

The Burgate School and Sixth Form
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2023

Company Registration Number:
07596997 (England and Wales)

The Burgate School and Sixth Form

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The Burgate School and Sixth Form

Reference and Administrative Details

Members

J Hair

N Griffiths (appointed 30 January 2023)

P Goddard (appointed 30 January 2023)

R Townsend

H Arnold (resigned 30 January 2023)

C Connolly (resigned 30 January 2023)

W Gregoire (resigned 30 January 2023)

M Hughes (resigned 30 January 2023)

D Millar (resigned 30 January 2023)

J Mowbray (resigned 30 January 2023)

I Newman (resigned 30 January 2023)

D Pover (Headteacher) (resigned 30 January 2023)

A Richardson (resigned 30 January 2023)

R Wagland (resigned 30 January 2023)

J Whitmell (resigned 30 January 2023)

Trustees

H Arnold

C Connolly

W Gregoire

J Hair

N Himmel (appointed 19 June 2023)

H McVeigh (appointed 5 July 2023)

D Millar (Chair of Trustees, resigned as Chair with effect 29 August 2023)

R Milsted (appointed 23 January 2023)

J Mowbray

D Pover (Headteacher)

A Richardson (appointed 16 September 2022)

C Stevenson (appointed 11 September 2023)

J Whitmell (appointed 13 September 2022, elected Chair with effect 29 August 2023)

M Hughes (resigned 3 July 2023)

I Newman (resigned 30 January 2023)

J Radcliffe (resigned 13 September 2022)

R Townsend (resigned 29 August 2023)

R Wagland (resigned 23 January 2023)

Company Secretary

L Williamson (appointed 1 September 2022)

The Burgate School and Sixth Form

Reference and Administrative Details

Senior Management Team:

Headteacher	D Pover
Deputy Headteacher	K Gibson
Deputy Headteacher	H Shering
Deputy Headteacher	B Clemson
Assistant Headteacher	V Becher
Assistant Headteacher	R Hollowbread
School Business Manager	F Wilcox (resigned 30 April 2023)
Finance Manager	J Price (appointed 1 May 2023)
HR Manager	S Hewett (appointed 1 May 2023)
Operations Manager	N Fortune (appointed 1 May 2023)

Company Name

The Burgate School and Sixth Form

Principal and Registered Office

Salisbury Road
Fordingbridge
Hampshire
SP6 1EZ

Company Registration Number

07596997 (England and Wales)

Independent Auditor

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

Bankers

Lloyds Bank Plc
PO Box 1000
BX1 1LT

Solicitors

Stone King LLP
13 Queen Square
Bath, BA1 2HJ

The Burgate School and Sixth Form

Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The company was incorporated on 8 April 2011 and opened as an Academy on 1 May 2011.

The Trust operates an academy for students aged 11 to 18 serving a catchment area in North-West Hampshire, South Wiltshire, and East Dorset. It has a student capacity of 1093 and had a roll of 1122 in the school census October 2022.

Structure, Governance and Management

Constitution

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

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 school has taken out appropriate indemnity insurance to protect the trustees' interests.

The Burgate School and Sixth Form

Trustees' Report

Method of Recruitment and Appointment or Election of Trustees

The number of Members shall be not less than three but shall not be subject to any maximum. Members may appoint new Members by special resolution of the Members. The number of Trustees shall be not less than three but shall not be subject to any maximum. Members may appoint up to ten Trustees and will look for a range of skills and experience that will benefit the school, particularly in areas such as education, business, finance, and accounting. The Board of Trustees has agreed to co-opt one Staff Trustee on its Board to ensure the voice of the staff body is heard. Staff Trustees must resign if they cease to be employed by the school. A minimum of two Parent Trustees must be elected or appointed. When Parent Trustee vacancies occur, parents are advised by email or letter. Any election of Parent Trustees which is contested is held by a secret ballot of all parents. In appointing a Parent Trustee, the Governing Body shall ensure the person is a parent, grandparent or carer of a student registered at the academy. The Headteacher is appointed to the Board by the Members. The Trustees may also have any co-opted Trustees on the Board of Trustees. The Members have by ordinary resolution appointed the Headteacher as a Trustee. The term of office of any Trustee or Member is four years. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

The Trust separated the Members and Trustees and adopted new articles on 30 January 2023 according to the Department for Education's (DfE) 2021 model set of articles, to ensure its structure was in line with requirements.

Policies and Procedures Adopted for the Induction and Training of Trustees

All new Trustees meet with the Headteacher, the Chair, the Vice Chair and the Clerk to Trustees as part of their induction programme and are invited by the Headteacher to visit and have a tour of the school and presentation of the school's mission, vision and values. Each Trustee is given an extensive number of key documents they will need to undertake their role as Trustee, such as: a copy of the "Welcome to Governance" publication produced by the National Governors' Association (NGA); the DfE's Governors' Handbook as well as access to policies, procedures, minutes, accounts, and budgets, together with information and advice they need about their roles and responsibilities and what is expected of them in the role. New Trustees are told whom they should contact if they have any questions or concerns and are allocated a mentor from one of the existing Trustees to provide ongoing support. All Trustees become members of the NGA giving them access to the NGA website and to the NGA Learning Link offering e-learning to help them develop their governance skills and knowledge.

An annual skills audit is undertaken to assess training needs and all Trustees are invited to seek additional and appropriate training with specialist training sought for Trustees with specific links to special educational needs, safeguarding and child protection.

All Trustees undertake annual online training in health & safety at work, safeguarding, cyber security, fire awareness and Prevent training. A Trustees' workshop is held each year to ensure that Trustees are kept up to date and are made aware of any changes and developments. This year's workshop covered the topics of the Ofsted Framework and The Nolan Principle of Openness.

The Burgate School and Sixth Form

Trustees' Report

Organisational Structure

The Members meet three times a year as regular general meetings and once a year to hold an AGM. The AGM is normally held after the Full Board has met in the Autumn Term. The Members are currently in the process of recruiting further Members to increase their number from the minimum of three.

The Full Board of Trustees meets six times a year (once each half term). Additional meetings may be held outside the normal timetable of meetings if required or if there are matters demanding urgent consideration. These meetings allow Trustees to oversee the strategic development of the school and provides a forum for discussion on issues such as the strategy of the school, school vision and long-term strategic planning. It is also where the statutory business of the Board is carried out.

Much of the Trustees' work is delegated to sub-committees on which the Headteacher also sits. Each of these committees operates according to terms of reference and a scheme of delegation that has been agreed by the Board of Trustees and is reviewed annually. The sub-committees meet to give detailed consideration to issues, make decisions within their delegated responsibilities and report back to the Board of Trustees. Members of the senior leadership team also attend Full Board and committee meetings as appropriate according to their areas of expertise and responsibility. All Trustees are welcome to attend any committee meeting, even if they are not a member of a particular committee, in a non-voting capacity.

The committee structure of the Board of Trustees is as follows:

The Education Committee meets six times during an academic year to monitor academic performance and student progress and oversees curriculum matters, assessment procedures and pastoral issues including safeguarding. It also considers all matters relating to admissions and reviews admission arrangements, advising the Full Board of any changes that need to be made to ensure the school is compliant.

The Resources, Audit and Risk Committee meets six times during an academic year, to ensure sound management and deployment of the academy's finances and resources, maintenance of the academy's land and premises, health and safety and oversees any matters relating to staffing, including staff welfare. The Audit and Risk sections of the committee maintain an oversight of the trust's financial, governance, risk management and internal control systems by implementing internal scrutiny/audit arrangements that meet the requirements of the Academies Trust Handbook.

The Pay and Performance Management Committee meets to monitor the effectiveness of staff performance management and to determine annual salary progression for eligible staff (teaching and support) following performance management reviews.

The Headteacher's Performance Management Committee meets at least twice during an academic year to agree annual performance targets with the Headteacher and to monitor and review performance against these. An external advisor is appointed to support the Trustees.

The Burgate School and Sixth Form

Trustees' Report

Organisational Structure (continued)

The Community Partnerships Committee meets three times during an academic year to encourage positive links between the school and the local community and to oversee community use of the school's facilities. Nominated external representatives of New Forest District Council, Hampshire County Council and Fordingbridge Town Council are invited to attend.

Additionally, there are committees which meet, as and when required, to deal with admission arrangements and Trustees sit on panels as required for student education and behaviour reviews, student exclusion, staff discipline, staff grievance, parental complaints and appeals.

In addition to the above, the Headteacher will meet regularly with the Chair of Trustees, Vice Chair of Trustees and the committee Chairs to co-ordinate the work of the Board of Trustees and to set meeting agendas.

