees at least termly as is performance against key financial performance indicators.

# Stramongate School

## Governance Statement (Continued)

The board of trustees has decided to buy-in an internal audit service from Stables Thompson and Briscoe Chartered Accountants. This option has been chosen because the board of trustees felt that it provided the most reassurance; qualified external specialists are able to advise not only on compliance matters but share best practise by drawing on their experience from working with other schools and businesses. Stables Thompson and Briscoe have a team of qualified individuals capable of undertaking internal audit visits, enabling them to meet the school's desired timeframes for reporting. In line with the revised FRC Ethical Standard, Stables Thompson and Briscoe do not undertake any external audit functions on behalf of the academy trust.

The internal auditor's 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 control account / bank reconciliations; and
- Testing of financial controls in relation to ESFA income and other receipts, orders, purchases, contracts and payroll as well as financial returns

On a termly basis, the auditor reports to the board of trustees, through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities, making recommendations for the committee to consider.

Annually, the Audit and Risk Committee prepares a summary report to the Governing Board outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

For the year ending 31 August 2022, the internal auditor has delivered the agreed schedule of work; no material control issues have been identified as a result of this work. The Governing Board have taken into consideration all other recommendations and will ensure that these are implemented going forward, as appropriate.

### Review of Effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- 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; and
- correspondence from the ESFA.

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

Stramongate School  
Governance Statement (Continued)

Approved by order of the members of the board of trustees on 14 November 2022 and signed on its behalf by:

  
.....

Mrs Victoria Pimblett  
Chair of Trustees

  
.....

Mr Matthew Beresford  
Accounting Officer

# Stramongate School

## Statement of Regularity, Propriety and Compliance

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

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

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



.....  
Mr Matthew Beresford

Accounting Officer

14 November 2022

# Stramongate 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 then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 of trustees on 15 November 2021 and signed on its behalf by:



Mrs Victoria Pimblett

Trustee

# Stramongate School

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

### Opinion

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

In our opinion the financial statements:

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

### Basis for Opinion

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Stramongate School's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

# Stramongate School

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

### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. It includes the Reference and Administrative Details, the Report of the Directors and Strategic Report and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

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

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

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

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

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

### Responsibilities of trustees

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

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

# Stramongate School

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

### Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud and non-compliance with laws and regulations, is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- To address the risk of fraud through management bias and override of controls, we:
  - performed analytical procedures to identify any unusual or unexpected relationships;
  - tested journal entries to identify unusual transactions;
  - assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
  - investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

# Stramongate School

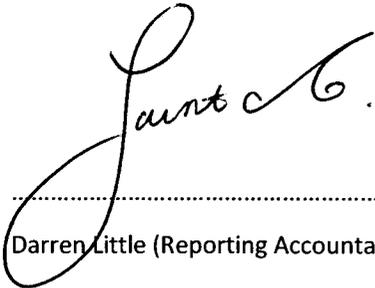
## Independent Auditor's Report on the Financial Statements to the Members of Stramonagte School

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of Independent Auditors.

### Use of our report

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



.....

Darren Little (Reporting Accountant)

For and on behalf of

Saint and Co.  
Chartered Accountants & Statutory Auditors  
The Old Police Station  
Church Street  
Ambleside  
Cumbria  
LA22 0BT

Date... *14 November 2022*

# Stramongate School

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

In accordance with the terms of our engagement letter dated 23 December 2021 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 Stramongate School Academy Trust during the year 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 Stramongate School Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Stramongate School Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Stramongate School Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### Respective responsibilities of Stramongate School Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Stramongate School Academy Trust's funding agreement with the Secretary of State for Education dated 1 April 2012 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 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:

- the school resource management self-assessment checklist (SRMSAT) was obtained and considered;

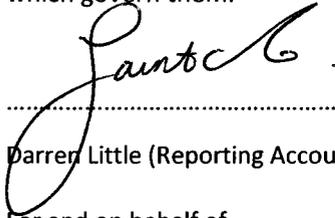
# Stramongate School

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

- having a general awareness of regularity and propriety whilst conducting the statutory audit function;
- reviewing if extra-contractual severance payments have been made in accordance with the Handbook;
- reviewing if borrowing agreements, including leases to ensure they have been made in accordance with the Handbook;
- reviewing the minutes of the meeting of the main committees during the year;
- reviewing expenditure to check that it was not ultra vires to the charitable objectives;
- obtaining trustee / governors' declaration of interests;

### 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 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.



Warren Little (Reporting Accountant)

For and on behalf of

Saint and Co.  
Chartered Accountants & Statutory Auditors  
The Old Police Station  
Church Street  
Ambleside  
Cumbria  
LA22 0BT

