

Company registration number 08063334 (England and Wales)

**EPPLETON ACADEMY PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022**

EPPLETON ACADEMY PRIMARY SCHOOL

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 11
Governance statement	12 - 15
Statement on regularity, propriety and compliance	16
Statement of trustees' responsibilities	17
Independent auditor's report on the accounts	18 - 20
Independent reporting accountant's report on regularity	21 - 22
Statement of financial activities including income and expenditure account	23 - 24
Balance sheet	25
Statement of cash flows	26
Notes to the accounts including accounting policies	27 - 45

EPPLETON ACADEMY PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Members

B Johnson
D Wallace
E Hagen
C Richardson
J Park

Trustees

R Chapman
M A Haswell
C M Webb
K Bushby
E Hagan (Chair)
L Jackson (Headteacher)
L Quinn-Briton
S Ferguson
M Hogg
S McNeilly (Vice chair)
M Thornton

Senior management team

- Headteacher	K Bushby (resigned 31 August 2022)
- Deputy Headteacher	L Jackson (appointed Headteacher 1 September 2022)
- Business Manager	J Bainbridge

Company registration number

08063334 (England and Wales)

Registered office

Church Road
Hetton le Hole
Houghton Le Spring
Tyne And Wear
DH5 9AJ
United Kingdom

Independent auditor

Azets Audit Services
Wynyard Park House
Wynyard Avenue
Wynyard
TS22 5TB
United Kingdom

Bankers

Lloyds Bank plc
54 Fawcett Street
Sunderland
Tyne & Wear
SR1 1SF
United Kingdom

EPPLETON ACADEMY PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

BHP Law LLP
Gloucester House
72 Church Road
Stockton-On-Tees
TS18 1TW
United Kingdom

EPPLETON ACADEMY PRIMARY SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a trustees' report under company law.

The trust currently operates an academy for pupils aged 3 to 11 years, including a nursery class, serving a catchment area in the Coalfields of Sunderland, mainly in the Eppleton and Hetton area. It has a pupil capacity of 210, plus 26 part-time equivalent nursery places and had a roll of 189 in the school census in January 2021.

Structure, governance and management

Constitution

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

The members act as the trustees for the charitable activities of Eppleton Academy Primary School and are also the trustees of the Charitable Company for the purposes of company law. The Charitable Company is known as Eppleton Academy Primary School.

Details of the trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on the previous page.

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 £10.00, for the debts and liabilities contracted before they ceased to be a member (as required in the Eppleton Academy Primary School's funding agreement).

Trustees' indemnities

Every trustee of the Eppleton Academy Primary School shall be indemnified out of the assets of Eppleton Academy Primary School against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour of or which they are acquitted or in connection with any application in which relief is granted by them by the court from liability for negligence, breach of duty or breach of trust in relation to the affairs of Eppleton Academy Primary School.

Method of recruitment and appointment or election of trustees

The initial members of Eppleton Academy Primary School were nominated by the governing body of the predecessor school, Eppleton Primary School.

In accordance with Article 12, Eppleton Academy Primary School will comprise:

1. the signatories to the Memorandum;
 2. up to 2 further persons (who may be trustees);
 3. 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose;
1. the chairman of the trustees; and
 2. any person appointed under Article 16.

In accordance with Article 16 of the company Memorandum and Articles document, members may unanimously agree to appoint such additional members as they think is appropriate and may unanimously agree to remove such additional members.

- There should be significant separation between the individuals who are members and those who are trustees. If members sit on the board of trustees this may reduce the objectivity with which the members can exercise their powers. The Department's strong preference is for a majority of members to be independent of the board of trustees.

EPPLETON ACADEMY PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Policies and procedures adopted for the induction and training of trustees

Training and induction for newly appointed trustees is dependent upon their existing experience, regular audits in Governor skills identify gaps and training needs. Training may include charity, educational, legal and financial matters. All trustees tour the school initially and are made aware of any changes throughout the year. Trustees are actively encouraged to visit the school on a regular basis and speak at length to the Headteacher and Chair of Trustees in order to familiarise themselves with important issues appertaining to the academy prior to commencement of their role on the Governing Body and throughout their time as a governor. Link governors also have allotted time to speak to staff who lead their subject at least annually. school has a service level agreement with the local authority to offer training for personal development. The school also provides access to The Key for Governance for online support and training.