As part of their 'monitoring role', individual Trustees are also appointed to the role of link Trustee and are allocated to specific areas of school life, for example, health and safety, safeguarding, learning environment, disadvantaged students and special educational needs, etc. In their role of link Trustee, through pre-arranged visits that have a clear focus, Trustees meet and talk with staff and report back to the Headteacher. Any key issues are raised with the relevant committees and/or the Full Board. The link role enriches all Trustees' understanding of their allocated areas and governance, assists with their forward planning, identification of priorities and target setting and contributes to informed decision making as well as enhancing Staff/Trustee relationships.

The Board of Trustees delegates the day-to-day management and operation of the school to the Headteacher. To facilitate effective operations the Headteacher, Finance Manager, Operations Manager, Human Resources Manager and Company Secretary have delegated authority within terms approved by the Trustees for operational matters, including educational, finance and employment matters.

Arrangements for setting pay and remuneration of key management personnel

Authority for remuneration is delegated to the Pay and Performance Management Committee. This includes keeping the Pay Policy under review and general pay rates. The Full Board of Trustees retains responsibility for endorsing any proposed changes to the school's pay policy. Any proposed changes to the pay policy are discussed with and communicated to the staff in writing by the Headteacher, to allow for consultation prior to a decision being made by the Board of Trustees.

a) Trustees and Members. Trustees and Members are not remunerated except that their travel and other expenses may be reimbursed.

b) Leadership Team. The pay progression of the Leadership Team (LT) is assessed by the Pay and Performance Management Committee, which also reviews the pay of other staff in the school in accordance with the Pay Policy. The Pay and Performance Management Committee considers the performance reviews of the Leadership Team and other relevant recommendations and comments by the Headteacher.

The Burgate School and Sixth Form

Trustees' Report

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

c) Headteacher. The pay progression of the Headteacher is assessed by the Pay and Performance Management Committee following a recommendation made by the Headteacher's Performance Management Committee. The Headteacher's Performance Management Committee consist of three Trustees who perform the Headteacher's performance review with the advice and assistance of an External Advisor. The review takes note of the performance against objectives which are set at the start of the year and include success criteria. Committee members will also have met the Headteacher several times during the period.

Trade union facility time

The Trust does not employ any trade union officials and does not have a service agreement with the Local Authority although is aware a facility is available if required.

Related Parties and other Connected Charities and Organisations

The Burgate School and Sixth Form enjoys close links with its feeder schools and other local schools. The school intends to continue to develop these links during the coming year through collaboration that focusses on a common approach to school curriculum, school policies and systems for pupil transition.

The Headteacher attends meetings of the Western Hampshire Secondary Headteachers' group, the New Forest 14-19 Partnership Group and the Hampshire SATs (Single Academy Trusts) Informal Network.

To improve further the well-established partnership and alliance of secondary schools across The New Forest the school continues to explore the opportunities and benefits provided by more a formal arrangement of partnership including the possibility of forming a new Multi-Academy Trust with other nearby schools, looking at how they can build stronger educational provision for the children within their local communities.

The Burgate School and Sixth Form is a member of the Hampshire Safe alliance alongside twelve other schools and colleges across the New Forest. The aim of Hampshire Safe is to keep students safe from harm by educating and warning students about the dangers of drugs through initiatives and safeguarding advice throughout the year.

The school runs the local Community Partnership Committee and nominated external representatives of the New Forest District Council, Hampshire County Council and Fordingbridge Town Council are invited to attend. The school's outdoor and indoor facilities are let out during non-school hours and used by the wider community on a regular basis.

The Burgate School and Sixth Form is a member of Confederation of School Trusts (CST), the membership organisation for trusts at a regional and national level who support and represent more than half the academy sector in England.

The Burgate School and Sixth Form

Trustees' Report

Objectives and Activities

Objects and Aims

The academy trust's objective is specifically restricted to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The Burgate School and Sixth Form is a fully inclusive comprehensive school and sixth form for boys and girls aged 11-18 which aims to maintain high academic standards and individual achievement within a caring and supportive environment. It seeks to encourage personal responsibility and fulfilment so that students attain their maximum potential within an engaging and friendly environment.

The vision of The Burgate School and Sixth Form is: 'We want every child to enjoy their learning and feel valued for who they are'. It encompasses the idea that every child matters for themselves and that we can inspire them by helping to provide a learning environment where they are happy. It is a statement that looks to the future and is something that everyone working in the school is aiming for by enshrining the school's vision and values in the day-to-day workings and activities of the school. The school is dynamic and works with the community to prepare its students for life-long learning and independence. This ethos pervades the whole school and sixth form and is embodied in the school's motto 'Learning for Life' summarising in three words what the school is about. It is rooted in our purpose 'to provide an excellent education for any child within the local community aged between 11 and 18', embodies the aspiration of our vision and captures the pragmatism of our mission which is 'to provide a broad and diverse curriculum with a creative approach to learning that inspires curiosity, encourages collaboration, builds resilience and develops flexibility of thought'.

Every student is different and finds their own way through school. However, there are certain shared values that underpin all aspect of Burgate school life. These are:

- Creativity
- Honesty
- Fairness
- Confidence
- Kindness
- Inclusivity
- Ambition
- Enthusiasm

We inspire these through our teaching, the standards we uphold, the encouragement we provide, the example we set, the school's environment and the Burgate's expectations: be safe, be respectful, be ready to learn.

The Burgate School and Sixth Form Trustees' Report

Objectives, Strategies and Activities

To meet its aims, The Burgate School and Sixth Form's objectives for the year ending 31 August 2023, have been to improve educational achievement whilst continuing to provide and/or ensure:

- a broad and balanced curriculum;
- a high quality education;
- value for money for the fund expended;
- an accessible sixth form provision for the local area, which includes Hampshire, Dorset and Wiltshire;
- pastoral support, guidance and counselling;
- that economic hardship does not impinge on a child's education; and
- a safe environment.

The indicators used to assess the performance of the school by the trustees are categorised into three main areas:

- Teaching and Learning
- Targeted Academic Support
- Complementary Strategies for Whole School Improvement

The five-year School Improvement Plan (2022-27) is important in the audit, self-evaluation and revision of the School's strategic planning and development cycle and has been agreed with action plans defining targets and timescales.

A summary of the objectives, strategies and activities from the School Improvement Plan 2022 – 2027 is set out below.

Objective One – Teaching and Learning: Implement a new learner focussed integrated curriculum with effective pedagogy.

- Develop a blend of teaching styles to suit needs of all learners
- Develop students' skills and their application of knowledge through an integrated skills approach
- Develop students' metacognition, growth mindset and self-regulation
- Improve students' oracy and literacy
- Improve social/emotional learning to support mental health/wellbeing.

Objective Two – Targeted Academic Support: Improve the outcomes of specific student groups (determined by forensic analysis of academic and pastoral data)

- Disadvantaged students make at least expected progress and in line with school average
- (P)LAC students make at least expected progress and in line with school average
- SEND students make at least expected progress and in line with school average
- Students with attendance below 90% improve to +90% attendance and make at least expected progress and in line with school average.

The Burgate School and Sixth Form Trustees' Report

Objectives, Strategies and Activities (continued)

Objective Three – Complementary strategies for whole school improvement

- Develop meaningful links between curriculum and CEIAG/LIFE
- Improve wider/extra-curricular opportunities (cultural capital)
- Improve CPD to deliver effective T&L.

Public Benefit

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

The school offers considerable public benefit through its role as a provider of education and the links it has developed within the local community.

During the year, community groups and individuals had use of the school's facilities such as the sports hall, drama studio, all weather pitch and other sports pitches.

The school works closely with local primary schools. Three taster days for Year 5 pupils were held to allow pupils to experience a secondary school environment and lessons. The school also held an Induction Day for Year 6 pupils alongside a Year 6 Headstart course run to build the confidence of pupils in Year 6 who will be joining the school in September and to ease their transition.

A Discretionary grant from Connect4communities was received. The school provided duvets, blankets, hoodies, socks etc to several families, to assist with increased heating costs.

Strategic Report

Achievements and Performance

The school converted to an academy on 1 May 2011.

In the school census October 2022, there were 1122 (2021-2022: 1073) students on roll, including 259 (2021-2022: 252) in the sixth form.

Our GCSE results in 2023 continued to be with strong with 79% of students achieving both English and Mathematics at Grade 4+ and 56% achieving Grade 5+. Our most recent published Progress 8 value added score, which related to the 2022 exam series was +0.02 which was above the national average and once again places The Burgate as one of the very best performing schools in Hampshire and nationally. Our A level results are consistently very good with 72% of our grades between A* - C.