Date... *14 November 2022*

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

	Note	Unrestricted funds	Restricted funds	Restricted fixed asset funds	2021/22 Total	2020/21 Total Restated
		£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and capital grants	2	2,037	-	854,577	856,614	244,493
Other trading activities	4	48,504	-	-	48,504	50,151
Investments		54	-	-	54	32
Charitable activities:						
Funding for the academy trust's educational operations	3	18,625	1,594,333	-	1,612,958	1,564,031
<b>Total</b>		<b>69,220</b>	<b>1,594,333</b>	<b>854,577</b>	<b>2,518,130</b>	<b>1,858,707</b>
<b>Expenditure on:</b>						
Raising funds	6	29,724	-	-	29,724	20,628
Charitable activities: academy trust educational operations	6	37,829	1,666,542	928,607	2,632,978	1,912,094
<b>Total</b>		<b>67,553</b>	<b>1,666,542</b>	<b>928,607</b>	<b>2,662,702</b>	<b>1,932,722</b>
<b>Net income / (expenditure)</b>		<b>1,667</b>	<b>(72,209)</b>	<b>(74,030)</b>	<b>(144,572)</b>	<b>(74,015)</b>
Transfers between funds	14	(50,411)	(89,956)	140,367	-	-
<b>Other recognised gains / (losses)</b>						
Actuarial (losses) / gains on defined benefit pension schemes	23	-	1,122,000	-	1,122,000	(94,000)
Gain / (losses) on revaluation of fixed assets		-	-	-	-	-
<b>Net movement in funds</b>		<b>(48,744)</b>	<b>959,835</b>	<b>66,337</b>	<b>977,428</b>	<b>(168,015)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		154,554	(1,233,835)	2,146,168	1,066,887	666,909
Total funds carried forward		105,810	(274,000)	2,212,505	2,044,315	1,066,887

# Stramongate School

## Balance Sheet as at 31 August 2022

Company Number 07992440

	Note	2022	2022	2021	2021
		£	£	£	Restated £
<b>Fixed assets</b>					
Intangible assets	10		668		1,393
Tangible assets	11		2,082,733		2,144,775
<b>Current assets</b>					
Debtors	12	287,111		166,828	
Cash at bank and in hand	20	<u>184,767</u>		<u>415,676</u>	
		471,878		582,504	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	13	<u>(236,964)</u>		<u>(361,785)</u>	
<b>Net current assets</b>			<u>234,914</u>		<u>220,719</u>
<b>Total assets less current liabilities</b>			<u>2,318,315</u>		<u>2,366,887</u>
Defined benefit pension scheme liability	23		<u>(274,000)</u>		<u>(1,300,000)</u>
<b>Total net assets</b>			2,044,315		1,066,887
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	14		2,212,505		2,146,168
Restricted income fund	14		-		66,165
Pension reserve	14		<u>(274,000)</u>		<u>(1,300,000)</u>
<b>Total restricted funds</b>			<u>1,938,505</u>		<u>912,333</u>
<b>Unrestricted income fund</b>			<u>105,810</u>		<u>154,554</u>
<b>Total funds</b>			<u>2,044,315</u>		<u>1,066,887</u>

The financial statements on pages 34 to 59 were approved by the trustees and authorised for issue on 14 November 2022 and are signed on their behalf by Victoria Pimblett, Trustee:



Mrs Victoria Pimblett

Chair of Trustees

# Stramongate School

## Statement of Cash Flows for the year ended 31 August 2022

	<b>Note</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>Restated</b>
			<b>£</b>
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	18	(1,062,708)	(47,846)
<b>Cash flows from investing activities</b>	19	831,799	215,789
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(230,909)</u>	<u>167,943</u>
<b>Cash and cash equivalents at 1 September 2021</b>		415,676	247,733
<b>Cash and cash equivalents at 31 August 2022</b>	20	<u>184,767</u>	<u>415,676</u>

# Stramongate School

## Notes to the financial statements

### 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 fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

#### **Sponsorship income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

# Stramongate School

## Notes to the financial statements

### **Donations**

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

### **Other income**

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

### **Donated goods, facilities and services**

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

### **Donated fixed assets (excluding transfers on conversion/into the academy trust)**

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

## **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.

### **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.

All resources expended are inclusive of irrecoverable VAT.

## **Intangible fixed assets**

Intangible assets costing £750 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

# Stramongate School

## Notes to the financial statements

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

<b>Asset class</b>	<b>Amortisation rate</b>
Purchased computer software	20%

### **Tangible fixed assets**

Assets costing £750 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

Depreciation is provided on all tangible fixed assets other than 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, as follows:

<b>Asset class</b>	<b>Depreciation rate</b>
Leasehold land and buildings	0.8 - 2%
Building improvements	6.6 – 20%
Fixtures, fittings and equipment	10 – 20%
Computer equipment	10 – 20%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

### **Liabilities**

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

### **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

# Stramongate School

## Notes to the financial statements

value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

### **Leased assets**

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

### **Financial instruments**

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

**Financial assets** – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

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

**Financial liabilities** – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

### **Taxation**

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### **Pensions benefits**

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multiemployer 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

# Stramongate School

## Notes to the financial statements

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).