Organisational structure

Eppleton Academy Primary School is split into three hierarchical levels: the members of the trust; the trustees (commonly referred to as governors) and the Senior Leadership Team (SLT), which includes the Headteacher, the Deputy Headteacher, the Leadership Teacher and two other senior teaching staff and the School Business Manager.

The members are responsible for ensuring that the governing body fulfils its statutory obligations in a manner that will allow the academy to fulfil its aims. They act as a critical friend, checking and balancing, to ensure that the governing body conduct the business of the academy in an effective and efficient manner, allowing the academy to achieve its objectives.

The trustees are responsible for setting general policy; adopting an annual plan and budget; monitoring the academy through use of budgets and making effective decisions about the direction of the academy, capital expenditure and senior staffing appointments.

The Senior Leadership Team (SLT) comprises of the Headteacher, the Deputy Headteacher and the School Business Manager. The SLT lead and manage the academy at an executive level, on a day to day basis, implementing the policies agreed by the trustees and reporting back to the governing body on a regular basis.

The Headteacher and trustees (initially the Chairman and Vice Chairman, as part of the Audit, Finance and Premises committee) are responsible for the authorisation of spending, within agreed budgets, through an agreed scheme of delegation, as noted in the Academy Trust Handbook. They are also responsible for the appointment of staff through delegation to the Personnel Committee, where appropriate.

Arrangements for setting pay and remuneration of key management personnel

The headteacher undergoes an annual performance management review with governors on the Performance Management committee, reviewing advice sought from a School Improvement Partner. Objectives from the previous year are reviewed and new targets agreed. Governors decide whether an incremental rise is appropriate if the Headteacher has met the objectives. This process is also repeated with senior leaders and all members of staff. The Headteacher makes any recommendations of incremental rises for all other staff members to the Personnel committee who make the final decision.

Related parties and other connected charities and organisations

The academy does not work in federation with any other organisations, but continues to develop and maintain strong links with other schools and academic establishments, and other businesses and local organisations where partnerships assist in the achievement of the academy aims and objectives.

Objectives and activities

Objects and aims

The principal objective and activity of the charitable company, in accordance with the articles of association, is the development, maintenance and operation of Eppleton Academy Primary School to provide a broad and balanced curriculum for pupils with a range of abilities between the ages of 3 and 11 years.

EPPLETON ACADEMY PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Underlying that principal objective lie a number of other objectives which assist academy staff in fulfilling the principal objective; this is summarised in the academy vision statement:

At Eppleton Academy Primary School, we strive to make sure that no door is closed to you because we want you to have a life full of choice.

- By striving for excellence, we instil in you our chosen values, high aspirations and academic ambition to be outstanding achievers and successful, global citizens.
- By working effectively in partnership with parents, we support and nurture you in a safe environment, providing a positive foundation to foster high aspirations and develop learning for life.
- We provide each of you with opportunities to embrace challenges through an exciting, creative and meaningful curriculum, supporting them on their individual learning journey.

Objectives, strategies and activities

The principal activity of the academy is, in accordance with Article 4 of the Memorandum and articles "to advance for the public benefit, education in the United Kingdom, in particular without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ('the Academy')." Eppleton Academy Primary School is committed to working with other agencies to provide the best outcomes for all children in school.

Eppleton Academy Primary School is a non-selective school and actively welcomes pupils of all abilities, including those pupils with special educational needs. The academy strives to offer all pupils access to a broad and balanced curriculum. The academy also maintains its wraparound care, available to all parents and carers, where children can be cared for before and after school for a nominal fee; this facility is also open to parents and carers for emergency 'crisis care', free of charge, if required.

