

Registration number: 09326643

Townlands C of E Primary Academy

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2023

Townlands C of E Primary Academy

Contents

Reference and administrative details	1
Trustees' report	2 to 13
Governance statement	14 to 18
Statement of regularity, propriety and compliance	19
Statement of Trustees' Responsibilities	20
Independent Auditor's Report on the Financial Statements to the Members of Townlands C of E Primary Academy	21 to 23
Independent Reporting Accountant's Assurance Report on Regularity to Townlands C of E Primary Academy and the Education and Skills Funding Agency	24 to 25
Statement of Financial Activities for the year ended 31 August 2023 (including Income and Expenditure Account)	26 to 27
Balance Sheet as at 31 August 2023	28
Statement of Cash Flows for the year ended 31 August 2023	29
Notes to the Financial Statements	30 to 50

Townlands C of E Primary Academy

Reference and administrative details

Members	Marie Noble Rachael Johnson Mary Statham The Diocese of Leicester Educational Trust
Trustees (Directors)	Marie Noble, Chair of Trustees Rev'd Martin Castle, Foundation Trustee Marie Ward, Headteacher Anne Hawksley, Co-Acting Headteacher (accounting officer) Sarah Louise Martinson, Co-Acting Headteacher Diane Tingay, Foundation Trustee Tracey Pallatt, Member Nominated Trustee (resigned 10 November 2022) Emma Freeman, Parent Trustee Rachael Johnson, Co-opted Trustee Jane Cornwell, Parent Trustee (appointed 1 November 2022) Dawn Harvey, Member Nominated Trustee (appointed 21 September 2023)
Head Teacher	Marie Ward
Senior Management Team	Marie Ward, Headteacher Anne Hawksley, Co-Acting Headteacher Sarah Louise Martinson, Co-Acting Headteacher
Principal and Registered Office	Meadow Court Road Earl Shilton Leicester LE9 7FF
Company Registration Number	09326643
Auditors	TC Group Hamilton Office Park 31 High View Close Leicester LE4 9LJ
Bankers	Lloyds Bank 23 The Borough Hinckley LE10 1NL
Solicitors	Leicestershire County Council Legal Services County Hall Glenfield LE3 8RA

Townlands C of E Primary Academy

Trustees' report for the Year Ended 31 August 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31/08/2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The Academy Trust operates an Academy for pupils aged 4 to 11 serving a catchment area in Earl Shilton. It has a pupil capacity of 420 (2022: Capacity 420) and had a roll of 334 on the school census taken on 1 October 2022.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 09326643.

The governors act as the trustees for the charitable activities of Townlands C of E Primary Academy and are also the directors of the charitable company for the purposes of company law. The charitable company operates as Townlands C of E Primary Academy.

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 pages 1 and 2.

Members' liability

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

Trustees' indemnities

Trustees benefit from indemnity insurance provided by the Department for Education and the Risk Protection Arrangement (RPA), to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £7,623 (2022: £6,859). The element relating to Trustee Indemnity insurance cannot be separately identified and the cover is £10million.

Method of recruitment and appointment or election of Trustees

Future Trustees shall be recruited/appointed or elected, as the case may be under the Articles of Association.

The number of Trustees shall not be less than 3 or more than 13.

The Academy Trust shall have the following:

- a) Up to 1 Trustee, appointed by the members;
- b) 2 Foundation Trustees, appointed by the members;
- c) 2 Staff Trustees, if appointed under the Articles 50A (including the Headteacher);
- d) 3 Parent Trustees appointed under Articles 53-58;
- e) The Headteacher; and
- f) The Academy Trust may also have up to 3 Co-opted Trustees appointed under Article 59.

The term of office for any Trustee shall be four years, this time limit shall not apply to the Headteacher, or the Incumbent. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

Townlands C of E Primary Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Policies and procedures adopted for the induction and training of Trustees

Townlands C of E Primary Academy currently employs the services of Leicestershire County Council Governor Development Services to offer induction and other training to the Trustees.

The Trustees also undertake training with staff at the Academy for Safeguarding and other training subjects. Collaborative training will also take place with other local schools and Academies. All Trustees are provided with copies of policies, procedures, minutes, accounts, budget plans and other documents that they will need to undertake their role as Trustees.

Training is arranged by the Link Trustee on an informal basis and will be tailored to the individual's needs depending on their existing experience.

The Academy Trust will perform an annual skills audit of Trustees. Should any gaps be identified appropriate training courses would be offered to address these matters.

Organisational structure

The leadership of the Academy comprises of the Trustees, Headteacher and Leadership Team. This structure allows for a delegated leadership model which allows for decision making at all levels.

The Trustees are responsible for setting general policies, adopting the annual School Development Plan and approving the annual budget. They monitor the budget expenditure and approve major decisions in respect of direction of the Academy, capital expenditure and expenditure and as required the appointment of the Headteacher and other Senior Leaders.

The Senior Leadership Team consists of the Headteacher, Deputy Headteacher and an Assistant Headteacher (currently the Deputy Headteacher and the Assistant Headteacher are fulfilling the roles of Acting Co Headteachers in the absence of the Headteacher). These staff are responsible for the day to day running of the Academy and to ensure that the Strategic direction of the Academy is followed as noted in the School Development Plan. This structure enables the major risks to be reviewed and systems and procedures implemented to manage these risks.

The Headteacher has overall responsibility for the day to day running of the Academy, as well as providing advice and guidance to trustees on a range of education and business management functions. The Trustees hold the Headteacher to account through rigorous and robust performance management process, which is advised externally.

Townlands C of E Primary Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Arrangements for setting pay and remuneration of key management personnel

The Academy has adopted and follows the Leicestershire County Council Pay for Teachers - 2022/2023. The policy sets out the framework for making decisions on Teacher's pay including the Senior Leaders in the school. It has been developed to comply with the current legislation and the requirements of the Schools Teachers' Pay and Conditions Document (STPCD) 2022/2023. This has been consulted on with the staff.

The Board of Trustees will agree the school budget and will ensure that the appropriate funding allocation for pay progression at all levels and in doing so recognise that funding cannot be used as criteria to determine progression. The Board of Trustees have established a Pay & Performance (P & P) Committee in order to monitor pay decisions in this establishment. The P & P Committee have full delegated powers to make decisions on pay progression for all teachers in the school on behalf of the Board of Trustees.

Determination of the remuneration shall be as follows:

- All Teachers: annually with effect from 1 September, with performance management reviews having been conducted no later than 31 October each year.
- Headteacher: annually and no later than 31 December each year.