### Critical accounting estimates and areas of judgement

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 31, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

## 2. Donations and capital grants

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	2021/22 Total	2020/21 Total Restated
	£	£	£	£	£
Capital grants	-	-	854,577	854,577	241,570
Other donations	2,037	-	-	2,037	2,923
	<u>2,037</u>	<u>-</u>	<u>854,577</u>	<u>856,614</u>	<u>244,493</u>

# Stramongate School

## Notes to the financial statements

### 3. Funding for the academy trust's charitable activities

	Unrestricted funds	Restricted funds	2021/22 Total	2020/21 Total Restated
	£	£	£	£
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	1,279,080	1,279,080	1,263,758
Other DfE / ESFA grants				
Pupil premium	-	83,426	83,426	84,241
UIFSM	-	38,937	38,937	46,284
Sports premium	-	18,630	18,630	18,920
Supplementary grant	-	14,893	14,893	-
Teachers' pension grant	-	55	55	42,903
Teachers' pay grant	-	20	20	15,184
Others	-	7,968	7,968	4,132
<b>Exceptional government funding</b>				
Catch up premium	-	-	-	24,480
Recovery premium	-	8,736	8,736	-
School led tutoring	-	8,910	8,910	-
	<u>-</u>	<u>1,460,655</u>	<u>1,460,655</u>	<u>1,499,902</u>
<b>Other government grants</b>				
Local authority grants	-	111,053	111,053	45,323
DWP Kickstart grant	-	7,713	7,713	-
<b>Other income from the academy trust's educational operations</b>				
Educational trips and visits	-	14,912	14,912	4,104
Pupil meals sales	14,615	-	14,615	12,287
Uniform sales	4,010	-	4,010	2,415
	<u>18,625</u>	<u>14,912</u>	<u>33,537</u>	<u>18,806</u>
<b>Total</b>	<u>18,625</u>	<u>1,594,333</u>	<u>1,612,958</u>	<u>1,564,031</u>

#### Exceptional government funding

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

The funding received for coronavirus exceptional support includes recovery premium £8,736 and school led tutoring £8,910. The funding was spent on providing additional, small group intervention sessions, including training staff in new intervention techniques including Nuffield Early Language Intervention (NELI) and First Classic Number Training, and these costs are included in note 6 below as appropriate.

# Stramongate School

## Notes to the financial statements

### 4. Other trading activities

	Unrestricted funds	Restricted funds	2021/22 Total	2020/21 Total Restated
	£	£	£	£
Hire of facilities	13,800	-	13,800	10,950
Third party catering sales	6,579	-	6,579	6,328
Staff absence insurance claims	6,557	-	6,557	16,477
Breakfast club	15,657	-	15,657	6,648
Other income	5,911	-	5,911	9,748
	<u>48,504</u>	<u>-</u>	<u>48,504</u>	<u>50,151</u>

### 5. Investment income

	Unrestricted funds	Restricted funds	2021/22 Total	2020/21 Total Restated
	£	£	£	£
Bank interest	54	-	54	32
	<u>54</u>	<u>-</u>	<u>54</u>	<u>32</u>

### 6. Expenditure

	Staff costs	Premises	Other	2021/22 Total	2020/21 Total Restated
	£	£	£	£	£
<b>Expenditure on raising funds</b>					
Direct costs	22,854	-	3,933	26,787	19,470
Allocated support costs	-	2,937	-	2,937	1,158
	<u>22,854</u>	<u>2,937</u>	<u>3,933</u>	<u>29,724</u>	<u>20,628</u>
<b>Academy's educational operations</b>					
Direct costs	1,018,011	-	98,143	1,116,154	1,076,728
Allocated support costs	338,563	999,955	178,305	1,516,823	835,366
	<u>1,356,574</u>	<u>999,955</u>	<u>276,488</u>	<u>2,632,977</u>	<u>1,912,094</u>

# Stramongate School

## Notes to the financial statements

Net income/(expenditure) for the period includes:	<b>2021/22</b>	<b>2020/21</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>Restated</b>
		<b>£</b>
Operating lease rentals	7,292	7,064
Depreciation	84,874	84,582
Amortisation of fixed assets	725	725
Fees payable to auditor – statutory audit	4,750	4,050
Fees payable to auditor – other audit services	1,150	3,020
<b>Charitable activities</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>Restated</b>
		<b>£</b>
Direct costs – educational operations	1,116,154	1,076,728
Support costs – educational operations	1,516,823	835,366
	<u>2,632,977</u>	<u>1,912,094</u>

### Analysis of support costs

	<b>Educational</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>operations</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>Restated</b>
			<b>£</b>
Support staff costs	338,563	338,563	269,196
Depreciation	75,312	75,312	78,012
Technology costs	29,847	29,847	5,344
Premises costs	924,643	924,643	350,725
Legal costs	24,724	24,724	25,704
Other support costs	92,408	92,408	71,909
Governance costs	31,326	31,326	34,476
<b>Total support costs</b>	<u>1,516,823</u>	<u>1,516,823</u>	<u>835,366</u>

# Stramongate School

## Notes to the financial statements

### 7. Staff

#### a. Staff Costs

Staff costs during the period were:

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>Restated £</b>
Wages and salaries	989,778	923,497
Social security costs	78,034	80,181
Pensions costs	300,838	252,481
Other staff costs	372	-
	<u>1,369,022</u>	<u>1,256,965</u>
Agency staff costs	10,406	5,806
Staff restructuring costs	-	-
	<u>1,379,428</u>	<u>1,261,965</u>
Staff restructuring costs comprise:		
Redundancy payments	-	-
Severance payments	-	-
Other restructuring costs	-	-
	<u>-</u>	<u>-</u>

#### b. Severance payments

The academy trust paid **no** severance payments in the year, disclosed in the following bands:

0 - £25,000	-
£25,001 - £50,000	-
£50,001 - £100,000	-
£100,001 - £150,000	-
£150,000+	-
	<u>-</u>

#### c. Special staff severance payments - Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2021: £Nil). Individually, the payments were £Nil (2021: £Nil).