The Burgate School and Sixth Form Trustees' Report

Achievements and Performance (continued)

2023 Headline GCSE figures

Measure	National 2023	2023
Attainment 8 Score (A8)	46.47	50.96
SEND A8	46.47	46.80
Disadvantaged A8	38.35	36.63
Grade 5-9 English/Maths	44.80%	55.80%
Grade 4-9 English/Maths	60.80%	78.60%
Ebacc Standard Pass	22.90%	32.50%

2023 Headline A level figures

Measure	2023
Average Point Score (APS)	32.22
Average Grade	C+
SEND APS	34.29
Disadvantaged APS	28.85

Enrichment and extra-curricular

The school continued to focus on its curriculum enrichment with a multitude of events and activities taking place beyond the classroom allowing students to embrace a wide variety of opportunities to extend their learning and increase their cultural capital.

In the sixth form, Amnesty International and Debating Matters continued to be popular and most successful, with the debating team achieving the title of Debating Matters House of Lords National Champions 2023.

A Year 13 student won the regional heat of the Articulation public speaking prize; an acclaimed public speaking initiative for young people to deliver an illustrated presentation to an audience about a work of art, artefact or architecture of their choice.

The Burgate School and Sixth Form

Trustees' Report

Achievements and Performance (continued)

Young artists and designers in Art and Design continued to thrive in their 'Go Further' sessions, spending an amazing day working with clay, creating thoughtful pieces inspired by things about which they felt strongly. The Mayor of Fordingbridge came to celebrate the artists' designs for Fordingbridge Greener Living and the winning Community Orchard sign that is now in situ at Sweatford Water Meadows. Year 8 students created a collaborative installation that illuminates our connection to the living earth and to evoke a wider appreciation for the planet's biodiversity.

In the Rotary Interschool Photography Competition 2023 'Movement', two Burgate entries were selected to form part of the final exhibition of photographs from over 800 entries from 21 schools and one Burgate entry went on to win the Years 11-13 category.

The Drama department ran their Drama Club and put on a successful production of 'Now That's What I call Twelfth Night!', written, directed and performed by school students and staff, which was sold out for its entire run.

Music clubs such as choir, orchestra and small group bands produced several performances. Team Burgate were thrilled for guitar teacher, John Wines, who made it through to the judges' deliberations in America's Got Talent after wowing them with his guitar skills and reaching the 'live finals'.

The English department began a successful 'Drop everything and read' (DEAR) campaign, which has continued every Friday for 30 minutes during the tutor lesson.

The members of the Gardening Club were delighted to receive lots of bulbs kindly donated by a local business, Baskets and Blooms and planted these across the school site in spaces used by the wider community.

The PE department ran numerous all-inclusive clubs in addition to school fixtures where respective teams celebrated many sporting achievements competing in netball, hockey, football, rounders, karate and equestrian competitions as well as sailing days at Spinnaker lakes.

The Duke of Edinburgh (DofE) scheme continued, and students were in high spirits following their silver DofE expedition with plenty of sunshine for the weekend.

Trips and visits were popular, such as: a trip to Paris taking in the main cultural sights; A trip to Italy to Naples and the surrounding area, including Pompeii and Vesuvius; a trip to Malaga where students visited Mijas where they learnt about life in the mountains, had a flamenco lesson in Colegio Maravillas, as well as lessons in art and paella making; History students visited Berlin in October as part of their A Level Cold War unit and Munich and Nuremburg in July to complement their GCSE studies; Politics students enjoyed a live webinar with Lord Hannay of Chiswick as part of the 'Learn with the Lords' education programme, and also visited Westminster; Computer Scientists visited the Photonic Systems Circuits and Sensors Group at Southampton University.

The Burgate School and Sixth Form

Trustees' Report

Achievements and Performance (continued)

External Speakers were welcomed:

Sociology students enjoyed a talk from a former Burgate sociologist who was able to offer many useful tips for success and advice about next steps. Having explored research from the Centre for Contemporary Cultural Studies, Burgate sociologists in the sixth form tried their hand at some semiotic analysis of their own. Dressing up as representatives from different youth sub-cultures they analysed the meanings and contexts of subcultural style.

Main school students benefitted from a wonderful opportunity to work with the British Army climbing, observing, flying and experiencing resilience and survival.

As part of UK Parliament Week, students from Year 7 through to Year 13 took part and voted Yes or No to the question, 'Should the voting age be lowered to 16 for all UK referendums and the general election?' In all, 958 votes were cast and the outcome was a victory for 'NO' with 53% voting against and 47% for lowering the voting age.

In July Enrichment Week for Years 7 to 10 and 12 was held with staff offering an activity that went beyond the 'normal' curriculum. Days were dedicated to life skills, futures and wellbeing.

Careers advice and guidance remained a focus across the whole school and sixth form with the careers programme continuing to grow. Many departments offered career enriching opportunities from external visits to work placements and post 16/18 settings to in-school guest speakers. The school also held a successful careers fair which was well supported by exhibitors and attendees with every student invited to explore their future aspirations.

Key Performance Indicators

The main financial performance indicator is the level of reserves at the Balance Sheet date:

	2023	2022
	£	£
Restricted Fixed Asset Fund	17,414,724	15,230,964
Restricted General Fund	536,738	490,762
Unrestricted Fund	110,489	116,050
Pension Deficit	(106,000)	(302,000)

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for October Census 2022 are 1122, an increase of 4.6% over the October Census 2021. Due to increased demand during the main round of admissions for Year 7 places for 2020/21 and 2021/22 Trustees agreed to go over the planned admission number of 160 for the Year 7 cohort, allowing a seven-form entry thereby accepting all pupils whose parents had put the school down as their first choice. Following a consultation period, Trustees agreed to raise the school's PAN from 160 to 190 for Year 7 intake from 2022 onwards.

The Burgate School and Sixth Form

Trustees' Report

Key Performance Indicators (continued)

	2023	2022
Pupil to teacher ratio	17.53:1	17.87:1
Teaching to non-teaching staff ratio	1.84:1	1.65:1
Student attendance %	90.71%	94.91%
Total income per pupil	£6,474	£6,153
Total grant income per pupil	£5,562	£5,219
Staff costs per pupil	£4,992	£4,835
Total costs per pupil	£6,267	£6,003

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 might cast significant doubt on the ability of the charitable 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. The Academy has reserves of £647,227 (£606,812 – 2022). The Trustees have approved a balanced budget for 2022-2023 however going forward budgets show in-year deficits due to higher expenditure because of inflationary reasons. This will need to be mitigated through cost-saving exercises and use of monies carried forward.

Therefore, the Academy Trust has a reasonable expectation that they will have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis of accounting in preparing the accounts.

Financial Review

The Academy's financial position demonstrates total income of £9,493,137 (2021/22: £6,233,296) made up from activities for generating funds of £546,086 (2021/22: £505,668), investment income of £1,141 (2021/2: £109), incoming resources from Academy activities of £6,400,230 (2021/22: £5,696,843), donations and capital grants of £2,545,680 (2021/22: £30,676) with an overall increase in revenue at the 31 August 2023 of £744,837 (2021/22: £493,003) excluding restricted pension fund and restricted fixed asset fund.

The school received three funding streams to help address learning gaps which may have been exacerbated by the partial school closures. The first of these is the Pupil Premium Fund (a fund for those students who have been on Free School Meals at any point in the last three years), the Recovery fund (a fund which can be used to contribute to the National Tutoring programme) and the School led Tutoring fund (a fund which can be used to pay existing staff to undertake tutoring or intervention).

The Burgate School and Sixth Form

Trustees' Report

Financial Review (continued)

The school is required to produce a three-year strategy statement which is published on the school's website. This strategy details where the Pupil Premium fund is being used to address challenges, the outcome which is desired and the external educational evidence which this is based upon. The school is also required to track the use of the School Led Tutoring fund to account for both the amount and the expected hours that it should cover. This is recorded in both the termly school census and the end of year EFSA financial report.

Measures for the use of the School Led Tutoring fund included Year 7 literacy, numeracy and science tutoring, MFL after school tutoring and Year 11 Maths and English intervention. This was further supported by the National Tutoring programme (an online tutoring programme) funded through the recovery fund.

The school has worked successfully with community partners to secure funding for the new artificial grass pitch, which the local community can use out of school hours. Additional discussions are ongoing concerning the construction of a changing facility with toilets for use by the local community and the school.