All pay decisions, setting out the salary and any other financial benefits will be communicated to each member of staff in writing within 1 month of the pay determination. The Chair of Trustees is responsible for notifying the Headteacher.

Reviews may also take place at other times of the year to reflect any changes in job description or other circumstances that lead to a change in the basis for calculating an individual's pay. Teachers will receive a written statement outlining the details of their pay after any review at the earliest opportunity and no later than one month after the determination.

Connected organisations, including related party relationships

The Academy is a voluntary control Church of England School and is affiliated to the Diocese of Leicester. The Academy is also a strategic partner of Thomas Estley Learning Alliance (TELA) in order to access good quality professional development for staff and Trustees.

The Academy works closely with the Earl Shilton and Barwell Family of Schools for the common good of pupils in the local area.

Townlands C of E Primary Academy has a close relationship with the Diocese of Leicester. The land and buildings occupied by Townlands C of E Primary Academy are owned by the Diocese of Leicester in agreement with the Board of Education of the Diocese of Leicester and are provided for use at no charge to the Academy. Full details of the arrangement are detailed in the accounting policies.

Townlands C of E Primary Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Objectives and activities

Objects and aims

The main object and activity of the Academy is to provide education for pupils of primary school age from 4 to 11. Other objects are:

- To ensure that Townlands is a happy place to learn
- To actively encourage achievement in all areas of the curriculum through high-quality teaching and learning
- To provide a broad, balanced and exciting curriculum which meets the academic, social, emotional and spiritual needs of every child within a safe, caring environment
- To promote a culture where every child and adult is respected and valued
- To teach children to respect themselves and others as part of the community
- To prepare children to be life-long learners in an ever-changing world
- To work together with parents/carers and in partnership with Governors, the local/global community and the Diocese of Leicester
- To celebrate together and take pride in success

Objectives, strategies and activities

The Academy's Vision and Aims are:

A journey of learning in the light of God's love

"What shall we say the Kingdom of God is like, or what parable shall we use to describe it? It is like a mustard seed which is the smallest seed you plant in the ground. Yet when planted, it grows and becomes the largest of all garden plants, with such big branches that the birds of the air can perch in its shade." The parable of the Mustard seed - Mark 4:30-32

Our vision is underpinned by our Christian values of Faith, Honesty, Love, Friendship, Forgiveness, Hope and Respect

Our vision at Townlands is to provide an environment in which pupils' spiritual, moral, social and cultural development can flourish through 'A journey of learning in the light of God's love.'

Role of the headteacher and senior leadership team

The Academy's School Development Plan Supports the following objectives:

- Support the use of appropriate teaching strategies by allocating resources effectively
- Monitor the effectiveness of teaching and learning strategies in terms of raising pupil attainment and progress
- Ensure that staff development and performance management policies promote high quality teaching
- Ensure that the school buildings and premises are best used to support successful teaching and learning
- Monitor teaching strategies in the light of health and safety regulations

Public benefit

The Trustees of the Academy Trust have complied with their duty to have due regard to the guidance on public benefit published by the charity commission in exercising their powers and duties. The Academy will be giving a high priority to providing public benefit to a cross section of the community regardless of family background offering a provision of education that maximises each pupil's potential to develop into well-rounded members of society.

Townlands C of E Primary Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Strategic Report

Achievements and performance

Year 6 SATs End of Key Stage Attainment 2023 – All Pupils

Percentage achieving national standards or above in reading, writing and maths:

Reading, Writing and Mathematics.	Achieved Expected Standard	Achieved Greater Depth (higher attainers)
School	59.3%	7.4%
National	59.5%	8.0%
Difference	-0.2%	-0.6%

Reading	Achieving Expected Standard	Achieved Greater Depth (higher attainers)
School	74.1%	29.6%
National	72.6%	29.0%
Difference	+1.5%	+0.6%

English Grammar, Punctuation & Spelling	Achieving Expected Standard	Achieved Greater Depth
School	81.5%	38.9%
National	72.3%	30.1%
Difference	+9.2%	+8.8%

Writing	Achieving Expected Standard	Achieved Greater Depth
School	74.1%	13.0%
National	71.5%	13.3%
Difference	+2.6%	-0.3%

Maths	Achieving Expected Standard	Achieved Greater Depth
School	75.9%	18.5%
National	72.9%	23.8%
Difference	+3.0%	-5.3%

Key Stage 2 Progress

Reading	Progress Score
School	+0.45
National	+0.03

Writing	Progress Score
School	+1.06
National	+0.04

Maths	Progress Score
School	+0.05
National	+0.04

Townlands C of E Primary Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Subject-average scaled scores

Achieved	School	National
Reading	104.4	105.1
English Grammar, Punctuation & Spelling	105.1	104.9
Maths	103.3	104.2

Townlands was inspected in March 2023 and continues to be a good school. The inspection was led by the deputy headteacher and the assistant headteacher. The inspector met with three members of the board of trustees, including the chair. The inspector carried out deep dives in early reading, mathematics and music. For each deep dive, the inspector visited lessons, discussed the curriculum with leaders, reviewed pupils' work and spoke with pupils and teachers about the learning. Aspects of science, history and design technology were also reviewed.

The report highlights the following:

Townlands Church of England Primary School is a welcoming and inclusive school. The school's values, which include honesty, respect and friendship, underpin the positive ethos in the school. Leaders have high expectations of the achievement and conduct of all pupils. Pupils are happy at school and enjoy learning. They say that teachers and other pupils help them if they do not understand something. Classrooms are calm and purposeful. In lessons, pupils work hard and are keen to take part in activities. There are positive relationships between staff and pupils.

We continue to support a range of charities locally, nationally and globally and have carried out a range of different fundraising activities to support many good causes. We believe that it is important for our children to appreciate their role as part of a local, national and global community; to take responsibility and understand their impact and influence in the world. As part of this we have been working towards our Global Neighbours accreditation through Christian Aid.

We continue to use R-Time, so pupils are taught how to communicate effectively and show respect to themselves and each other, and The Route to Resilience Programme, where pupils grow their resilience to face challenges, especially with their learning. Ofsted noted: Leaders have established a well-sequenced personal, social and emotional development programme. Pupils learn that healthy relationships are based on trust and honesty. They know how to keep themselves physically and mentally healthy. Pupils are polite and respectful of each other. They learn about religions and cultures from around the world. They understand the importance of difference and say that all are welcome at the school. Leaders plan the visitors and trips that pupils experience. Leaders provide pupils with opportunities that extend beyond the academic curriculum. Staff feel well supported by leaders. Leaders give teachers additional time in school to develop their responsibilities. This helps with their work-life balance. Staff work together as a team. They feel proud to work at the school. Governors understand their role and carry it out effectively.