# Stramongate School

## Notes to the financial statements

### d. 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	12	12
Administration and support	38	32
Management	5	5
	<u>55</u>	<u>49</u>

### e. Higher Paid Staff

No employees received employee benefits (excluding employer pension costs and employer national insurance costs) exceeded £60,000 during this year or the prior year.

### f. 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 £406,989 (2020: £310,776).

## 8. Related party transactions

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows:

#### Mr Matthew Beresford (headteacher and trustee)

Remuneration: £55,000 - £60,000 (2021 £55,000 - £60,000)

Employer's pension contributions paid: £10,000 - £15,000 (2021 £10,000 - £15,000)

#### Mrs Sharron Butler (staff trustee)

Remuneration: £40,000 - £45,000 (2021 £40,000 - £45,000)

Employer's pension contributions paid: £5,000 - £10,000 (2021 £5,000 - £10,000)

#### Mrs Jenny Mason (staff trustee)

Remuneration: £40,000 - £45,000 (2021 £40,000 - £45,000)

Employer's pension contributions paid: £5,000 - £10,000 (2021 £5,000 - £10,000)

#### Miss Kate Skellern (staff trustee to 31 August 2022)

Remuneration: £40,000 - £45,000 (2021 £20,000 - £25,000)

# Stramongate School

## Notes to the financial statements

Employer’s pension contributions paid: £10,000 - £15,000 (2021 £5,000 - £10,000)

During the period ended 31 August 2022, expenses totalling £357 were reimbursed or paid directly to 3 trustees (2021: £706 to 3 trustees).

### 9. Trustees’ and officers’ insurance

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

### 10. Intangible fixed assets

	<b>Computer software</b>	<b>2021/22</b>
	<b>£</b>	<b>Total</b>
		<b>£</b>
<b>Cost</b>		
At 1 September 2021	14,438	14,438
Additions	-	-
At 31 August 2022	<u>14,438</u>	<u>14,438</u>
<b>Amortisation</b>		
At 1 September 2021	13,045	13,045
Charge in year	725	725
At 31 August 2022	<u>13,770</u>	<u>13,770</u>
<b>Carrying amount</b>		
At 1 September 2021	1,393	1,393
At 31 August 2022	668	668

# Stramongate School

## Notes to the financial statements

### 11. Tangible fixed assets

	Long leasehold land and buildings £	Building improvements £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost</b>					
At 1 September 2021	2,329,000	316,561	161,002	148,406	2,954,969
<b>Restated</b>					
Additions	-	11,184	-	11,648	22,832
At 31 August 2022	<u>2,329,000</u>	<u>327,745</u>	<u>161,002</u>	<u>160,054</u>	<u>2,977,801</u>
<b>Depreciation</b>					
At 1 September 2021	369,811	177,206	141,183	121,994	810,194
<b>Restated</b>					
Charge in year	39,272	29,636	6,404	9,562	84,874
At 31 August 2022	<u>409,083</u>	<u>206,842</u>	<u>147,587</u>	<u>131,556</u>	<u>895,068</u>
<b>Net book value</b>					
At 31 August 2021	1,959,189	139,355	19,819	26,412	2,144,775
<b>Restated</b>					
At 31 August 2022	1,919,917	120,903	13,415	28,498	2,082,733

#### Valuation Details

The leasehold land and buildings include a valuation of £2,329,000 made in 2013 by P Ivany MRICs Registered Valuer, who is independent of the charitable company. The basis of valuation for the assets was Existing Use Value using a Depreciated Replacement Cost approach. This was for the inclusion of the items on conversion to an academy trust.

#### ESFA Condition Improvement Funds

During the year the academy incurred significant expenditure on the roof repairs, structural failure and urgent fire compliance works project which was funded by an ESFA Condition Improvement Fund grant. The full cost of this project has been treated as resources expended in the Statement of Financial Activities.

#### Land and building transactions

The academy trust's transactions relating to land and buildings included the granting of a leasehold on land and buildings on the main school site to Stramongate Nursery, from 1 September 2021, for £6,000 over a term of 5 years.

#### Adjustment in 2021/22

The trustees were made aware that the revaluation of leasehold land and buildings in 2021 was not in line with the accounting policy for the class of asset so this has been reversed. There was also no value of land within the leasehold land and buildings brought forward figures, which has now been included. In addition there were capital projects additions of a refurbishment nature to the building improvements last year, which have been removed from fixed assets and treated as revenue. These adjustments were done by restating the comparative balances.