The reserves will be utilised for continuous improvements, projects and for the repair and replacement of educational equipment and materials. Reserves will also be allocated to the repair, replacement and updating of the school's buildings, its plant equipment and contents. Some reserves may also need to be allocated to inflationary expenditure in future years.

The school has been successful in its bid for a new site-wide fire safety system and electrical works. This will include installation of a new fire alarm system, detection and emergency lighting to meet L2 compliance, alongside a full electrical and IT rewire to avoid further power failures and possible school closure. The total project cost is £2,244,244 funded by the Department for Education's Condition Improvement Fund, with a school contribution of £20,000. The project will commence mid-way through the Autumn Term, taking approximately 14 months to complete, intending to achieve much improved teaching facilities and classroom environments, but with minimal disruption to learning.

A new full size 3G Artificial Grass Pitch (AGP) at The Burgate School and Sixth Form, achieved through a partnership with Hampshire Football Association and New Forest District Council to secure Football Foundation funding will be constructed during the Autumn Term 2023 and Spring Term 2024.

With a total project cost of £896,755, this facility is being made possible thanks to a £601,255 grant from the Premier League, The FA and Government's Football Foundation, with additional funding from New Forest District Council, The Burgate School and Sixth Form, Fordingbridge Turks FC and Fordingbridge Rugby.

The Burgate School and Sixth Form

Trustees' Report

Financial Review (continued)

The Football Foundation grant has enabled The Burgate School and Sixth Form, together with New Forest District Council and Hampshire County Football Association to begin work on this exciting project which will provide a wonderful sporting facility for both the school and wider community. The partnership will promote local sport and encourage greater participation at club and social levels.

A Schedule of Accommodation report recommended development of large shared areas in the school. Proposals for improvement are underway.

A detailed capital development programme was prepared and reviewed regularly by Trustees in order that reserves can be prioritised and spent according to the needs of the School. Some of the capital development projects completed in 2022/23 include: new student toilets, further perimeter fencing, a replacement school minibus, and an upgraded phone system.

The principal financial management policies adopted in the year were:

- conducting regular financial reviews of income and expenditure versus planned budgets at the Trustees' Resources, Audit & Risk Committee meetings; and
- consideration as to whether the financial income demonstrates a robust and stable position enabling the provision of sufficient quality resources to fulfil the school's educational obligations.

Reserves carried forward at 31 August 2023 will be utilised as part of the medium and long term plans of the school to improve and update its educational resources, materials and equipment, and additionally to provide a continuous improvement plan to maintain and repair the site and facilities.

Reserves Policy

Trustees regularly review the finances, budgets and spend against budgets as part of the effective stewardship of the Academy.

As at 31 August 2023 the School had restricted and unrestricted general funds of £647,227 (2022: £606,812). It still recognises a significant pension fund deficit for the Local Government Pension Scheme of £106,000 (2022: £302,000).

The Academy aims to build on its reserves for a number of purposes, including funding current and future spending on fixed assets, financing the Academy's working capital and providing contingency against the risks and uncertainties in running an Academy. The Trustees' policy is to hold sufficient reserves to cover these requirements and to spend any surpluses generated by the school on improving its facilities.

The Burgate School and Sixth Form Trustees' Report

Investment Policy

The Academy aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the Academy aims to invest surplus cash funds to optimise returns, but ensuring the investment instruments are such that there is no tangible risk to the loss of these cash funds. The Academy does not consider the investment of surplus funds as a primary activity, rather it is the result of good stewardship as and when circumstances allow.

Purposes:

- To ensure adequate cash balances are maintained in the current account to cover day to day working capital balances.
- To ensure there is no tangible risk of loss in the capital value of any cash funds invested.
- To protect the capital value of any invested funds against inflation.
- To optimise returns on invested funds.

Principal Risks and Uncertainties

The objective and policy of risk management is to identify risks, score them in likelihood and severity and to take management action to mitigate risk concentrating on those with high scores. The Trustees maintain a risk register under the following main headings: Strategic and Reputational; Operational; Compliance; and Finance.

A matrix of risk likelihood versus impact is maintained to score risks, with current risk management and any further action required noted against each risk. Risks aligned to individual committees are reviewed by those committees on a regular basis with the Resources, Audit & Risk Committee having an oversight reviewing the procedures, processes and controls which are in place to effectively manage the risks and the actions to mitigate them. The Risk Register is reviewed annually by the Full Board. In the opinion of Trustees, the school has established systems that, under normal circumstances, would allow the risks identified to be mitigated to an acceptable level in day-to-day operations.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured that the Academy has adequate insurance cover.

The Trustees examine the financial health of the Academy formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at Board of Trustees and Resources, Audit & Risk committee meetings. The Trustees also review cash flow forecasts regularly and ensure sufficient funds are held to cover all known and anticipated commitments.

At the period end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Burgate School and Sixth Form

Trustees' Report

Principal Risks and Uncertainties (continued)

The Board of Trustees recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 26 to the Financial Statements, represents a significant potential liability. However, as the Trustees consider the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

The principal risks and uncertainties facing the Academy are as follows:

Financial - The Academy has considerable reliance on continued government funding. In the year £6,400,230 (2022: £5,696,843) of the Academy's incoming resources were ultimately government funded and, whilst this level is expected to continue, there is no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - The risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. Robust internal management/monitoring systems, appropriate training and annual review of policies and procedures are in place to mitigate these risks.

Reputational - The continuing success of the Academy is dependent on its ability to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk detailed analyses of each student's progress are maintained and reviewed throughout the year. The school has a range of possible interventions where individual students are identified as under-achieving expected results. Beyond academic results, the school offers a wide range of activities and opportunities to ensure students develop their potential in all areas including those beyond the classroom.

Safeguarding and child protection - The Trustees continue to ensure that the highest standards are maintained in the selection and monitoring of staff and the implementation of the school's child protection, health and safety and disciplinary policies and procedures. Safeguarding of students is paramount and members of staff take part in whole school training sessions in safeguarding and child protection.

Staffing - The success of the Academy is reliant on the quality of its staff. Recruitment procedures, robust performance management and the monitoring and reviewing of school policies and procedures ensure the continued quality of staff development and training. The school operates a comprehensive staff development programme where there is development and sharing of best practice across all subjects. Self-assessment and peer assessment are also extensively used to maintain consistent standards in teaching and learning throughout the school.

Fraud and mismanagement of funds - The Academy appointed SLL Accounting Ltd. to conduct internal scrutiny in 2022/23 and carry out checks on its financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Burgate School and Sixth Form

Trustees' Report

Principal Risks and Uncertainties (continued)

Adequacy of IT – Ongoing improvements are being made in the normal course of operations to maintain the adequacy, resilience and security for the school's data and operating systems.

Additionally, the trustees regularly consider those risks impacting on trustees' responsibilities to ensure the Academy Trust's estate is safe, well maintained and complies with relevant regulations.

Fundraising

As part of its work within the community, the Academy Trust and its students undertake fundraising activities, for example through cake sales, coffee mornings and non-uniform days. The Academy Trust raises funds to support its own operations and to make donations to local and national charities.

The academy has fundraised for charities in 2022/23 including Cancer research with a summer fete, Parents are also invited, at the beginning of each academic year, to make a voluntary contribution to the School Fund, the funds from which are used in a variety of ways such as enhancing extra-curricular resources and supporting school events.

The school also received donations in 2022/23 from Poulner Baptist Church.

The Academy Trust undertakes all such activities itself, with the help of its students and their families.

We confirm that when fundraising:

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

Plans for Future Periods

The Burgate School and Sixth Form will continue to pursue its objectives and aims and support the continuing success and development of students, both academically and pastorally. The main aims and key objectives are below:

To drive up academic standards and quality of teaching and learning. The school aims to achieve student outcomes which are significantly above other schools nationally.

To continue to explore more formal relationships and possible MAT formations with other schools and organisations in the local area, with the main imperative being the improvement of the educational offer for local students.

To expand wider/extra-curricular opportunities on a manageable and sustainable basis, encourage staff involvement and improve opportunities for students to engage with cultural capital and to experience life 'beyond Burgate'.

The Burgate School and Sixth Form Trustees' Report

Plans for Future Periods (continued)

To balance income and expenditure by continuing to decrease expenditure and developing initiatives to generate additional income.

To increase the number on roll in the main school and in the sixth form to enable better economies of scale and an increase in the range of subjects offered.

To improve the robustness of the school's IT support infrastructure.

To continue to improve the school site.

To replace the school's current all-weather pitch with an improved artificial grass pitch for both school and community use with additional changing room facilities to be added later.

The academy is proud of its links with the local community. Links with local and regional business and the wider community will be developed in accordance with the school objectives and to the benefit of students, the school and the community.