Townlands C of E Primary Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

We have continued to build on our reading programme and further staff have been trained to teach and lead interventions to support the teaching of phonics, we are continuing to use the Sounds Write programme. New phonics books have been purchased to support this programme and our phonics results had improved on the previous year and continue to be above National. Ofsted noted this in their report:

Leaders have prioritised reading. Children start to learn to read as soon as they start in the Reception class. Teachers follow the sequence of learning with precision to teach pupils to read. They check that pupils know the sounds that letters represent. The books that pupils read and take home match the sounds they know. Staff spot when pupils fall behind. These pupils receive extra support to catch up. Older pupils continue to develop their love of reading. The well-stocked library inspires them to read. Teachers provide pupils with frequent opportunities to read for pleasure. Leaders choose the books that all pupils read as part of the curriculum with care. These books expose pupils to different genres and authors.

Pupil progress meetings are paramount to discuss progress and attainment termly. Barriers to attainment are addressed and strategies put in place. E.g. interventions, differentiation, involving parents in learning, reading volunteers provide extra reading practice. Learning walks and book trawls monitor the progress of pupil premium children.

The curriculum continues to evolve and future plans to develop this further are ongoing. The progress made on the curriculum was identified by Ofsted:

Leaders have set out an ambitious curriculum for all pupils. It is coherently planned and sequenced. Leaders have identified the important knowledge, skills and vocabulary that pupils need to learn in most subjects. In some foundation subjects, leaders are developing their thinking further to ensure that they identify the precise knowledge that pupils need to learn. Leaders make sure that pupils build their knowledge and skills step by step over time. Teachers present information in a way that helps pupils to know and remember more over time. Teachers generally have good subject knowledge. They check pupils' understanding in different ways. This helps many pupils achieve well across the curriculum.

As a school we strive to be inclusive of all, our SENDco and pastoral team work tirelessly to support learners. Ofsted noted: Pupils with special educational needs and/or disabilities (SEND) study an ambitious curriculum. There are clear systems in place to identify pupils with SEND. Staff provide these pupils with effective support in lessons. Leaders work with wider agencies to secure additional support when necessary. Some pupils attend sessions to build their emotional well-being. This help means that they can focus on their learning in lessons.

Information is collated regarding the out of school experiences of all pupils. This enables us to identify and encourage all children in all their existing experiences and make suggestions regarding other avenues to explore through our after school clubs. Positive discrimination is embedded across the school with regard to questioning, teacher/LSA checking in first to ensure independent learning, PP books marked first. This year we have established a uniform shop where parents have the opportunity to purchase pre-loved uniform for a small amount of money, this have proved very successful.

Starting school and having a strong EYFS base is non-negotiable, we have spent time remodelling the curriculum so that the knowledge learnt in this year is transferable and is the building blocks for key stage one and beyond. Ofsted noted: Staff have high expectations of children in the Reception class. Children are well cared for and follow clear routines. Children work well independently and with others.

Townlands C of E Primary Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Failure to address the financial pressure on schools' funding levels will continue to threaten the sustainability of the Academy model in the future. The Academy continues to challenge and drive down costs where possible and meet its obligations towards strong financial management and governance.

Financial review

During the year ended 31 August 2023 the total revenue expenditure of the Academy of £1,857,468 was met by the General Annual Grant from the ESFA, special educational needs funding received from local authorities, Pupil Premium Income and other fund income. The incoming resources during the year ended 31 August 2023 were £1,863,042. The overall surplus for the year ended 31 August 2023 was £79,574 after depreciation charges of £36,390 and actuarial gains on the LGPS pension scheme of £74,000.

As at 31 August 2023 the restricted fixed asset fund of the Academy was £926,488.

The Academy Trust held fund balances as at 31 August 2023 of £194,097 ,of restricted funds and £212,772 unrestricted funds.

Reserves policy

As part of the monitoring on in-year financial performance, the Finance & Audit Committee and Board of Trustees monitor the forecast impact on reserves as part of medium-term financial planning. Whilst the Academy recognise the need for prudence and the need to provide a suitable level of reserves for unforeseen circumstances, the Academy also acknowledge that the revenue funding is provided for pupils attending the Academy at that time. Therefore, the Academy will seek to maximise the use of revenue funds available for pupils in the present cohort, with any reserves being clearly identified as a contingency or for an agreed purpose.

The level of reserves at the end of the year ended 31 August 2023 is £1,333,357.

The Trustees have determined that the Academy should aim to carry forward approximately between 5-10% of the annual budget.

At 31 August 2023 total funds comprised:

Unrestricted £212,772

Restricted Fixed assets £926,488

Pension £nil

Other £194,097

The pension reserve relates to the Local Government Pension Scheme (LGPS) where, unlike the teacher's scheme, separate assets are held to fund future liabilities. Any deficit can be met in the longer term from any combination of increase employer or employee contributions, increase government funding or changes to scheme benefits.

The restricted funds will be spent in accordance with the terms of the particular funds.

Unrestricted funds are for the use of general purposes of the Academy at the discretion of the Trustees. The aim of the Trustees is to increase this reserve to finance the turbulence in the funding through the transition of age range change.

Townlands C of E Primary Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Investment policy

The Academy aims to manage its cash balances to provide 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 funds to optimise returns but ensuring the investment instruments are such that there is no risk to the loss of these cash funds.

The aim of this policy is to ensure that funds which the Academy does not immediately need to cover anticipated expenditure are invested in such a way as to maximise income but minimal risk. Our aim is to spend the public monies with which we are entrusted for the direct education benefit of students as soon as is prudent. The Academy does not consider the investment of surplus funds as a primary activity, rather it is the result of good practice as and when circumstances allow.

The Academy's aim is to spend the public monies with which they are entrusted for the direct educational benefit of students as soon as is prudent. The school 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.

Regular cash flows are prepared and monitored to ensure there are adequate funds to meet all payroll related commitments and outstanding supply creditors that are due for payment.

Where the cash flow identifies a base level of cash funds that will be surplus to requirements these may be invested in an interest-bearing account in a UK regulated bank.

The Trustees of the Finance & Audit Committee review investment opportunities as a regular agenda item.

The Academy holds an investment of £105032 in a Nationwide Business 95 Day Saver account in order to reduce the risk of monies held in one account and gain an improved rate of interest on our money but with access should the money be required.