The main objectives for each year are included in the School Improvement Plan. In setting objectives and planning activities for the Academy, the Trustees have considered the Charity Commission's general guidance on public benefit. This year's School Improvement priorities were:

To increase the number of children reaching age related expectations in reading by:

- a) consistent approach to the high-quality teaching of systematic synthetic phonics and early reading through further development of the effective use of RWI.
- b) consistent approach to the high-quality teaching of whole-class guided reading from Y2-Y6

To introduce continuous provision in Year 1 to provide increasingly challenging and valuable learning opportunities, enabling children to revisit and embed skills and knowledge whilst continuing to strengthen the effective learning behaviors' the children had when they left Reception.

To further develop the provision in foundation subjects through a coherently planned and sequenced curriculum with identified clear knowledge and skills from Reception-Year 6 and to develop teacher subject knowledge and skill to implement subject plans effectively.

To improve school attendance to be at least in line with national figures and reduce persistent absenteeism.

To develop leadership capacity at all levels.

To implement the statutory Early Years Framework 2021 using the revised non-statutory curriculum guidance Development Matters

A range of strategies for achieving these priorities have been employed including: focused and continuous programmes of internal and external continued professional development; collaborative planning, partnership and networking opportunities; coaching; employment of an early help worker to support identified families and access to National Professional Qualification Programmes.

EPPLETON ACADEMY PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Public benefit

This academic year the facilities have been used for parent & child cookery courses, a range of extracurricular activities offered to children through after school clubs, a community charity football event partnered with the community cricket club, cadet training, community celebration events such as the Queen's Jubilee and a community craft club.

The academy is also committed to fundraising for a range of charities throughout the year. The Trustees confirm they have complied with their duty to have due regard to the guidance on public benefit as published by the Charity Commission in exercising their powers or duties.

Strategic report

Achievements and performance

The academy continues its work to improve standards, which is an integral part of the purpose of the school.

The academy's most recent Ofsted inspection was completed on 6th & 7th November 2019 with the following outcomes:

Overall effectiveness	GOOD
Effectiveness of leadership and management	GOOD
Quality of teaching, learning and assessment	GOOD
Personal development, behaviour and welfare	GOOD
Outcomes for pupils	GOOD
Early years provision	GOOD



~Eppleton Academy



School Performance 2018-2022

Key Stage 2		Reading	Writing	Maths
average progress scores in reading, writing and maths	2022	n/a	n/a	n/a
	2019	1.2	5.4	5.2
	2018	2.1	4.4	2.3
average 'scaled scores' in reading and maths	2022	105	N/A	105
	2019	104	N/A	106
	2018	103	N/A	103

Key Stage 2		Reading	Writing	Maths	RWM Comb
percentage of pupils who achieved the expected standard or above in reading, writing and maths	2022	77%	73%	81%	82%
	2019	72%	78%	89%	72%
	2018	72%	79%	69%	62%
percentage of pupils who achieved a high level of attainment in reading, writing and maths	2022	27%	19%	19%	8%
	2019	28%	39%	22%	17%
	2018	31%	24%	24%	14%

Key Stage 1		Reading	Writing	Maths	Science
percentage of pupils who achieved the expected standard	2022	63%	50%	63%	75%
	2019	75%	71%	79%	71%
	2018	73%	68%	73%	86%
percentage of pupils who achieved greater depth	2022	28%	13%	25%	n/a
	2019	21%	17%	21%	
	2018	23%	18%	23%	

Phonics Screening Check		Y1
percentage of pupils who achieved the expected standard (32/40)	2022	73%
	2019	54%
	2018	76%

Early Years Foundation Stage		Good Level of Development (GLD)
percentage of pupils who achieved the good level of development (GLD)	2022	60%
	2019	71%
	2018	65%

EPPLETON ACADEMY PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Impact

At the point of the last published school data (2019), assessment shows the majority of pupils to be at least in line with expected attainment and there is strong progress from starting points in all year groups which has been sustained over time. Outcomes at the end of EYFS, KS1 and KS2 are in line with or above national average.

However, end of key stage assessments and in school data analysis from the end of the academic year 2021-2022, shows the ongoing impact of the Coronavirus pandemic, particularly in Key Stage 1 and with gaps identified between disadvantaged and other pupils.