Funds Held as Custodian Trustee on Behalf of Others

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

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 7 December 2023 and signed on the Board's behalf by:

John Whitmell

J Whitmell
Chair of Trustees

The Burgate School and Sixth Form

Governance Statement

Scope of Responsibility

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

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

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

Governance

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

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
H Arnold	6	7
C Connolly	7	7
W Gregoire	5	7
J Hair	6	7
N Himmel (appointed 19 June 2023)	1	1
M Hughes (resigned 3 July 2023)	3	6
H McVeigh (appointed 5 July 2023)	1	2
R Milsted (appointed 23 January 2023)	5	5
D Millar (Chair of Trustees until 29 August 2023)	6	7
J Mowbray	5	7
I Newman (resigned 30 January 2023)	0	3
D Pover (Headteacher)	6	7
A Richardson (appointed 16 September 2022)	5	7
R Townsend (resigned 29 August 2023)	6	7
R Wagland (resigned 23 January 2023)	0	2
J Whitmell (appointed 13 September 2022, elected Chair of Trustees 29 August 2023)	6	7

The Burgate School and Sixth Form

Governance Statement

Governance (continued)

For every Full Board meeting, the Board constructs its agendas to ensure all statutory and required activities are covered as well as standard items and those considered to be best practice to support effective governance. These items include the Headteacher's report on the main areas of performance and priority for the school, school budget, admissions arrangements, safeguarding, reviewing reports/minutes from the sub-committees, trustee link reports on specific areas of the school, and progress on the school's improvement plan. In addition to this, other recurring and ad hoc items are considered as and when appropriate, such as exam results, school policies, training and development needs of the Board and other governing body matters. Some activity is delegated to the sub-committees of the board in line with the scheme of delegation.

This year has seen five new Trustees join the Board following a recruitment campaign, and four stepping down. The Chair of Trustees, Mr D Millar, resigned as Chair with effect from 29 August 2023. The new Chair, Mr J Whitmell, was elected with effect from 29 August 2023.

Conflicts of interest:

All Trustees must complete a declaration of interests form every year. From these, a register of interests is established and maintained for all Trustees listing for each any financial or non-financial interest they or any related persons have, which may bring about conflict with the school's interest. The register is kept up to date and Trustees are expected to disclose any conflicts of interests as soon as they become aware of them. The register is reviewed annually, is shared with the finance department and is available on request by stakeholders or for examination by the auditors for example. A list of Trustees' details including the register of interests is published on the school's website.

Conflicts of interest are not restricted to those things that Trustees declare on their forms and they are also obliged to declare any potential conflicts of interests during meetings. They are given the opportunity to do this at the start of each meeting and it is a standing item at every Full Board meeting to ask Trustees if they wish to make any amendments to their declaration of interests form. Any declaration is recorded in the minutes and advice sought from the clerk or chair as to whether a conflict exists and how it should be managed.

If Trustees are not sure an interest counts, they are advised to err on the side of caution and declare it.

Governance reviews:

The Board has agreed to seek an external governance review now that the 2021 model set of Articles of Association have been adopted and the change in structure (separating Members from Trustees) is complete. In the interim, the Board have reviewed their internal review of governance using the National Governance Association's (NGA) 20 self-evaluation questions.

The Burgate School and Sixth Form

Governance Statement

Governance (continued)

The Resources, Audit & Risk Committee is a sub-committee of the main Board of Trustees. It is the Board's ambition to separate the Audit and Risk committee from the Resources committee. Its purpose is to oversee the financial management of the school and to monitor and report on the school's budget throughout the year, ensure maintenance of the Academy's land and premises and oversee any matters relating to health and safety and staffing. As part of its audit responsibilities, the committee maintains oversight of the trust's financial, governance, risk management and internal control systems. The Resources, Audit & Risk Committee formally met six times during the academic year 2022/23. As Audit and Risk is combined with Resources, employees of the trust do not participate as members when audit and risk matters are discussed however, the Accounting Officer and Chief Financial Officer attend the Audit and Risk sub-committee meetings to provide information and participate in discussions. Attendance at meetings in the year was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
J Mowbray (Committee Chair)	6	6
C Connolly	6	6
R Milsted	4	4
D Pover (Headteacher)	6	6
R Townsend	4	6
R Wagland	4	4
J Whitmell	6	6

The Burgate School and Sixth Form

Governance Statement

Review of Value for Money

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

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

- Increasing student numbers;
- Ensuring staff replacement is managed carefully, enabling the school to maintain good numbers of quality staff in all departments within budget;
- Careful analysis and review of general expenditure enabling significant savings to be made;
- Trustee approved financial scheme of delegation that requires the headteacher to approve any spend request in-excess of £1,000;
- Continuing to explore every opportunity to generate income through letting of academy facilities during evening, weekend and holiday periods;
- Benchmarking other bought in services, such as energy providers, to deliver improved services at value for money.
- Capital funding has been used to ensure the trust's estate is safe, well-maintained, and complies with regulations; for example through a programme of planned improvements to site security, toilet facilities and adaptive remodelling for students with SEND.

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 The Burgate School and Sixth Form for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Burgate School and Sixth Form

Governance Statement

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to buy-in an internal audit service from SLL Accounting Ltd. to provide an internal scrutiny service.

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

- Review of the trust's financial scheme of delegation and finance manual
- Compliance with RPA cyber insurance/conditions of cover
- Review of management accounts information provided to Trustees
- Forward financial forecasting
- Procurement including sample testing, review of contract registers and best value procedures
- Business continuity plan/risk management process/consideration of risk across Trust Board and its committees
- Month end procedures including budget exceptions
- Review of progress on prior years external audit findings
- Review of progress on prior years internal audit findings

After every visit, the auditor is required to report to the Board of Trustees, through the Resources, Audit & Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

SLL Accounting Limited delivers its schedule of work based on an internal audit plan agreed in advance with the school. This plan is reviewed and discussed by the Resources, Audit & Risk Committee. Their schedule of work is also informed by the school's external auditor's report of the preceding year.

The Burgate School and Sixth Form

Governance Statement

The Risk and Control Framework (continued)

All work was completed during actual visits to the school site and the audit plan was delivered in full, and by agreement with the Chief Financial Officer. Full access to officers of the Trust was always afforded and information and records shared during the audits. During the audits, no issues were identified. Based upon the evidence obtained, the auditor was able to provide reasonable assurance that the requirements laid down in the Academy Trust Handbook 2022 (ATH) have been met, that there are good internal controls in place for the financial systems operating within the Trust and no specific concerns in relation to fraud risk.

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 reviewer whose internal scrutiny reports are reviewed and considered by the Resources, Audit & Risk Committee
- the work of the external auditor
- the school resource management self-assessment tool
- the work of the academy finance manager within the Academy Trust who has responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources, Audit & Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 7 December 2023 and signed on its behalf by:

John Whitmell

J Whitmell
Chair of Trustees

David Pover

D Pover
Accounting Officer

The Burgate School and Sixth Form

Statement of Regularity, Propriety and Compliance

As Accounting Officer of The Burgate School and Sixth Form I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2022.

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

David Pover

D Pover
Accounting Officer
7 December 2023

The Burgate School and Sixth Form

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the Board of Trustees on 7 December 2023 and signed on its behalf by:

John Whitmell

J Whitmell
Chair of Trustees

The Burgate School and Sixth Form

Independent Auditor's Report on the Financial Statements to the Members of The Burgate School and Sixth Form

Opinion

We have audited the financial statements of The Burgate School and Sixth Form ('the charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019, and the Academies Accounts Direction 2022 to 2023 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2022 to 2023.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

The Burgate School and Sixth Form

Independent Auditor's Report on the Financial Statements to the Members of The Burgate School and Sixth Form

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

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

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

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

The Burgate School and Sixth Form

Independent Auditor's Report on the Financial Statements to the Members of The Burgate School and Sixth Form

Responsibilities of the Trustees

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

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

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Academy Trust, and the sector in which it operates. These include but are not limited to compliance with the Companies Act 2006, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019, the Academy Trust Handbook 2022, and the Academies Accounts Direction 2022 to 2023.
- We obtained an understanding of how the Academy Trust is complying with these frameworks through discussions with management.

The Burgate School and Sixth Form

Independent Auditor's Report on the Financial Statements to the Members of The Burgate School and Sixth Form

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Independent Auditor's Report.

Use of our report

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

Michaela Johns

M Johns FCCA (Senior statutory auditor)
For and on behalf of Hopper Williams & Bell Limited
Statutory Auditor
Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date11.Dec.2023.....