# Stramongate School

## Notes to the financial statements

### 12. Debtors

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>Restated £</b>
Trade debtors	226	733
VAT recoverable	19,286	21,976
Other debtors	-	636
Prepayments	54,405	57,415
Accrued grant and other income	213,194	86,068
	<u>287,111</u>	<u>166,828</u>

### 13. Creditors: amounts falling due within one year

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	75,195	84,542
Other taxation and social security	19,528	19,746
Other creditors	27	45
Accruals	94,170	180,592
Deferred income	25,310	55,333
Pension scheme creditor	22,734	21,527
	<u>236,964</u>	<u>361,785</u>
Deferred income at 1 September 2021	55,333	42,173
Released from previous years	(55,333)	(42,173)
Resources deferred in the year	25,310	55,333
Deferred income 31 August 2022	<u>25,310</u>	<u>55,333</u>

At the balance sheet date, the deferred income relates to grant monies received in advance for the 2022-23 academic year (of £24,895) and monies collected from parents in respect of uniform orders to be fulfilled (of £415).

# Stramongate School

## Notes to the financial statements

### 14. Funds

	Balance at 1 September 2021 Restated	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2022
	£	£	£	£	£
<b>Restricted general funds</b>					
General annual grant	42,538	1,279,080	(1,205,234)	(116,384)	-
Pupil premium	15,494	83,426	(101,982)	3,062	-
UIFSM	-	38,937	(48,214)	9,277	-
Sports premium	6,121	18,630	(25,436)	685	-
Supplementary grant	-	14,893	(14,893)	-	-
Teachers' pension grant	-	55	(55)	-	-
Teachers' pay grant	-	20	(20)	-	-
Catch up premium	2,012	-	(2,012)	-	-
Recovery premium	-	8,736	(5,292)	(3,444)	-
School led tutoring	-	8,910	(12,903)	3,993	-
Other DfE grant income	-	7,968	(7,968)	-	-
Local authority grants	-	111,053	(111,503)	-	-
Other government grants	-	7,713	(7,713)	-	-
Educational trips & visits	-	14,912	(27,767)	12,855	-
<b>Total</b>	<b>66,165</b>	<b>1,594,333</b>	<b>1,570,542</b>	<b>(89,956)</b>	<b>-</b>
Restricted pension fund	(1,300,000)	-	(96,000)	1,122,000	(274,000)
<b>Restricted fixed asset fund</b>					
Fixed assets	2,146,168	-	(85,599)	22,832	2,083,401
Devolved formula capital	-	7,465	-	(7,465)	-
Conditional improvement fund	-	847,112	(843,008)	125,000	129,104
<b>Total</b>	<b>2,146,168</b>	<b>854,577</b>	<b>(928,607)</b>	<b>140,367</b>	<b>2,212,505</b>
<b>Unrestricted funds</b>					
Staff absence insurance claims	-	6,557	-	(6,557)	-
Pupil meal sales	-	14,615	(29,507)	14,892	-
Facilities hire	-	13,800	(2,937)	(10,863)	-
Third party catering sales	-	6,579	(6,579)	-	-
Donations	-	2,037	-	(2,037)	-
Uniform sales	-	4,010	(7,813)	3,803	-
Interest	-	54	-	(54)	-
Other	154,554	21,568	(20,717)	(49,595)	105,810
<b>Total</b>	<b>154,554</b>	<b>69,220</b>	<b>(67,553)</b>	<b>(50,411)</b>	<b>105,810</b>
<b>Total funds</b>	<b>1,066,887</b>	<b>2,518,130</b>	<b>(2,662,702)</b>	<b>1,122,000</b>	<b>2,044,315</b>

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

# Stramongate School

## Notes to the financial statements

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

### **General annual grant (GAG) fund**

This represents the core funding for the educational activities of the school that has been provided to the trust via the Education and Skills Funding Agency (ESFA).

### **Pupil premium fund**

This represents funding paid by the DfE to support disadvantaged pupils in their teaching and learning, with the aim of improving their attainment and closing the gap with more advantaged pupils.

### **Universal infant free school meals (UIFSM) fund**

This represents the funding paid by the DfE to provide all children in Reception, Year 1 and Year 2 with free school meals.

### **Sports premium fund**

This represents the funding paid by the DfE to fund additional and sustained improvements to the quality of PE provision.

### **Supplementary grant fund**

This represents the funding paid by the DfE to support the costs of the Health and Social Care Levy and wider increasing costs.

### **Teachers pay and pension grants**

The teachers' pay grant was provided to support teacher pay awards. The teachers' pension grant was provided to temporarily support the increase in employers' contributions to the Teachers Pension Scheme from September 2019. These grants have now come to an end, with the associated funding now being included within the general annual grant.

### **Catch-up premium, recovery premium and school led tutoring funds**

This represents funding paid by the DfE to support pupils catch up on missed education due to the Coronavirus (COVID-19).

### **Local authority grants**

This represents funding from the Local Authority to pay for additional teaching support for children with an Educational Healthcare Plan (EHCP).