Principal risks and uncertainties

The major risks to which the Academy is exposed are as follows:

- Changes in funding;
- Loss of building or facilities preventing the delivery of education;
- Loss of staff and expertise;
- Loss of reputation;
- Lack or safeguarding of pupils;
- Funding of pension deficit under the Local Government Pension Scheme (LGPS);
- Not operating within its budget and running a deficit;
- Inappropriate or ineffective financial controls and systems;
- Fraudulent activity;
- Financial commitments made without adequate authorisation; and
- Global Health pandemic.

Townlands C of E Primary Academy and the Trustees follow and adopt good practice in the identification, evaluation and control of risks to ensure that, as far as reasonably practicable, risks are avoided or reduced to an acceptable level. Although it is acknowledged that risks exist and can never be eliminated, It is important that all members of staff are aware of risk associated with their area of work.

Townlands C of E Primary Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

The following key principles outline the Academy's approach to risk management:

- The Board of Trustees has responsibility for overseeing risk management within the School as a whole;
- An open and receptive approach to solving risk problems is adopted by the Board of Trustees;
- The Headteacher and Senior Management Team advise on, and implements policies, approved by the Board of Trustees and is responsible for fostering good risk management practice within their areas of responsibility;
- Key risks will be identified and monitored by the Trustees on a regular basis;
- Annually review the Academy's risk register and approve changes or improvements to key elements of its processes and procedures;
- Detailed Terms of Reference for Academy Board meetings;
- Formal agendas for the Academy Board meetings and Finance & Audit Committee meetings;
- Schemes of Delegation and formal financial regulations; and
- Clear authorisation and approval levels.

Fundraising

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

Townlands C of E Primary Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Plans for future periods

Our plans for the future are split into five key areas.

- 1) Quality of education
- 2) Personal development
- 3) Behaviour and Attitudes
- 4) Leadership and Management
- 5) Early Foundation Stage

1. Quality of education

We will use assessment for learning to monitor understanding and identify misconceptions, and ensure teachers respond and adapt teaching to meet the children's needs.

We aim to increase the proportion of pupils achieving the Higher Standard in maths.

We aim improve outcomes in writing across both key stages with a particular focus on quality, content and stamina.

We aim to improve children's spoken language (oracy)

We aim to increase the proportion of all pupils achieving an Expected Standard (EXS) combined score in reading, writing and maths (RWM)

2. Personal development

We will develop the breadth of our curriculum by implementing the provision for a Forest School

We aim to enhance the emotional wellbeing support available to pupils, family and staff through the use of Emotional Wellbeing Practitioners

3. Behaviour and attitudes

We aim to further enhance the emotional wellbeing support available to pupils, family and staff through the use of Emotional Wellbeing Practitioners

We aim to continue to promote an understanding and respect for differences through celebrating diversity within our school community

We strive to further improve and continue to effectively review and employ strategies that improve rates of attendance

4. Leadership and management

We strive to further improve curriculum standards focusing on subject leadership, assessment and Governance

We aim to develop and implement parental engagement strategies to further expand school communications and intake to encourage positive dialogue, understanding and awareness

We aim to ensure all members of the school community are well informed about the new SIAMS framework and its relevance to us as a Church of England Primary school

5. Early Foundation Stage

We aim to increase the percentage of pupils achieving GLD in their Early Years Foundation Stage Profile (EYFSP)

Further improve the environment inside and outside so that it supports an ambitious, coherently planned and sequenced curriculum

We aim to develop clear communication with parents and carers

Funds held as Custodian Trustee on behalf of others

There are no funds held by the Academy on behalf of others.

Townlands C of E Primary Academy

Trustees' report for the Year Ended 31 August 2023 (continued)

Auditor

Insofar as the Trustees are aware:

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

Reappointment of auditor

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

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees on 9 November 2023 and signed on its behalf by:

.....
Marie Noble, Chair of Trustees

Townlands C of E Primary Academy

Governance statement

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to Anne Hawksley, 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 Townlands C of E Primary Academy 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 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Rev'd Martin Castle, Foundation Trustee	3	6
Marie Noble	6	6
Rachael Johnson	4	6
Marie Ward, Headteacher	3	6
Anne Hawksley, Co-Acting Headteacher	6	6
Sarah Louise Martinson, Co-Acting Headteacher	6	6
Diane Tingay, Foundation Trustee	4	6
Tracey Pallatt, Member Nominated Trustee (resigned 10 November 2022)	1	1
Emma Freeman, Parent Trustee	5	6
Jane Cornwell, Parent Trustee (appointed 1 November 2022)	4	5

The Finance and General Purposes Committee is a sub-committee of the main Board of Trustees. Its purpose is to, in consultation with the Headteacher and Business Manager, formulate a budget plan for the current financial year and establish and maintain an up to date 3 year financial plan, monitor and forecast income and expenditure for all areas. They are responsible for reporting significant anomalies, checking for accuracy and completeness. They must ensure the Academy operates within the Financial Regulations of the ESFA. Annually they will review charges, remissions and expense policies, approve decisions in respect of service agreements and other expenditure, review updated policies relating to financial matters. They will then make recommendations to the Board of Trustees for final approval.

Townlands C of E Primary Academy

Governance statement (continued)

Trustee	Meetings attended	Out of a possible
Marie Noble	3	3
Rachael Johnson	3	3
Marie Ward,	1	3
Jane Cornwell, (appointed 1 November 2022)	1	2

Review of value for money

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

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

- Deploying staff as required in order to meet the needs of pupils to ensure they meet their end of year targets, identifying pupils for intervention and monitoring impact;
- Raising pupil admission numbers and ensuring appropriate staffing to meet the needs of an additional class;
- Employing appropriate Finance Personnel to ensure consistent good financial procedures and seeking to ensure best value when purchasing goods, services and resources;
- Looking for ways to increase income yet improve efficiency of expenditure; and
- Ensuring best use of resources, yet still improving and delivering good learning outcomes.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Townlands C of E Primary Academy for the year ended 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 ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 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 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;

Townlands C of E Primary Academy

Governance statement (continued)

- regular reviews by the Finance and General Purposes Committee of reports, which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The Board of Trustees has decided:

- to employ Diane Kennington as internal auditor

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

On a quarterly basis, the auditor reports to the Board of Trustees, through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees's 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.