The Burgate School and Sixth Form

Independent Reporting Accountant's Assurance Report on Regularity to The Burgate School and Sixth Form and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 1 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Burgate School and Sixth Form during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Burgate School and Sixth Form and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Burgate School and Sixth Form and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the The Burgate School and Sixth Form and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Burgate School and Sixth Form's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Burgate School and Sixth Form's funding agreement with the Secretary of State for Education dated 12 January 2022 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

The Burgate School and Sixth Form

Independent Reporting Accountant's Assurance Report on Regularity to The Burgate School and Sixth Form and the Education & Skills Funding Agency

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration as to whether prior approval was sought from the Secretary of State where it is required by the Academy Trust Handbook (effective from 1 September 2022) (ATH).
- Review of any special payments to staff, including compromise agreements, to consider whether prior approval was sought where required by the ATH and that any payments are in line with the severance guidance published by ESFA.
- Consideration as to whether any borrowings have been made in accordance with the ATH.
- Review of any 'minded to' letters or Notices to Improve which have been issued to the Academy Trust.
- Review of any transactions with related parties to ensure that they have been carried out in accordance with the ATH.
- Review of governance arrangements to determine whether the requirements of the ATH have been met.
- Review of the Academy Trust's internal controls, including whether the general control environment has regard to the regularity of underlying transactions, including fraud management.
- Review of the Academy Trust's procurement policies to determine effectiveness and testing a sample of purchases to confirm that the policies have been correctly implemented.
- Identifying any conditions associated with specialist grant income and determining whether it has been spent as the purposes intended.

The Burgate School and Sixth Form

Independent Reporting Accountant's Assurance Report on Regularity to The Burgate School and Sixth Form and the Education & Skills Funding Agency

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Michaela Johns

M Johns FCCA
Reporting Accountant
Hopper Williams & Bell Limited
Chartered Accountants
Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date 11 Dec 2023

The Burgate School and Sixth Form

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

	Note	Un- restricted funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2022/23 Total £	2021/22 Total £
Income and endowments from:							
Donations and capital grants	2	-	-	-	2,545,680	2,545,680	30,676
Other trading activities	4	478,493	67,593	-	-	546,086	505,668
Investments	5	1,141	-	-	-	1,141	109
Charitable activities:							
Funding for the academy trust's educational operations	3	-	6,400,230	-	-	6,400,230	5,696,843
Total		479,634	6,467,823	-	2,545,680	9,493,137	6,233,296
Expenditure on:							
Charitable activities:							
Academy trust educational operations	7	485,195	6,227,498	89,000	556,269	7,357,962	6,627,059
Net income / (expenditure)		(5,561)	240,325	(89,000)	1,989,411	2,135,175	(393,763)
Transfers between funds	16	-	(194,349)	-	194,349	-	-
Other recognised gains / (losses):							
Actuarial gains on defined benefit pension schemes	26	-	-	285,000	-	285,000	1,901,000
Net movement in funds		(5,561)	45,976	196,000	2,183,760	2,420,175	1,507,237
Reconciliation of funds							
Total funds brought forward		116,050	490,762	(302,000)	15,230,964	15,535,776	14,028,539
Total funds carried forward		110,489	536,738	(106,000)	17,414,724	17,955,951	15,535,776

The notes on pages 39 to 61 form part of these financial statements.

The Burgate School and Sixth Form

Balance Sheet as at 31 August 2023

Company Number 07596997

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	11		14,719,406		14,960,373
Current assets					
Stock	12	5,452		6,498	
Debtors	13	2,521,636		471,854	
Cash at bank and in hand		<u>1,308,540</u>		<u>813,710</u>	
		3,835,628		1,292,062	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(466,970)</u>		<u>(379,841)</u>	
Net current assets			<u>3,368,658</u>		<u>912,221</u>
Total assets less current liabilities			18,088,064		15,872,594
Creditors:					
Amounts falling due after more than one year	15		<u>(26,113)</u>		<u>(34,818)</u>
Net assets excluding pension liability			18,061,951		15,837,776
Defined benefit pension scheme liability	26		(106,000)		(302,000)
Total net assets			<u>17,955,951</u>		<u>15,535,776</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	16	17,414,724		15,230,964	
Restricted income fund	16	536,738		490,762	
Pension reserve	16	<u>(106,000)</u>		<u>(302,000)</u>	
Total restricted funds			17,845,462		15,419,726
Unrestricted income funds	16		110,489		116,050
Total funds			<u>17,955,951</u>		<u>15,535,776</u>

The financial statements on pages 36 to 61 were approved by the Trustees and authorised for issue on 7 December 2023 and are signed on their behalf by:

John Whitmell
J Whitmell
Chair of Trustees

The notes on pages 39 to 61 form part of these financial statements.

The Burgate School and Sixth Form

Statement of Cash Flows for the year ended 31 August 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	20	262,990	(662,146)
Cash flows from financing activities	21	(8,704)	(8,704)
Cash flows from investing activities	22	240,544	539,812
Change in cash and cash equivalents in the reporting period		<u>494,830</u>	<u>(131,038)</u>
Cash and cash equivalents at 1 September 2022		813,710	944,748
Cash and cash equivalents at 31 August 2023	23	<u>1,308,540</u>	<u>813,710</u>

The Burgate School and Sixth Form

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

1 Accounting policies

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

Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the Academy Trust and are rounded to the nearest £1.

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

- Donations

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

- Grants

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

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

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

The Burgate School and Sixth Form

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

Income (continued)

- Other Income

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

- Donated goods, facilities and services

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

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

The Burgate School and Sixth Form

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

Tangible Fixed Assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold Land and Buildings	15-50 years straight line on buildings; not provided on land
Furniture and Equipment	20%-25% reducing balance
Computer Equipment	3 years straight line
Motor Vehicles	20% reducing balance

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

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.

The Burgate School and Sixth Form

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

Provisions

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

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

Leased Assets

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

Financial Instruments

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

Financial assets

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

Cash at bank

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

Financial liabilities

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

Stock

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

Taxation

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

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

The Burgate School and Sixth Form

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

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund Accounting

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

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

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

The Burgate School and Sixth Form

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The assumptions used are disclosed in note 26.

Critical areas of judgement

There are no other critical areas of judgement.

Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in the notes to the financial statements.

2 Donations and capital grants

	Unrestricted funds	Restricted funds	2022/23 Total	2021/22 Total
	£	£	£	£
Capital grants	-	2,545,680	2,545,680	30,676
Total 2022	-	30,676	30,676	

The Burgate School and Sixth Form

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

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2022/23 Total £	2021/22 Total £
DfE / ESFA grants				
General Annual Grant (GAG)	-	5,763,734	5,763,734	5,259,487
Pupil Premium	-	130,201	130,201	124,063
Rates reclaim	-	33,067	33,067	30,720
Teachers' pay grant	-	-	-	14,696
Teachers' pension grant	-	52,232	52,232	41,528
Other DfE grants	-	291,047	291,047	115,905
	-	6,270,281	6,270,281	5,586,399
Other government grants				
Local authority grants	-	112,292	112,292	79,147
Other government grants	-	17,657	17,657	17,285
	-	129,949	129,949	96,432
COVID-19 additional funding (non-DfE/ESFA)				
Other Coronavirus funding	-	-	-	14,012
	-	6,400,230	6,400,230	5,696,843
Total 2022	-	5,696,843	5,696,843	

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2022/23 Total £	2021/22 Total £
Hire of facilities	31,119	-	31,119	35,314
Catering income	226,418	-	226,418	204,489
Music tuition income	-	46,591	46,591	40,255
Visits and trips income	180,511	-	180,511	168,111
Other income	40,445	21,002	61,447	57,499
	478,493	67,593	546,086	505,668
Total 2022	450,013	55,655	505,668	

The Burgate School and Sixth Form

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

5 Investment income

	Unrestricted funds £	Restricted funds £	2022/23 Total £	2021/22 Total £
Short term deposits	1,141	-	1,141	109
Total 2022	109	-	109	

6 Expenditure

	Staff costs £	Non Pay Expenditure		Total 2022/23 £	Total 2021/22 £
		Premises £	Other £		
Academy's educational operations:					
Direct costs	4,573,397	-	1,069,822	5,643,219	4,912,311
Allocated support costs	864,287	482,180	368,276	1,714,743	1,714,748
	5,437,684	482,180	1,438,098	7,357,962	6,627,059
Total 2022	5,148,870	310,232	1,167,957	6,627,059	

Net income/(expenditure) for the period includes:

	2022/23 £	2021/22 £
Operating lease rentals	8,772	8,587
Depreciation	451,100	371,167
(Gain)/loss on disposal of fixed assets	(1,000)	(116,904)
Fees payable to auditor for:		
Audit	9,380	8,500
Other services	4,080	3,200

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000	
		Amount £	Reason
Unrecoverable debts	300	-	-

The Burgate School and Sixth Form

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

7 Charitable activities

	2022/23	2021/22
	Total	Total
	£	£
Direct costs – educational operations	5,643,219	4,912,311
Support costs – educational operations	1,714,743	1,714,748
	<u>7,357,962</u>	<u>6,627,059</u>

Analysis of support costs:

	Educational operations	2022/23 Total	2021/22 Total
	£	£	£
Support staff costs	864,287	864,287	1,009,154
Technology costs	19,031	19,031	19,405
Premises costs	482,180	482,180	310,232
Legal costs - other	3,751	3,751	5,783
Other support costs	331,573	331,573	357,317
Governance costs	13,921	13,921	12,857
Total support costs	<u>1,714,743</u>	<u>1,714,743</u>	<u>1,714,748</u>
Total 2022	<u>1,714,748</u>	<u>1,714,748</u>	

Premises costs includes £96,359 (2022: £29,242) in respect of expenditure on capital projects, which were funded by capital grants from the ESFA.