In EYFS there is a new statutory framework, therefore a comparison with previous years cannot be made. 60% of children achieved a good level of development which is broadly in line with local authority. Gaps between disadvantaged children and other children are evident.

There has been a decrease in the number of children achieving the phonics screening check, although this follows the national pattern, with school results broadly in line with national. Gaps between disadvantaged children and other children are evident.

In KS1, in reading, writing and maths, the percentage of pupils achieving the expected standard or above has decreased and this is particularly so in writing. Diminished gaps between disadvantaged pupils and other pupils at KS1 are now evident with achievement gaps between disadvantaged and other pupils particularly in reading and writing. Although there has been an increase in the number of disadvantaged children achieved GDS.

Internal data at the end of Summer 2021, across the school reflects a similar pattern in reading and writing in particular, with a decrease in the number of pupils reaching expected standards. There are widening gaps between disadvantaged and other pupils and between higher and lower ability pupils. There are also less children achieving greater depth.

At the end of KS2, in reading, writing and maths, the percentage of pupils achieving the expected standard or above is at least in line with national averages, and in writing and maths above national averages. In reading, the percentage of pupils achieving the expected standard or above has increased and the percentage achieving high scores matches that of the previous year. Standards in writing have decreased and this is particularly evident for greater depth, although both remain above national averages. In maths the percentage of pupils achieving the expected standard has decreased, although remains matched to the previous year for high scores. Gaps between disadvantaged and other pupils have diminished in maths, however remain in reading and writing.

Monitoring evidence shows that responses to the impact of the pandemic are starting to take effect, however this is slower for reading and particularly writing. Due to the pandemic, increased numbers of children were not ready for the next stage in their education due to the time taken to address gaps in their learning.

EPPLETON ACADEMY PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Key Performance Indicators

The main financial performance indicators of the Trust relate to the management of spending against General Annual Grant (GAG) and the use of these funds for the benefit of the pupils in our academies. It is the Trust's policy that, in general terms, the income received in any one year is spent for the benefit of those children attending school during that academic year.

The board of trustees has a robust strategy in place to mitigate financial pressures faced by all academies during 2021-2022 and beyond. Budgets are closely monitored and spending is linked to Trust objectives and school improvement plans with the aim of improving outcomes for pupils.

Additional financial performance objectives set by Trustees that have been met during the period are as follows:

- to maintain an operating surplus to support the strategic development of the schools within the academy trust;
- to have at least 1 month's cash in hand as working balances to cover salaries and monthly expenditure.

Following the pandemic attendance continues to be a priority for school improvement. To support with this, the school has purchased Early Help Support with dedicated time to work with identified families to address absence concerns. This is already having positive impact.

We have various strategies in place to promote the school including social media, open days and leaflet drops around the developing area. We have seen a steady increase in pupil numbers over recent years.

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, the trust continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

The majority of the academy's income is received from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during the period ended 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. Detail of all grants and income received can be found in the notes to the accounts.

An in-year deficit was projected at budget setting, this has been reduced substantially due to improvements in the budget which includes an increase in early years numbers, an increase in pupil premium funding due to an increase in the uptake of free school meal entitlement and the introduction of supplementary funding from April 2022.

As of 31st August 2022, the level of trust reserves held in restricted funds not available for general purposes is £7,058 plus a balance of unrestricted general funds of £198,898 giving a net surplus of £205,956.

Financial benchmarking against comparative schools indicates that our total expenditure is on par within the comparison's parameters. Our F.T.E Teacher comparison is higher than comparative schools, this will be rectified ongoing with the increase in pupil numbers which will have no impact on the need to employ additional teachers. Looking at the comparison for Teaching Assistants we are positioned as the lowest among comparative schools. With re-structure needed for the new academic year following changes in senior leaders, this will have a positive impact on budget.

Funding has been invested in the development of Year 1 setting to allow for continuous provision through additional teacher support, CPD and practical resources. This has had a positive impact on supporting the transition of pupils from Early Years to Year 1, particularly following the pandemic when a larger number of children were not ready for the next stage of their education.