Governance

To give assurances to management and Trustees that: -

The Trust's published governance statement within its website includes its scheme of delegation for governance functions;

The Board of Trustees (Full Governing Body) meetings are properly constituted, business transacted is appropriate and in line with the Terms of Reference and minutes are prepared to an acceptable standard;

The Trust has appointed an appropriate clerk to the Board of Trustees;

The Board of Trustees has approved a balanced budget;

The Trust has submitted the budget forecast to ESFA within the agreed timescale;

Financial information is provided, reviewed and actioned as required, at least six times per year by the Board of Trustees and committee(s) responsible for finance;

The Trust's financial management is underpinned by an up-to-date Finance Policy;

The Trust maintains and makes readily available to all staff relevant policies including:

- o Whistleblowing policy;

- o Policy on Gifts and Hospitality;

The Trust maintains a register on gifts and hospitality which should include received and offered items & services;

The Trust manages its cash position effectively;

Independent reviews of cash/bank reconciliations are carried out and evidenced; and

The Trust has adequately insured in line with its legal obligations.

Townlands C of E Primary Academy

Governance statement (continued)

Responsible Committees

To give assurances to management and Trustees that: -

The Trust has delegated financial scrutiny and oversight to a Finance Committee;

The Finance Committee meetings are properly constituted, business transacted is appropriate and in line with the Terms of Reference (regularity of meetings, quorate, robust etc.);

Effective risk management procedures are in place to identify and to manage business risk critical to the Trust's overall objectives; and

Audit related issues are considered by an Audit Committee or another committee independent of the Finance Committee.

Specific financial concerns

To give assurances to management and Trustees that: -

The Trust has complied with all terms detailed within any ESFA issued Financial Notice to Improve (FNTI) (if issued);

The Trust maintains a robust cash flow management;

The Trust is aware of fraud, theft and irregularity issues that may occur and take appropriate action where suspected or identified; and

The Trust has adequate plans agreed with the ESFA for the recovery of any overspends, should they be in a deficit budget position.

Transaction testing

To give assurances to management and Trustees that: -

Invoices are promptly raised for relevant debts;

Outstanding debts are routinely identified and followed-up;

Receipted income is banked and posted on a timely basis;

Cheque/BAGS payments are all dual signed;

Invoices paid (Cheque and BACS) are valid and appropriately authorised;

Adequate controls exist for the completion and authorisation of orders;

Charge card transactions are valid and properly authorised;

Payroll charges to budget are valid and properly authorised;

Climate change levy exemption is claimed on fuel bills; and

VAT is recovered in appropriate circumstances.

On an annual basis, the Internal Auditor reports to the Board of Trustees, through the Finance & Audit Committee on the operation of the systems of control and on the discharge of the Board or 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.

The Internal Audit prepared their Internal Audit report (Assurance) dated November 2023 did not include any significant recommendations to the Academy.

Review of effectiveness

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

- the work of the internal auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

Townlands C of E Primary Academy

Governance statement (continued)

- the work of the external auditor;
- correspondence from ESFA: FNtI/NtI and 'minded to' letters.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the 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 9 November 2023 and signed on its behalf by:

.....
Marie Noble (Chair of Trustees)
Trustee

.....
Anne Hawksley
Accounting officer

Townlands C of E Primary Academy

Statement of regularity, propriety and compliance

As accounting officer of Townlands C of E Primary Academy I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, 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 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.

.....
Anne Hawksley
Accounting officer

9 November 2023

Townlands C of E Primary Academy

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board on 9 November 2023 and signed on its behalf by:

.....
Marie Noble, Chair of Trustees
Trustee

Townlands C of E Primary Academy

Independent Auditor's Report on the Financial Statements to the Members of Townlands C of E Primary Academy

Opinion

We have audited the financial statements of Townlands C of E Primary Academy (the 'Academy') for the year ended 31 August 2023, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs as at 31 August 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 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 responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information (covers the Reference and administrative details, the Trustees' report and Strategic Report and the Governance statement)

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

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

Townlands C of E Primary Academy

Independent Auditor's Report on the Financial Statements to the Members of Townlands C of E Primary Academy (continued)

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

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

Auditor Responsibilities for the audit of the financial statements

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

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

Townlands C of E Primary Academy

Independent Auditor's Report on the Financial Statements to the Members of Townlands C of E Primary Academy (continued)

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

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

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

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

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

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

Use of our report

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

.....
Richard Buckby FCA (Senior Statutory Auditor)
For and on behalf of TC Group , Statutory Auditor

Hamilton Office Park
31 High View Close
Leicester
LE4 9LJ

Date: 13.12.23
.....

Townlands C of E Primary Academy

Independent Reporting Accountant's Assurance Report on Regularity to Townlands C of E Primary Academy and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Townlands C of E Primary Academy 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 Townlands C of E Primary Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Townlands C of E Primary Academy 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 Townlands C of E Primary Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Board of Trustees's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the Board of Trustees's funding agreement with the Secretary of State for Education dated 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 year from 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.

Approach

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

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

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

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

- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.

Townlands C of E Primary Academy

Independent Reporting Accountant's Assurance Report on Regularity to Townlands C of E Primary Academy and the Education and Skills Funding Agency (continued)

- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 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.

.....
Reporting Accountant
TC Group

Hamilton Office Park
31 High View Close
Leicester
LE4 9LJ

Date:.....13.12.23

Townlands C of E Primary Academy

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

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2023/22 Total £
Income and endowments from:					
Donations and capital grants	2	-	-	25,336	25,336
Other trading activities	4	34,907	-	-	34,907
Investments	5	2,651	-	-	2,651
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	1,800,148	-	1,800,148
Total		37,558	1,800,148	25,336	1,863,042
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	5,867	1,815,211	36,390	1,857,468
Net income/(expenditure)		31,691	(15,063)	(11,054)	5,574
Transfers between funds		-	(8,297)	8,297	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	22	-	74,000	-	74,000
Net movement in funds/(deficit)		31,691	50,640	(2,757)	79,574
Reconciliation of funds					
Total funds brought forward at 1 September 2022		181,081	143,456	929,246	1,253,783
Total funds carried forward at 31 August 2023		212,772	194,096	926,489	1,333,357

Townlands C of E Primary Academy

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

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2022/21 Total £
Income and endowments from:					
Donations and capital grants	2	-	-	8,067	8,067
Other trading activities	4	29,443	-	-	29,443
Investments	5	627	-	-	627
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	1,749,916	-	1,749,916
Total		30,070	1,749,916	8,067	1,788,053
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	5,774	1,741,624	45,282	1,792,680
Net income/(expenditure)		24,296	8,292	(37,215)	(4,627)
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	22	-	1,171,000	-	1,171,000
Net movement in funds/(deficit)		24,296	1,179,292	(37,215)	1,166,373
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021		156,785	(1,035,836)	966,461	87,410
Total funds carried forward at 31 August 2022		181,081	143,456	929,246	1,253,783