### **Other government grants fund**

In the year to 31 August 2022, this represents a Kick Start grant from the Department of Work and Pensions to fund the employment of an additional member of staff and support them in finding longer-term, increased working hours.

### **Fixed assets fund**

The restricted fixed asset fund relates to funding received from the DfE, ESFA and private sectors, as well as invested from the school's revenue funding, to carry out works of a capital nature as part of the school improvement plan.

# Stramongate School

## Notes to the financial statements

### **Devolved formula capital (DFC) and condition improvement fund (CIF)**

This represents monies from the ESFA in relation to capital projects. The DFC is paid annually, with the amount received being based on pupil numbers. Eligible trusts can apply for additional CIF funds for significant capital projects.

In 2020, the trust was awarded a Conditional Improvement Fund (CIF) grant in relation to emergency fire remediation and roof refurbishment works; these works continued throughout the year to 31 August 2022. £125,000 has been transferred from Unrestricted Funds to Restricted Fixed Asset Funds in recognition of the trust's agreed contribution to the Capital Improvement Fund project.

### **Unrestricted funds**

Unrestricted funds relate to monies received from insurers and donors, as well as generated by the school through trading activities such as the sale of meals, operation of a breakfast club and letting of rooms, to carry out works of a revenue nature.

# Stramongate School

## Notes to the financial statements

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

	Balance at 1 September 2020 Restated £	Income Restated £	Expenditure Restated £	Gains, losses and transfers Restated £	Balance at 31 August 2021 Restated £
<b>Restricted general funds</b>					
General annual grant	26,989	1,263,758	(1,228,682)	(19,527)	42,538
Pupil premium	8,136	84,241	(76,883)	-	15,494
UIFSM	-	46,284	(46,284)	-	-
Sports premium	6,018	18,920	(18,817)	-	6,121
Teachers' pension grant	-	42,903	(42,903)	-	-
Teachers' pay grant	-	15,184	(15,814)	-	-
Catch up premium	-	24,480	(22,468)	-	2,012
Other DfE grant income	-	4,132	(4,132)	-	-
Local authority grants	-	45,323	(45,323)	-	-
Educational trips & visits	-	4,104	(4,104)	-	-
<b>Total</b>	<b>41,143</b>	<b>1,549,329</b>	<b>(1,504,780)</b>	<b>(19,527)</b>	<b>66,165</b>
Restricted pension fund	(1,151,000)	-	(55,000)	(94,000)	(1,300,000)
<b>Restricted fixed asset fund</b>					
Fixed assets	2,204,961	-	(86,010)	27,217	2,146,168
Devolved formula capital	-	7,690	-	(7,690)	-
Conditional improvement fund	-	233,880	(233,880)	-	-
<b>Total</b>	<b>2,204,961</b>	<b>241,570</b>	<b>(319,890)</b>	<b>19,527</b>	<b>2,146,168</b>
<b>Unrestricted funds</b>					
Staff absence insurance claims	-	16,477	-	(16,477)	-
Pupil meal sales	-	12,287	(18,332)	6,045	-
Facilities hire	-	10,950	(1,158)	(9,792)	-
Third party catering sales	-	6,328	(6,328)	-	-
Donations	-	2,923	-	(2,923)	-
Uniform sales	-	2,415	(2,864)	449	-
Interest	-	32	-	(32)	-
Other	139,798	16,396	(24,370)	22,730	154,554
<b>Total</b>	<b>139,798</b>	<b>67,808</b>	<b>(53,052)</b>	<b>-</b>	<b>154,554</b>
<b>Total funds</b>	<b>1,234,902</b>	<b>1,858,707</b>	<b>(1,932,722)</b>	<b>(94,000)</b>	<b>1,066,887</b>

### Restated Comparative Balances

The comparative figures for the year ended 31 August 2021 have been adjusted for a number of reasons. The outcome of the adjustments is that the total funds reported at the end of 31 August have decreased by £337,930 from £1,404,817 to £1,066,887.

The income and expenditure notes have been updated for all these items. The material changes are as follows:

# Stramongate School

## Notes to the financial statements

### Fixed Asset Adjustments

The Land & Buildings had been revalued in 2021 based on a report provided by the ESFA. This asset class is not accounted for under the revaluation model and this is not the regular approach adopted for this sector. The comparative figures have been restated to reverse the revaluation by increasing the cost brought forward by £385,000 to the original valuation cost and reinstating the accumulated depreciation by increasing the brought forward figure by £281,833.

There was no value included for land within the brought forward Land & Buildings figures. The land should be recognised in the accounts as the academy has a 125 year lease from Cumbria County Council. A value of £609,000 is included for the land based on the original valuation report and accumulated depreciation of £45,878 recognised from the valuation date.