EPPLETON ACADEMY PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Reserves policy

The Trustees review the reserve levels annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees will ensure that the levels of reserves that can be carried forward at the end of the financial period will be in line with the guidance received from the DfE on the treatment of General Annual Grant (GAG) income and other grants.

Trustees agree that the level of reserves should be equivalent to at least one month's GAG to ensure that sufficient working capital is available to enable the academy to meet commitments and to cover any unforeseen delays between receipt of grants and spending. This also provides a cushion to deal with unexpected emergencies.

As of 31st August 2022, the level of academy reserves held in restricted funds not available for general purposes is £7,058 plus a balance of unrestricted general funds of £198,898 giving a net surplus of £205,956. The Board of Trustees have reviewed the reserve levels and believe that they should provide sufficient working capital to covers its aims and objectives.

As the majority of the grant income is driven by pupil numbers, it is imperative that pupil numbers are, at least, maintained, and the academy roll numbers have sustained over the past two years, and we are actively seeking to continue to increase numbers over time by advertising the school to prospective parents.

Investment policy

Acting on the advice of the academy bankers, trustees have agreed that the investment of funds should be targeted at accounts which provide a higher interest rate than a normal deposit account. After discussion about information provided by Lloyds Bank Business manager, trustees agreed to make investments in accounts with three different investment periods, on a rolling programme, ensuring that extra funds were available on a regular basis to deal with any unforeseen emergencies. These funds can be reinvested on a monthly basis, or trustees can decide whether the funds may be required for urgent necessities or contingencies. This investment has been restarted this year. In the current financial climate, returns are a lower than in previous years. It was agreed that we would maintain the investment, and this will be reviewed annually as part of the audit finance and premises committee.

Principal risks and uncertainties

The trustees have in place robust Risk Management processes which are monitored in conjunction with Local Authority personnel. The process has not highlighted any major risks, financial or otherwise. The last review was carried out during this accounting period.

However, it must be noted that trustees are not complacent in this respect and the Headteacher and School Business Manager are questioned by trustees at termly governing body meetings and Finance and Premises committee meetings in relation to financial risk management; minutes of the meetings are available. The Trust has worked closely with Sunderland Internal Audit Team as well as with Azet's Accountants to ensure financial systems are secure.

The academy has a robust system of Risk Management, which is monitored and reviewed on a regular basis by the School Business Manager and Headteacher. The Risk Management Plan is in place and reviewed and evaluated and reported to trustees. No major risks have been identified and those minor issues which may arise are dealt with as a priority.

EPPLETON ACADEMY PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Key Risks Identified during 2021-22

Financial - the Trust has considerable reliance on continued Government funding through the ESFA. As with all schools, the majority of incoming monetary resources are Government funded. Whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same, or that public funding will continue at the same levels or on the same terms. The trust will monitor the outcome of the current funding consultations regarding the National Funding Formula and Early Years funding streams with the aim of mitigating potential risks through forward planning. The biggest financial risk to the balance sheet moving forward will come from the LGPS (Local Government Pension Scheme), however the Trustees recognise that the LGPS pension deficit, set out in note 18, represents a significant liability. However, they consider that the academy is able to meet its liabilities in respect of paying the annual contributions for the foreseeable future, therefore the risk from this liability is minimised and as Parliament has agreed that in the event of closure the Department for Education would meet the LGPS liabilities, the risk from this liability is minimised as far as possible. Ensuring the Trust engages with external agencies alongside parents to ensure EHCP are processed and in a timely manner to attract the maximum amount of funding to support pupil needs.

Reputational- the continuing success of the Trust is dependent on continuing to attract pupils in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Trustees ensure that pupil success and achievement are closely monitored and reviewed, and that the education offered meets the needs of our local communities. The Trust will ensure engagement with potential families through the use of social media, community events and school marketing. Pupil Numbers decrease & nursery numbers

Staffing - the success of the Trust is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Trust has appointed an internal auditor to carry out checks on financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

Fundraising

The Academy occasionally holds fundraising events during the course of the academic year, for example coffee mornings, raffles and seasonal fairs. Occasionally these events are run in conjunction with our PTA. Fundraising activity conforms to the provisions of the Charities (Protection and Social Investment) Act 2016. Trustees are conscious that fundraising should reflect the Academy values and aim to ensure that monies raised are used for their stated purpose. Staff and volunteers involved in fundraising understand the boundaries they must work within to ensure that the Academy reputation is protected. Due to COVID-19 restrictions, levels of fundraising were lower in 2021-22 than in previous years.