Townlands C of E Primary Academy

(Registration number: 09326643)
Balance Sheet as at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	926,488	918,442
Current assets			
Debtors	12	43,107	35,529
Cash at bank and in hand		389,310	389,818
Investments		105,032	102,426
		<u>537,449</u>	<u>527,773</u>
Liabilities			
Creditors: Amounts falling due within one year		<u>(130,580)</u>	<u>(132,432)</u>
Net current assets		<u>406,869</u>	<u>395,341</u>
Total assets less current liabilities		<u>1,333,357</u>	<u>1,313,783</u>
Net assets excluding pension asset		1,333,357	1,313,783
Defined benefit pension scheme liability	22	<u>-</u>	<u>(60,000)</u>
Total net assets		<u><u>1,333,357</u></u>	<u><u>1,253,783</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund	14	194,097	205,684
Restricted fixed asset fund	14	926,488	927,018
Pension reserve	14	<u>-</u>	<u>(60,000)</u>
		1,120,585	1,072,702
Unrestricted funds			
Unrestricted general fund	14	<u>212,772</u>	<u>181,081</u>
Total funds		<u><u>1,333,357</u></u>	<u><u>1,253,783</u></u>

The financial statements on pages 26 to 50 were approved by the Trustees, and authorised for issue on 9 November 2023 and signed on their behalf by:

.....
Anne Hawksley, Co-Acting Headteacher
Trustee

.....
Sarah Louise Martinson, Co-Acting Headteacher
Trustee

Townlands C of E Primary Academy

Statement of Cash Flows for the year ended 31 August 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	17	14,851	183,144
Cash flows from investing activities	18	<u>(12,112)</u>	<u>428</u>
Change in cash and cash equivalents in the year		2,739	183,572
Cash and cash equivalents at 1 September		<u>389,818</u>	<u>206,246</u>
Cash and cash equivalents at 31 August	19	<u><u>392,557</u></u>	<u><u>389,818</u></u>

Townlands C of E Primary Academy

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.

Going concern

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

Income

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

Grants

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

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

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

Donations

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

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Other income

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

The Incumbent and Churchwardens of the Parish of Earl Shilton and their Successors owns the freehold interest in the buildings which is occupied by the Academy Trust on a rent free licence to occupy. This continuing permission of their Trustees is pursuant to, and subject to, the Trustees' charitable objects, and is part of the Trustees' contribution to provide state funded education in partnership with the state and detailed in a supplementary agreement with the Academy Trust. The licence delegates aspects of the management of the buildings to the Academy Trust for the time being but does not vest any rights over the land in the Academy Trust, the terms of which have been agreed between the Secretary of State and The Incumbent and Churchwardens of the Parish of Earl Shilton and their Successors. This agreement can be revoked at any time and within this agreement is a termination clause with the Trustees or The Incumbent and Churchwardens of the Parish of Earl Shilton and their Successors giving two years notice. The Trustees have concluded that the buildings should not be recognised as an asset of the Academy Trust as the Academy Trust does not control the asset.

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

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

Asset class	Depreciation method and rate
Long-term leasehold land	0.8% straight line
Property improvements	2% straight line
Furniture and equipment	15% straight line
Computer equipment	33.33% straight line

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.

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Provisions

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

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

Leased assets

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

Taxation

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

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

Pension benefits

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

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

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

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

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 the funders where the asset acquired or created is held for a specific purpose.

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31/08/2023. 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.

Critical areas of judgement

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

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

2 Donations and capital grants

	Restricted Fixed Asset Funds £	2023/22 Total £	2022/21 Total £
Capital grants	25,336	25,336	8,067

The income from donations and capital grants was £25,335 (2022: £8,067) which was allocated between the funds as follows; £Nil unrestricted funds (2022: £Nil), £Nil restricted funds (2022: £Nil), £25,335 restricted fixed asset funds (2022: £8,067) and £Nil endowment funds (2022: £Nil).

3 Funding for the Academy Trust's educational operations

	Restricted General Funds £	2023/22 Total £	2022/21 Total £
Educational operations			
DfE/ESFA revenue grants			
General Annual Grant (GAG)	1,548,195	1,548,195	1,508,056
Pupil premium	74,491	74,491	79,069
ESFA Supplementary grant	42,971	42,971	17,905
PE Sports grant	19,170	19,170	19,140
UIFSM	30,680	30,680	44,262
Other DfE/ESFA grants	47,082	47,082	24,584
	1,762,589	1,762,589	1,693,016
Other government grants			
Local authority grants	23,038	23,038	23,687
Non-government grants and other income			
Other income	14,520	14,520	33,213
Total grants	1,800,147	1,800,147	1,749,916

The funding for educational operations was £1,800,149 (2022: £1,749,916) which was allocated between the funds as follows; £Nil unrestricted funds (2022: £Nil), £1,800,149 restricted funds (2022: £1,749,916), £Nil restricted fixed asset funds (2022: £Nil) and £Nil endowment funds (2022: £Nil).

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

4 Other trading activities

	Unrestricted Funds £	2023/22 Total £	2022/21 Total £
Breakfast and after school club	9,576	9,576	1,731
Catering income	13,911	13,911	17,182
Other sales	-	-	3,390
Insurance claims	11,420	11,420	1,800
Moderation reimbursement	-	-	5,340
	<u>34,907</u>	<u>34,907</u>	<u>29,443</u>

The income from other trading activities was £34,907 (2022: £29,442) which was allocated between the funds as follows; £34,907 unrestricted funds (2022: £29,442), £Nil restricted funds (2022: £Nil), £Nil restricted fixed asset funds (2022: £Nil) and £Nil endowment funds (2022: £Nil).

5 Investment income

	Unrestricted Funds £	2023/22 Total £	2022/21 Total £
Interest	<u>2,651</u>	<u>2,651</u>	<u>627</u>

The income from other trading activities was £2,651 (2022: £627) which was allocated between the funds as follows; £2,651 unrestricted funds (2022: £627), £Nil restricted funds (2022: £Nil), £Nil restricted fixed asset funds (2022: £Nil) and £Nil endowment funds (2022: £Nil).