The Burgate School and Sixth Form

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

8 Staff

a) Staff costs

Staff costs during the period were:

	2022/23	2021/22
	£	£
Wages and salaries	4,120,931	3,743,246
Social security costs	406,903	372,877
Pension costs	909,850	1,032,747
	<u>5,437,684</u>	<u>5,148,870</u>

b) Staff numbers

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

	2022/23	2021/22
	No.	No.
Teachers	76	73
Administration and support	59	60
Management	9	7
	<u>144</u>	<u>140</u>

Average number expressed as a full time equivalent:

	2022/23	2021/22
	No.	No.
Teachers	58	55
Administration and support	40	38
Management	9	7
	<u>107</u>	<u>100</u>

c) Higher paid staff

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

	2022/23	2021/22
	No.	No.
£60,001 - £70,000	2	3
£70,001 - £80,000	3	1
£100,001 - £110,000	1	1

d) Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £704,196 (2022: £629,913).

The Burgate School and Sixth Form

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

9 Related Party Transactions – Trustees’ remuneration and expenses

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

The value of Trustees’ remuneration and other benefits was as follows:

		2022/23	2021/22
		£000	£000
D Pover	Remuneration	105-110	100-105
(Headteacher and staff trustee)	Employer’s pension contributions paid	25-30	20-25
C Connolly	Remuneration	30-35	25-30
(Staff trustee)	Employer’s pension contributions paid	5-10	5-10

During the period ended 31 August 2023, travel and subsistence expenses totalling £311 were reimbursed or paid directly to thirteen Trustees (2022: none).

10 Trustees' and officers' insurance

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

The Burgate School and Sixth Form

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

11 Tangible fixed assets

	Freehold Land and Buildings	Assets Under Con- struction £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost						
At 1 September 2022	17,623,417	-	202,456	335,391	44,202	18,205,466
Acquisitions	118,837	28,803	27,350	12,293	22,850	210,133
Disposals	-	-	-	(4,614)	(4,800)	(9,414)
At 31 August 2023	<u>17,742,254</u>	<u>28,803</u>	<u>229,806</u>	<u>343,070</u>	<u>62,252</u>	<u>18,406,185</u>
Depreciation						
At 1 September 2022	2,812,033	-	144,315	250,444	38,301	3,245,093
Charged in year	387,483	-	19,761	38,567	5,289	451,100
Disposals	-	-	-	(4,614)	(4,800)	(9,414)
At 31 August 2023	<u>3,199,516</u>	<u>-</u>	<u>164,076</u>	<u>284,397</u>	<u>38,790</u>	<u>3,686,779</u>
Net book values						
At 31 August 2022	14,811,384	-	58,141	84,947	5,901	14,960,373
At 31 August 2023	<u>14,542,738</u>	<u>28,803</u>	<u>65,730</u>	<u>58,673</u>	<u>23,462</u>	<u>14,719,406</u>

12 Stock

	2022/23 £	2021/22 £
Other stocks	<u>5,452</u>	<u>6,498</u>

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

13 Debtors

	2022/23	2021/22
	£	£
Trade debtors	7,600	1,075
VAT recoverable	19,601	28,781
Other debtors	-	9,810
Prepayments and accrued income	2,494,435	432,188
	<u>2,521,636</u>	<u>471,854</u>

14 Creditors: amounts falling due within one year

	2022/23	2021/22
	£	£
Trade creditors	79,399	41,558
Other taxation and social security	100,176	93,851
Loans falling due within one year	8,705	8,704
Other creditors falling due within one year	121,959	99,025
Accruals and deferred income	156,731	136,703
	<u>466,970</u>	<u>379,841</u>

	2022/23	2021/22
	£	£
Deferred income at 1 September 2022	49,867	74,083
Released from previous years	(49,867)	(74,083)
Resources deferred in the year	78,394	49,867
Deferred income at 31 August 2023	<u>78,394</u>	<u>49,867</u>

At the balance sheet date the Academy Trust was holding funds received in advance for trip income and grant income which relates to the forthcoming financial year.

Loans falling due within one year represents an interest free Salix energy efficiency loan received from the ESFA. The loan is repayable over an eight year period in bi-annual instalments, ending on 1 September 2026.

15 Creditors: amounts falling due in greater than one year

	2022/23	2021/22
	£	£
Loans falling due in greater than one year	<u>26,113</u>	<u>34,818</u>

Loans falling due in greater than one year represents an interest free Salix energy efficiency loan received from the ESFA. The loan is repayable over an eight year period in bi-annual instalments, ending on 1 September 2026. The amount repayable in instalments falling due in more than five years is £nil (2022: £nil).

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

16 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2023 £
Restricted general funds						
General Annual Grant (GAG)	488,662	5,763,734	(5,523,409)	(194,349)	-	534,638
Pupil premium	-	130,201	(130,201)	-	-	-
Rates reclaim	-	33,067	(33,067)	-	-	-
Teachers' pension grant	-	52,232	(52,232)	-	-	-
Other DfE grants	-	291,047	(291,047)	-	-	-
Local authority grants	2,100	112,292	(112,292)	-	-	2,100
Other government grants	-	17,657	(17,657)	-	-	-
Other educational activities	-	67,593	(67,593)	-	-	-
	490,762	6,467,823	(6,227,498)	(194,349)	-	536,738
Pension reserve	(302,000)	-	(89,000)	-	285,000	(106,000)
	188,762	6,467,823	(6,316,498)	(194,349)	285,000	430,738
Restricted fixed asset funds						
Fixed asset fund	14,960,373	-	(450,100)	209,133	-	14,719,406
ESFA capital grants (DFC)	18,584	65,936	-	(7,132)	-	77,388
ESFA capital grants (CIF)	-	2,224,244	(96,359)	20,000	-	2,147,885
Other capital grants	-	255,500	-	11,197	-	266,697
Salix loan	(43,522)	-	-	8,704	-	(34,818)
Sports provision	287,976	-	(9,810)	(40,000)	-	238,166
Wolfson grant	7,553	-	-	(7,553)	-	-
	15,230,964	2,545,680	(556,269)	194,349	-	17,414,724
Total restricted funds	15,419,726	9,013,503	(6,872,767)	-	285,000	17,845,462
Total unrestricted funds	116,050	479,634	(485,195)	-	-	110,489
Total funds	15,535,776	9,493,137	(7,357,962)	-	285,000	17,955,951

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

16 Funds (continued)

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

General annual grant

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

Other DfE/ESFA grants

This is funding received from the ESFA for specific purposes.

Local authority grants

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

Other educational activities

This includes all other educational income/expenditure.

Pension reserve

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

Fixed asset fund

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

DfE/ESFA capital grants

This is funding received from the DfE/ESFA specifically for expenditure on capital improvements.

Other capital grants

This is funding received specifically for expenditure on capital improvements.

Salix loan

An interest free Salix energy efficiency loan received from the ESFA.

Sports provision

Proceeds received on the sale of land, which are to be used on the sports facilities.

Wolfson grant

This is funding received specifically for the refurbishment and expansion of the media facilities.