The academy has an open and accessible complaints procedure to be followed should concerns be raised regarding fundraising activities. The aim of the Academy when undertaking fundraising activity is to ensure that no member of the public is subjected to behaviour which is unreasonably intrusive or persistent, or involves putting undue pressure on a person to donate.

The academy also supports local and national charities such as Children in Need, local food banks, the Ukraine Crisis and Norah's North Pole.

EPPLETON ACADEMY PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Plans for future periods

To increase the number of children achieving age related expectations and greater depth in reading and writing through consistent high-quality teaching across the school promoting secure and deep learning.

To ensure high quality teaching and learning across the whole curriculum enabling pupils to know more, remember more and make progress over time in line with school expectations, aligning curriculum, teaching and assessment through responsive teaching.

To ensure the school's curriculum intent is refined across ALL subjects so it is ambitious and meaningful with a coherent, step by step sequence.

To improve school attendance to be at least in line with national figures and reduce persistent absenteeism.

To further refine our breakout curriculum so that it is ambitious, meaningful and relevant to our children's experiences in the wider world.

To develop the role and responsibility of NPQ and core curriculum leaders, including the new HT and AHTs so that they positively impact teaching and learning, through the use of evidence-based practice.

To embed the statutory Early Years Framework 2021 using the revised non-statutory curriculum guidance Development Matters

Funds held as custodian trustee on behalf of others

No assets or arrangements for safe custody and segregation are in place where the academy trust or its trustees are acting as custodian trustees.

Auditor

In so far 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.

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 08 December 2022 and signed on its behalf by:



E Hagan
Chair

EPPLETON ACADEMY PRIMARY SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

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

As trustees, we have reviewed and taken account of the guidance in the DFE's Governance handbook and competency framework for Governance.

The board of trustees has delegated the day-to-day responsibility to the principal, 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 Eppleton Academy Primary School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

In pursuing that principal objective, the trustees, during the course of the academic year, held seven full governing body meetings, three personnel meetings and four finance and premises committee meetings.

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 14 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
R Chapman	4	7
M A Haswell	6	7
C M Webb	6	7
K Bushby	4	7
E Hagan (Chair)	7	7
L Jackson (Headteacher)	4	7
L Quinn-Briton	3	7
S Ferguson	4	7
M Hogg	4	7
S McNeilly (Vice chair)	6	7
M Thornton	2	7

Governors complete a skills audit annually which then identifies that a programme of CPD is in place for trustees to ensure that they are able to undertake the function and responsibilities of their roles. The Trust purchase a Service Level Agreement with the Local Authority to act as our School Improvement Partner (SIP). The SIP acts as an educational advisor and supports with the school evaluation plan, performance and maintaining and monitoring standards as well as governance. The Trust are aware of a number of changes within the Governing Board that will take place in the coming year and are actively seeking experts to compliment gaps identified within the current structure. The Trust is also actively seeking external support to review and examine the performance, structure and operations across the board which will provide an independent view of the Trusts Governance strengths and weaknesses this will be completed within the academic year 2022-23.

EPPLETON ACADEMY PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The Audit, Finance & Premises Committee is a sub-committee of the main board of trustees. Its purpose is to ensure the efficient and effective use of resources. Attendance at meetings in the period was as follows: -

Trustees	Meetings attended	Out of possible
M A Haswell (Vice Chair – ceased 15th December 2021)	3	4
R Chapman (Parent)	3	4
K Bushby (Headteacher)	4	4
E Hagan (Chair)	4	4
S McNeilly (Vice Chair – from 16th December 2021)	1	4

The Personnel Committee

The Personnel Committee is responsible for considering cases of staff-discipline, dismissal, capability and grievance as well as taking decisions on staff salaries. In some cases, the committee or a small selection panel, which considers members of the committee, can be responsible for the appointment of staff.