Significant expenditure on the roof repairs, structural failure and urgent fire compliance works project in 2021 which was funded by an ESFA Condition Improvement Fund grant has been restated as resources expended in the Statement of Financial Activities from Building Improvements within fixed assets. The full cost of this project has been treated as non-capital based on the nature of the project and analysis of the expenditure. £235,106 has been restated from cost brought forward as resources expended in the Statement of Financial Activities

### 15. Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	<b>Unrestricted funds £</b>	<b>Restricted general funds £</b>	<b>Restricted fixed asset funds £</b>	<b>Total funds £</b>
Intangible fixed assets	-	-	668	668
Tangible fixed assets	-	-	2,082,733	2,082,733
Current assets	105,810	236,964	129,104	471,878
Current liabilities	-	(236,964)	-	(236,964)
Pension scheme liability	-	(274,000)	-	(274,000)
<b>Total net assets</b>	<u>105,810</u>	<u>(274,000)</u>	<u>2,212,505</u>	<u>2,044,315</u>

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

	<b>Unrestricted funds Restated £</b>	<b>Restricted general funds Restated £</b>	<b>Restricted fixed asset funds Restated £</b>	<b>Total funds Restated £</b>
Intangible fixed assets	-	-	1,393	1,393
Tangible fixed assets	-	-	2,144,775	2,144,775
Current assets	154,554	427,950	-	582,504
Current liabilities	-	(361,785)	-	(361,785)
Pension scheme liability	-	(1,300,000)	-	(1,300,000)
<b>Total net assets</b>	<u>154,554</u>	<u>(1,233,835)</u>	<u>2,146,168</u>	<u>1,066,887</u>

# Stramongate School

## Notes to the financial statements

### 16. Capital commitments

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>Restated £</b>
Contracted for, but not provide in the financial statements	125,519	855,208
	<u>125,519</u>	<u>855,208</u>

### 17. Long-term commitments, including operating leases

#### a. Operating leases

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>Restated £</b>
Amounts due within one year	6,932	6,113
Amounts due between one and five years	10,802	6,414
	<u>17,734</u>	<u>12,527</u>

#### Land and property leases

The leasehold land and buildings are subject to a 125-year lease with Cumbria County Council. Although a peppercorn rent may be demanded, no such rent has been demanded to date.

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

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>Restated £</b>
Net income / (expenditure) for the reporting period	(144,572)	(74,015)
Adjusted for:		
Amortisation	725	725
Depreciation	84,874	84,582
Capital grants from the DfE	(854,577)	(241,570)
Interest receivable	(54)	(32)
Defined benefit pension obligation inherited	96,000	55,000
(Increase) / decrease in debtors	(120,283)	(60,976)
Increase / (decrease) in creditors	(124,821)	189,143
Loss from disposal of tangible fixed assets	-	(703)
	<u>(1,062,708)</u>	<u>(47,846)</u>

### 19. Cash flows from investing activities

	<b>2021/22</b>	<b>2020/21</b>
	<b>£</b>	<b>Restated £</b>
Dividends, interest and rents from investments	54	32
Proceeds from sale of tangible fixed assets	-	1,404
Purchase of tangible fixed assets	(22,832)	(27,217)
Capital grants from the DfE	854,577	241,570
	<u>831,799</u>	<u>215,789</u>

# Stramongate School

## Notes to the financial statements

### 20. Analysis of cash and cash equivalents

	2021/22	2020/21
	£	£
Cash in hand and at bank	184,767	415,676

### 21. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	Other non- cash changes £	At 31 August 2022 £
Cash	415,675	(230,909)	-	184,767
<b>Total</b>	<u>415,675</u>	<u>(230,909)</u>	<u>-</u>	<u>184,767</u>

### 22. Member liability

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

### 23. 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 the Local Pensions Partnership. 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.

Contributions amounting to £22,734 were payable to the schemes at 31 August 2022 (2021: £21,527) and are included within creditors.

#### Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. All teachers have the option to opt-out of the TPS following enrolment. The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

#### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future

# Stramongate School

## Notes to the financial statements

costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £125,827 (2020/21: £133,204).

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

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

### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2022 was £192,975 (2020/21: £138,958) of which employer's contributions totalled £172,340 (2021/21: £121,555) and employees' contributions totalled £20,635 (2020/21: £17,407). The agreed contribution rates for future years are 18.6% per cent for employers and between 5.5% and 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.

At the balance sheet date the scheme is in deficit. The Academy has entered into an agreement effective from 1 April 2020 to make additional contributions in addition to normal funding levels. It is anticipated that the payments will be made over 13 years from 1 April 2020, including £32,800 for 2020/21, £33,600 for 2021/22 and £34,400 in 2022/23.