Transfers between funds

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

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

16 Funds (continued)

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2022 £
Restricted general funds						
General Annual Grant (GAG)	418,585	5,259,487	(5,112,614)	(76,796)	-	488,662
Pupil premium	-	124,063	(124,063)	-	-	-
Rates reclaim	-	30,720	(30,720)	-	-	-
Teachers' pay grant	-	14,696	(14,696)	-	-	-
Teachers' pension grant	-	41,528	(41,528)	-	-	-
Other DfE grants	-	115,905	(115,905)	-	-	-
Local authority grants	-	79,147	(77,047)	-	-	2,100
Other government grants	-	17,285	(17,285)	-	-	-
Other Coronavirus funding	-	14,012	(14,012)	-	-	-
Other educational activities	-	55,655	(55,655)	-	-	-
	<u>418,585</u>	<u>5,752,498</u>	<u>(5,603,525)</u>	<u>(76,796)</u>	<u>-</u>	<u>490,762</u>
Pension reserve	(1,897,000)	-	(306,000)	-	1,901,000	(302,000)
	<u>(1,478,415)</u>	<u>5,752,498</u>	<u>(5,909,525)</u>	<u>(76,796)</u>	<u>1,901,000</u>	<u>188,762</u>
Restricted fixed asset funds						
Fixed asset fund	15,252,638	-	(254,263)	(38,002)	-	14,960,373
ESFA capital grants (DFC)	-	22,284	(2,541)	(1,159)	-	18,584
ESFA capital grants (CIF)	209,947	(60,108)	(26,701)	(123,138)	-	-
Salix loan	(52,226)	-	-	8,704	-	(43,522)
Sports provision	-	-	-	287,976	-	287,976
Wolfson grant	-	68,500	(3,362)	(57,585)	-	7,553
	<u>15,410,359</u>	<u>30,676</u>	<u>(286,867)</u>	<u>76,796</u>	<u>-</u>	<u>15,230,964</u>
Total restricted funds	<u>13,931,944</u>	<u>5,783,174</u>	<u>(6,196,392)</u>	<u>-</u>	<u>1,901,000</u>	<u>15,419,726</u>
Total unrestricted funds	<u>96,595</u>	<u>450,122</u>	<u>(430,667)</u>	<u>-</u>	<u>-</u>	<u>116,050</u>
Total funds	<u>14,028,539</u>	<u>6,233,296</u>	<u>(6,627,059)</u>	<u>-</u>	<u>1,901,000</u>	<u>15,535,776</u>

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

17 Analysis of net assets between funds

	Un- restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	14,719,406	14,719,406
Current assets	110,489	995,003	-	2,730,136	3,835,628
Current liabilities	-	(458,265)	-	(8,705)	(466,970)
Non-current liabilities	-	-	-	(26,113)	(26,113)
Pension scheme liability	-	-	(106,000)	-	(106,000)
Total net assets	110,489	536,738	(106,000)	17,414,724	17,955,951

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

	Un- restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	14,960,373	14,960,373
Current assets	116,050	861,899	-	314,113	1,292,062
Current liabilities	-	(371,137)	-	(8,704)	(379,841)
Non-current liabilities	-	-	-	(34,818)	(34,818)
Pension scheme liability	-	-	(302,000)	-	(302,000)
Total net assets	116,050	490,762	(302,000)	15,230,964	15,535,776

18 Capital commitments

	2022/23	2021/22
	£	£
Contracted for, but not provided in the financial statements	-	63,144

19 Long-term commitments, including operating leases

Operating leases

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

	2022/23	2021/22
	£	£
Amounts due within one year	8,772	8,772
Amounts due between one and five years	189	8,961
	8,961	17,733

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

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

	2022/23	2021/22
	£	£
Net income / (expenditure) for the reporting period	2,135,175	(393,763)
Adjusted for:		
Depreciation	451,100	371,167
(Gain)/loss on disposal of fixed assets	(1,000)	(116,904)
Capital grants from DfE and other capital income	(2,545,680)	(30,676)
Interest receivable	(1,141)	(109)
Defined benefit pension scheme cost less contributions payable	75,000	275,000
Defined benefit pension scheme finance cost	14,000	31,000
Decrease in stocks	1,046	772
Decrease / (increase) in debtors	47,362	(266,672)
Increase / (decrease) in creditors	87,128	(531,961)
Net cash provided by / (used in) Operating Activities	<u>262,990</u>	<u>(662,146)</u>

21 Cash flows from financing activities

	2022/23	2021/22
	£	£
Repayments of borrowing	(8,704)	(8,704)
Net cash used in financing activities	<u>(8,704)</u>	<u>(8,704)</u>

22 Cash flows from investing activities

	2022/23	2021/22
	£	£
Dividends, interest and rents from investments	1,141	109
Proceeds from sale of tangible fixed assets	1,000	287,976
Purchase of tangible fixed assets	(210,133)	(249,974)
Capital grants from DfE Group	193,036	433,201
Capital funding received from sponsors and others	255,500	68,500
Net cash provided by investing activities	<u>240,544</u>	<u>539,812</u>

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

23 Analysis of cash and cash equivalents

	2022/23	2021/22
	£	£
Cash at bank and in hand	1,308,540	813,710

24 Analysis of changes in net debt

	At 1 September 2022	Cash flows	Acquisition/ disposal of subsidiaries	New finance leases	Other non-cash changes	At 31 August 2023
	£	£	£	£	£	£
Cash	813,710	494,830	-	-	-	1,308,540
Loans falling due within one year	(8,704)	(1)	-	-	-	(8,705)
Loans falling due after more than one year	(34,818)	8,705	-	-	-	(26,113)
Total	770,188	503,534	-	-	-	1,273,722

25 Member liability

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

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

26 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022.

Contributions amounting to £98,857 were payable to the schemes at 31 August 2023 (2022: £88,430) and are included within creditors.

Teachers' Pension Scheme

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

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

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

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

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

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

26 Pension and similar obligations (continued)

The employer's pension costs paid to TPS in the period amounted to £674,856 (2022: £606,504).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was as follows:

	2023	2022
	£	£
Employer's contributions	151,000	144,000
Employees' contributions	49,000	47,000
	<u>200,000</u>	<u>191,000</u>

The agreed contribution rates for future years are 17.9% for employers and 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Principal actuarial assumptions

	2023	2022
Rate of increase in salaries	4.0%	3.8%
Rate of increase for pensions in payment/inflation	3.0%	2.8%
Discount rate for scheme liabilities	5.2%	4.1%
Inflation assumption (CPI)	3.0%	2.8%
Commutation of pensions to lump sums	<u>70.0%</u>	<u>70.0%</u>

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

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

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

26 Pension and similar obligations (continued)

Sensitivity analysis

	Increase/(reduction) in defined benefit obligation	
	2023	2022
	£	£
Discount rate +0.1%	(61,000)	(74,000)
Discount rate -0.1%	61,000	77,000
Mortality assumption – 1 year increase	132,000	91,000
Mortality assumption – 1 year decrease	(132,000)	(91,000)
CPI rate +0.1%	60,000	71,000
CPI rate -0.1%	(60,000)	(67,000)

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

	2023	2022
	£	£
Equities	1,880,000	1,776,000
Gilts	1,020,000	466,000
Property	191,000	239,000
Cash and other liquid assets	96,000	28,000
Other	-	558,000
Total market value of assets	<u>3,187,000</u>	<u>3,067,000</u>

The actual return on scheme assets was a gain of £50,000 (2022: a loss of £211,000).

Amount recognised in the Statement of Financial Activities

	2022/23	2021/22
	£	£
Current service cost	226,000	419,000
Interest income	(127,000)	(54,000)
Interest cost	141,000	85,000
Total amount recognised in the SOFA	<u>240,000</u>	<u>450,000</u>

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

26 Pension and similar obligations (continued)

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

	2022/23	2021/22
	£	£
At 1 September	3,369,000	5,005,000
Current service cost	226,000	419,000
Interest cost	141,000	85,000
Employee contributions	49,000	47,000
Actuarial gain	(362,000)	(2,166,000)
Benefits paid	(130,000)	(21,000)
At 31 August	<u>3,293,000</u>	<u>3,369,000</u>

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

	2022/23	2021/22
	£	£
At 1 September	3,067,000	3,108,000
Interest income	127,000	54,000
Actuarial loss	(77,000)	(265,000)
Employer contributions	151,000	144,000
Employee contributions	49,000	47,000
Benefits paid	(130,000)	(21,000)
At 31 August	<u>3,187,000</u>	<u>3,067,000</u>

27 Related party transactions

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 9.

28 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2023 the Academy Trust received £21,471 and disbursed £13,135 from the fund. An amount of £21,471 is included in other creditors relating to undistributed funds that are repayable to ESFA. Comparatives for the accounting period ended 31 August 2022 are £18,404 received, £17,161 disbursed and £13,135 included in other creditors.