Trustees	Meetings attended	Out of possible
M A Haswell (Vice Chair – ceased 15th December 2021)	3	3
S Ferguson	3	3
K Bushby (Headteacher)	2	3
E Hagan (Chair)	3	3
L Quinn-Briton	1	3

Review of value for money

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

The accounting officer considers how the 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 this year by:

- Investing in the development of the Year 1 Setting to enable us to implement areas of continuous provision that is suitably resourced to support transition between Nursery and Reception.
- Procured LED lighting throughout the Trust to enhance the staff and pupil working environment, reduce energy costs, support environmental issues and increase learning productivity.
- Investing in a School Councillor provision to support children's social and emotional needs.
- Investing in a service level agreement with Together for Children to offer Early Help with identified families.
- continuing to invest in training to ensure high quality teaching to raise attainment and drive standards.
- Invested in the development of a new school library to enhance the learning experience as well as intervention space for all to learn in.

The purpose of the system of internal control

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

EPPLETON ACADEMY PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Capacity to handle risk

The board of trustees has reviewed the key risks to which Eppleton Academy Primary School 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's significant risks that has been in place for the year ending 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees and the Audit, Finance and Premises committee.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Audit, Finance and Premises 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, as stated in the Academy Trust Handbook;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Sunderland Local Authority as internal auditor.

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

- governance & financial management
- Income
- Expenditure incorporating payroll transactions and value for money
- Accounting Arrangements

EPPLETON ACADEMY PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

During the period ending 31st August 2022, the audit findings and subsequent reports provided substantial assurance that the Academy's controls and processes are robust. Four medium risk actions were identified and two low risk actions.

- The narrative section of the Academy's Terms of Reference for Financial Management relating to the Audit, Finance & Premises Committee should be amended to fully detail the requirements of the ESFA Academies Trust Handbook in relation to its audit committee role as per the supporting grid
- Further steps need to be taken to ensure that the Academy fully complies with all of the ESFA's requirements of their Audit Committee
- Where a risk assessment has resulted in actions being required, both the identity of the responsible officer and the date by which the action should be completed should be documented in the risk register.
- Steps should be taken to ensure that separation of duties in relation to the academy's debit card is reinstated, either by involving another member of staff in the authorisation and reconciliation process or by passing the role of card holder to another officer, e.g. the new Headteacher.
- The EAPS Trust Handbook should be reviewed to ensure that it accurately documents the titles of its board and sub-committees.
- The Headteacher's entry on the record of Trustees and Members Interests published on the Academy's website should be amended to document the interest included on her declaration.

All issues were accepted, and action plans agreed.

This report is shared with the Audit, Finance and Premises committee initially and is then shared with the full governing body.

[Academy trusts should confirm whether the internal auditor/reviewer has delivered their schedule of work as planned, provide details of any significant control issues arising as a result of the internal auditor's/ reviewer's work and, if relevant, describe what remedial action is being taken to rectify the issues]

Review of effectiveness

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

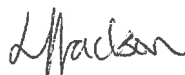
- the work of the internal auditor, Sunderland City Council;
- the work of the external auditor, Azets;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Premises committee and a plan to address any potential weaknesses and ensure continuous improvement of the system is in place

Approved by order of the board of trustees on 08 December 2022 and signed on its behalf by:



E Hagan
Chair



L Jackson
Headteacher

EPPLETON ACADEMY PRIMARY SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2022

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

I confirm that I and the academy trust's 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 2021.