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

6 Expenditure

	Non Pay Expenditure			2023/22	2022/21
	Staff costs	Premises	Other costs	Total	Total
	£	£	£	£	£
Academy's educational operations					
Direct costs	1,267,735	-	73,263	1,340,998	1,179,158
Allocated support costs	130,411	117,738	268,321	516,470	613,522
	<u>1,398,146</u>	<u>117,738</u>	<u>341,584</u>	<u>1,857,468</u>	<u>1,792,680</u>

Net income/(expenditure) for the year includes:

	2023/22	2022/21
	£	£
Operating lease rentals	6,675	8,684
Depreciation	36,390	45,478
Fees payable to auditor - audit	7,000	6,000
- other audit services	<u>1,725</u>	<u>900</u>

7 Charitable activities

	2022/23	2021/22
	£	£
Direct costs - educational operations	1,340,998	1,179,158
Support costs - educational operations	<u>516,470</u>	<u>613,522</u>
	<u>1,857,468</u>	<u>1,792,680</u>

	Educational operations	2022/23	2021/22
	£	Total	Total
		£	£
Analysis of support costs			
Support staff costs	130,411	130,411	207,084
Premises costs	117,738	117,738	107,959
Legal costs - other	130,481	130,481	118,238
Governance costs	12,350	12,350	5,350
Other support costs	59,650	59,650	70,664
Security and transport	-	-	2,759
Catering	62,840	62,840	82,468
Interest on defined benefit pension scheme	<u>3,000</u>	<u>3,000</u>	<u>19,000</u>
Total support costs	<u>516,470</u>	<u>516,470</u>	<u>613,522</u>

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

8 Staff

Staff costs

	2022/23 £	2021/22 £
Staff costs during the year were:		
Wages and salaries	1,044,598	887,055
Social security costs	95,224	79,926
Operating costs of defined benefit pension schemes	244,978	318,353
	<u>1,384,800</u>	<u>1,285,334</u>
Supply staff costs	104,547	8,261
	<u><u>1,489,347</u></u>	<u><u>1,293,595</u></u>

Staff numbers

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

	2023/22 No	2022/21 No
Teachers	14	16
Administration and support	24	24
Management	3	3
	<u><u>41</u></u>	<u><u>43</u></u>

Higher paid staff

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

	2023/22 No	2022/21 No
£60,001 - £70,000	1	-
£70,001 - £80,000	<u><u>1</u></u>	<u><u>1</u></u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £242,312 (2022: £240,973).

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

9 Related party transactions - trustees' remuneration and expenses

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

Marie Ward (Headteacher):

Remuneration: £75,000 - £80,000 (2022 - £70,000 - £75,000)

Employer's pension contributions: £15,000 - £20,000 (2022 - £15,000 - £20,000)

Anne Hawksley, Co-Acting Headteacher (Staff Trustee):

Remuneration: £60,000 - £65,000 (2022 - £50,000 - £55,000)

Employer's pension contributions: £10,000 - £15,000 (2022 - £10,000 - £15,000)

Sarah Louise Martinson, Co-Acting Headteacher (Staff Trustee):

Remuneration: £55,000 - £60,000 (2022 - £45,000 - £50,000)

Employer's pension contributions: £10,000 - £15,000 (2022 - £10,000 - £15,000)

During the year ended 31 August 2023, travel and subsistence expenses totalling £67 (2022 - £240) were reimbursed or paid directly to 1 trustees (2022 - 1).

Other related party transactions involving the trustees are set out in note 23.

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 £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

11 Tangible fixed assets

	Leasehold land and buildings £	Leasehold improvements £	Furniture and equipment £	Other tangible fixed asset £	2023/22 Total £
Cost					
At 1 September 2022	158,000	849,466	65,147	84,019	1,156,632
Additions	-	29,953	4,815	9,669	44,437
Disposals	-	-	-	(13,849)	(13,849)
At 31 August 2023	158,000	879,419	69,962	79,839	1,187,220
Depreciation					
At 1 September 2022	9,691	106,307	45,204	76,989	238,191
Charge for the year	1,260	17,354	9,950	7,826	36,390
Eliminated on disposals	-	-	-	(13,849)	(13,849)
At 31 August 2023	10,951	123,661	55,154	70,966	260,732
Net book value					
At 31 August 2023	147,049	755,758	14,808	8,873	926,488
At 31 August 2022	148,309	743,159	19,943	7,030	918,441

12 Debtors

	2023 £	2022 £
Trade debtors	617	3,628
VAT recoverable	7,069	8,720
Prepayments	27,269	10,040
Accrued grant and other income	8,152	13,141
	43,107	35,529

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

13 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	28,849	42,419
Other taxation and social security	21,307	21,053
Other creditors	30,138	25,244
Accruals	31,498	17,271
Deferred income	18,788	26,445
	<u>130,580</u>	<u>132,432</u>
	2023	2022
	£	£
Deferred income		
Deferred income at 1 September 2022	26,445	27,578
Resources deferred in the period	18,788	26,445
Amounts released from previous periods	<u>(26,445)</u>	<u>(27,578)</u>
Deferred income at 31 August 2023	<u>18,788</u>	<u>26,445</u>

At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals for the 22/23 academic year.

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

14 Funds

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	205,684	1,548,195	(1,549,259)	(10,523)	194,097
Pupil Premium	-	74,491	(74,491)	-	-
Other DfE/ESFA grants	-	47,082	(47,082)	-	-
Other government grants	-	30,153	(30,153)	-	-
UIFSM	-	30,680	(30,680)	-	-
ESFA Supplementary grant	-	42,971	(42,971)	-	-
PE Sports grant	-	19,170	(19,170)	-	-
Other donations	-	7,405	(7,405)	-	-
<i>Restricted fixed asset funds</i>					
Restricted Fixed Asset Fund	918,441	-	(36,390)	44,437	926,488
Capital Grant (DFC)	8,577	25,335	-	(33,912)	-
<i>Pension reserve funds</i>					
Pension Reserve	(60,000)	-	(14,000)	74,000	-
Total restricted funds	<u>1,072,702</u>	<u>1,825,482</u>	<u>(1,851,601)</u>	<u>74,002</u>	<u>1,120,585</u>
<i>Unrestricted general funds</i>					
Unrestricted funds	<u>181,081</u>	<u>37,558</u>	<u>(5,867)</u>	<u>-</u>	<u>212,772</u>
Total unrestricted funds	181,081	37,558	(5,867)	-	212,772
Total endowment funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u><u>1,253,783</u></u>	<u><u>1,863,040</u></u>	<u><u>(1,857,468)</u></u>	<u><u>74,002</u></u>	<u><u>1,333,357</u></u>