<b>Principal actuarial assumptions</b>	<b>2022</b>	<b>2021</b>
Rate of increase in salaries	4.3%	4.3%
Rate of increase for pensions in payment/inflation	2.9%	2.9%
Discount rate for scheme liabilities	4.3%	1.7%
Inflation assumption (CPI)	2.8%	2.8%
Commutation of pensions to lump sums	-	-

# Stramongate School

## Notes to the financial statements

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

	2022	2021
<b>Retiring today</b>		
Males	22.6	22.7
Females	25.3	25.3
<b>Retiring in 20 years</b>		
Males	24.1	24.3
Females	27.1	27.2

Sensitivity analysis	2022	2022	2021	2021
	Deficit £	Change £	Deficit £	Change £
Discount rate + 0.1%	233,000	(41,000)	1,236,000	(64,000)
Discount rate - 0.1%	316,000	42,000	1,365,000	65,000
CPI rate + 0.1%	316,000	42,000	1,366,000	66,000
CPI rate - 0.1%	233,000	(41,000)	1,235,000	(65,000)
Mortality assumption – 1 year increase	314,000	40,000	1,398,000	98,000
Mortality assumption – 1 year decrease	235,000	(39,000)	1,205,000	(95,000)

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

	2022	2021
	£	£
Equities	562,000	682,000
Government bonds	238,000	299,000
Other bonds	-	-
Property	162,000	132,000
Cash and other liquid assets	52,000	66,000
Other	659,000	560,000
	<u>1,673,000</u>	<u>1,739,000</u>

The actual return on scheme assets was (£121,000) (2021: £244,000).

None of the fair values of the assets shown above include any of the academy's own financial instruments or any property occupied by, or other assets used by, the academy.

### Amount recognised in the Statement of Financial Activities

	2021/22	2020/21
	£	£
Current service cost	(172,000)	(122,000)
Interest cost	(22,000)	(22,000)
Admin expenses	(3,000)	(2,000)
Total amount recognised in the SOFA	<u>(197,000)</u>	<u>(146,000)</u>

# Stramongate School

## Notes to the financial statements

### Other recognised gains and (losses)

	2021/22	2020/21
	£	£
Remeasurements (liabilities)	1,273,000	(312,000)
Remeasurements (assets)	<u>(151,000)</u>	<u>218,000</u>
Total amount recognised in the SOFA	<u>1,122,000</u>	<u>(94,000)</u>

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

	2021/22	2020/21
	£	£
<b>At 1 September</b>	3,039,000	2,560,000
Current service cost	172,000	122,000
Interest on pension liabilities	52,000	48,000
Member contributions	21,000	17,000
Actuarial (gain) / loss	(1,273,000)	312,000
Benefits/transfers paid	<u>(64,000)</u>	<u>(20,000)</u>
<b>At 31 August</b>	<u>1,947,000</u>	<u>3,039,000</u>

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

	2021/22	2020/21
	£	£
<b>At 1 September</b>	1,739,000	1,409,000
Interest income	30,000	26,000
Actuarial gain / (loss)	(151,000)	218,000
Administration expenses	(3,000)	-
Employer contributions	101,000	91,000
Member contributions	21,000	17,000
Benefits / transfer paid	(64,000)	(20,000)
Effect of non-routine settlements	-	(2,000)
<b>At 31 August</b>	<u>1,673,000</u>	<u>1,739,000</u>

## 24. Related parties

Owing to the nature of the academy trust and composition of its board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which trustees have an interest. The following related party transactions took place in the year to 31 August 2022.

All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

# Stramongate School

## Notes to the financial statements

### **Stramongate Nursery**

The headteacher and one trustee of the academy act as two out of three trustees of Stramongate Nursery, a Charitable Incorporated Organisation. Due to this the nursery is a subsidiary of the academy as by virtue of having over half of the board of the CIO, the academy has the power to exercise control over it.

Section 404 Companies Act 2006 requires group accounts to include a consolidated balance sheet and consolidated profit and loss account. Stramongate school has a subsidiary, Stramongate Nursery, which has been excluded from these accounts under section 405 Companies Act 2006 on the grounds that its inclusion is not material for the purpose of giving a true and fair view.

Stramongate Nursery leases premises from the academy trust in return for a monthly lease rental payment and a share of nursery profits. During the year to 31 August 2022, the academy trust received £6,000 in lease rental payments (2020-21: £3,150). No profit share has been received in respect of the period to 31 August 2022, as the nursery recovers from the impacts of closure periods during the COVID pandemic and invests in its new premises, occupied from January 2021.

The academy trust also provides meals and other supplies and services to Stramongate Nursery. During the year to 31 August 2022, the academy trust received £6,579 in respect of the provision of meals (2020-21: £2,675) and £134 in relation to other supplies and services (2020-21: £2,420).

During the year to 31 August 2022, Stramongate School donated £600 to Stramongate Nursery as a contribution to the cost of installing replacement flooring in the baby room.

£46 was due from Stramongate Nursery to the trust at 31 August 2022.

### **Friends of Stramongate School**

The headteacher acts as a trustee of Friends of Stramongate School, a registered charity comprising of parents and teachers. The charity made donations of £1,500 during the year to 31 August 2022 for the purposes of supporting school trips (2020-21: £2,092).

### 25. Events after the end of the reporting period

The academy has obtained a valuation of its LGPS liability at the year end. However, since the year end with further economic turmoil the trustees believe that the rate of inflation used would be higher if the valuation was to be performed using this information. No allowance has been made by the actuary in the figures provided in line with the accounting requirements for events since the year end and the impact of such movements will emerge as part of the 31 August 2023 figures. The trustees believe obtaining further information of the financial effect on the LGPS liability to the date of approval of the accounts would not assist the users understanding and the assumptions are volatile at present so would not be cost effective for the academy trust.