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

14 Funds (continued)

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

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	68,164	1,508,056	(1,370,534)	-	205,686
Pupil Premium	-	79,069	(79,069)	-	-
Other DfE/ESFA grants	-	61,629	(61,629)	-	-
Other government grants	-	23,687	(23,687)	-	-
UIFSM	-	44,262	(44,262)	-	-
Other donations	-	33,214	(33,214)	-	-
<i>Restricted fixed asset funds</i>					
Restricted Fixed Asset Fund	955,458	-	(45,282)	8,265	918,441
Capital Grant (DFC)	11,003	8,067	(2,228)	(8,265)	8,577
<i>Pension reserve funds</i>					
Pension Reserve	<u>(1,104,000)</u>	<u>-</u>	<u>(127,000)</u>	<u>1,171,000</u>	<u>(60,000)</u>
Total restricted funds	<u>(69,375)</u>	<u>1,757,984</u>	<u>(1,786,905)</u>	<u>1,171,000</u>	<u>1,072,704</u>
<i>Unrestricted general funds</i>					
Unrestricted funds	<u>156,785</u>	<u>30,069</u>	<u>(5,775)</u>	<u>-</u>	<u>181,079</u>
Total unrestricted funds	156,785	30,069	(5,775)	-	181,079
Total endowment funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u><u>87,410</u></u>	<u><u>1,788,053</u></u>	<u><u>(1,792,680)</u></u>	<u><u>1,171,000</u></u>	<u><u>1,253,783</u></u>

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

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

14 Funds (continued)

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

Unrestricted funds:

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

General Annual Grant (GAG):

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

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

Pupil Premium:

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

Other DfE/ESFA grants:

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

Other Government grants:

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

Universal Infant Free School Meals:

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

Other income:

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

Capital grants:

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

Pension reserve:

Being the fund relating to the defined benefit pension scheme asset or liability included on the Balance Sheet.

Fund balances for each academy at 31 August 2023 and 31 August 2022 were zero, hence a breakdown by academy is not included in these accounts.

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

15 Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	926,488	926,488
Current assets	212,772	324,677	-	537,449
Current liabilities	-	(130,580)	-	(130,580)
Total net assets	<u>212,772</u>	<u>194,097</u>	<u>926,488</u>	<u>1,333,357</u>

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

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	918,442	918,442
Current assets	186,854	332,343	8,576	527,773
Current liabilities	-	(132,432)	-	(132,432)
Pension scheme liability	-	(60,000)	-	(60,000)
Total net assets	<u>186,854</u>	<u>139,911</u>	<u>927,018</u>	<u>1,253,783</u>

16 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:

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

16 Long-term commitments, including operating leases (continued)

	2023 £	2022 £
Amounts due within one year	2,435	5,235
Amounts due between one and five years	1,898	4,333
	<u>4,333</u>	<u>9,568</u>

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

	2022/23 £	2021/22 £
Net income/(expenditure)	5,574	(4,627)
Depreciation	36,390	45,282
Capital grants from DfE and other capital income	(25,336)	(8,067)
Interest receivable	(2,651)	(627)
Defined benefit pension scheme obligation inherited	11,000	108,000
Defined benefit pension scheme finance cost	3,000	19,000
Increase in debtors	(11,274)	(9,218)
(Decrease)/increase in creditors	(1,852)	33,401
Net cash provided by Operating Activities	<u>14,851</u>	<u>183,144</u>

18 Cash flows from investing activities

	2022/23 £	2021/22 £
Dividends, interest and rents from investments	2,651	627
Purchase of tangible fixed assets	(44,437)	(8,266)
Capital grants from DfE Group	25,336	8,067
Net cash (used in)/provided by investing activities	<u>(16,450)</u>	<u>428</u>

19 Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	389,310	389,818
Total cash and cash equivalents	<u>389,310</u>	<u>389,818</u>

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

20 Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash	206,246	183,572	389,818
Total	107,215	150,171	257,386

21 Member 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.

22 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 . Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS to the period ended 31 March 2019.

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

22 Pension and similar obligations (continued)

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

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

The employer's pension costs paid to TPS in the period amounted to £166,584 (2022: £143,231).

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

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £107,000 (2022 - £83,000), of which employer's contributions totalled £86,000 (2022 - £67,000) and employees' contributions totalled £21,000 (2022 - £16,000). The agreed contribution rates for future years are per cent for employers and per cent for employees.

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

The actuarial valuation calculated the fair value of plan assets to be in excess of the defined benefit obligation giving a plan surplus as at 31 August 2023 of £143,000. FRS102 28.22 states that a plan surplus shall be recognised only to the extent that the entity is able to recover the surplus through either reduced contributions in the future or through refunds from the plan. The trustees believe there to be insufficient certainty over the ability to meet these conditions and therefore the plan surplus has not been recognised.

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.50	3.60
Rate of increase for pensions in payment/inflation	3.00	3.10
Discount rate for scheme liabilities	5.20	4.30
Inflation assumptions (CPI)	3.00	3.10
Commutation of pensions to lump sums	<u>55.00</u>	<u>50.00</u>

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

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

22 Pension and similar obligations (continued)

	2023	2022
Retiring today		
Males retiring today	21.10	21.50
Females retiring today	23.10	24.00
Retiring in 20 years		
Males retiring in 20 years	21.00	22.40
Females retiring in 20 years	<u>25.70</u>	<u>25.70</u>

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

	2023	2022
	£	£
Equities	810,540	786,290
Other bonds	483,480	360,920
Property	99,540	116,010
Cash and other liquid assets	<u>28,440</u>	<u>25,780</u>
Total market value of assets	<u>1,422,000</u>	<u>1,289,000</u>

The actual return on scheme assets was £21,000 (2022 - £16,000).

Townlands C of E Primary Academy

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

22 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2023/22	2022/21
	£	£
Current service cost	(97,000)	(175,000)
Interest income	57,000	21,000
Interest cost	<u>(60,000)</u>	<u>(40,000)</u>
Total amount recognized in the SOFA	<u>(100,000)</u>	<u>(194,000)</u>

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

	2023/22	2022/21
	£	£
At start of period	1,349,000	2,315,000
Current service cost	97,000	175,000
Interest cost	60,000	40,000
Employee contributions	21,000	16,000
Actuarial (gain)/loss	(244,000)	(1,193,000)
Benefits paid	<u>(4,000)</u>	<u>(4,000)</u>
At 31 August	<u>1,279,000</u>	<u>1,349,000</u>

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

	2023/22	2022/21
	£	£
At start of period	1,289,000	1,211,000
Interest income	57,000	21,000
Actuarial gain/(loss)	(27,000)	(22,000)
Employer contributions	86,000	67,000
Employee contributions	21,000	16,000
Benefits paid	<u>(4,000)</u>	<u>(4,000)</u>
At 31 August	<u>1,422,000</u>	<u>1,289,000</u>

23 Related party transactions

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

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