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



L Jackson
Accounting Officer

08 December 2022

EPPLETON ACADEMY PRIMARY SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees (who act as governors of Eppleton Academy Primary School and 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 Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and 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 the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 08 December 2022 and signed on its behalf by:



E Hagan
Chair

EPPLETON ACADEMY PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EPPLETON ACADEMY PRIMARY SCHOOL

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the accounts of Eppleton Academy Primary School for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

Basis for opinion

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

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

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

EPPLETON ACADEMY PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EPPLETON ACADEMY PRIMARY SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

EPPLETON ACADEMY PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EPPLETON ACADEMY PRIMARY SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Ian Whitfield BA FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

8 December 2022

Statutory Auditor

Wynyard Park House
Wynyard Avenue
Wynyard
United Kingdom
TS22 5TB

EPPLETON ACADEMY PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EPPLETON ACADEMY PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 7 October 2021 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Eppleton Academy Primary School during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Eppleton Academy Primary School's accounting officer and the reporting accountant

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

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- completion of self assessment questionnaire by Accounting Officer;
- discussions with the Accounting Officer and finance team;
- review of termly Internal Assurance reports;
- review of governing body and committee minutes;
- review of finance and other relevant policies;
- review of purchases and expenses on a sample basis;
- review of all leases in place; and
- consideration of transactions with related parties.

EPPLETON ACADEMY PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EPPLETON ACADEMY PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
Azets Audit Services

Dated: 08 December 2022

EPPLETON ACADEMY PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2022 £	Total 2021 £
Income and endowments from:					
Donations and capital grants	3	1,025	-	6,115	7,140
Charitable activities:					
- Funding for educational operations	4	25,423	1,042,185	-	1,067,608
Other trading activities	5	27,780	-	-	27,780
Investments	6	39	-	-	39
Total		54,267	1,042,185	6,115	1,102,567
Expenditure on:					
Raising funds	7	33,014	341	-	33,355
Charitable activities:					
- Educational operations	8	-	1,122,101	33,099	1,155,200
Total	7	33,014	1,122,442	33,099	1,188,555
Net income/(expenditure)		21,253	(80,257)	(26,984)	(85,988)
Transfers between funds	16	-	(6,673)	6,673	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	18	-	546,000	-	546,000
Net movement in funds		21,253	459,070	(20,311)	460,012
Reconciliation of funds					
Total funds brought forward		177,645	(490,012)	1,563,308	1,250,941
Total funds carried forward		198,898	(30,942)	1,542,997	1,710,953

EPPLETON ACADEMY PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021		Unrestricted funds	Restricted funds:		Total 2021
	Notes	£	General £	Fixed asset £	£
Income and endowments from:					
Donations and capital grants	3	328	1,470	552,917	554,715
Charitable activities:					
- Funding for educational operations	4	47,149	1,010,081	-	1,057,230
Other trading activities	5	12,679	-	-	12,679
Investments	6	73	-	-	73
Total		60,229	1,011,551	552,917	1,624,697
Expenditure on:					
Raising funds	7	27,283	500	-	27,783
Charitable activities:					
- Educational operations	8	30,698	1,569,612	39,986	1,640,296
Total	7	57,981	1,570,112	39,986	1,668,079
Net income/(expenditure)		2,248	(558,561)	512,931	(43,382)
Transfers between funds	16	-	531,549	(531,549)	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	18	-	44,000	-	44,000
Net movement in funds		2,248	16,988	(18,618)	618
Reconciliation of funds					
Total funds brought forward		175,397	(507,000)	1,581,926	1,250,323
Total funds carried forward		177,645	(490,012)	1,563,308	1,250,941

EPPLETON ACADEMY PRIMARY SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		1,542,997		1,563,308
Current assets					
Debtors	13	72,157		157,546	
Cash at bank and in hand		248,317		170,853	
		320,474		328,399	
Current liabilities					
Creditors: amounts falling due within one year	14	(114,518)		(124,766)	
Net current assets			205,956		203,633
Net assets excluding pension liability			1,748,953		1,766,941
Defined benefit pension scheme liability	18		(38,000)		(516,000)
Total net assets			1,710,953		1,250,941
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			1,542,997		1,563,308
- Restricted income funds			7,058		25,988
- Pension reserve			(38,000)		(516,000)
Total restricted funds			1,512,055		1,073,296
Unrestricted income funds	16		198,898		177,645
Total funds			1,710,953		1,250,941

The accounts on pages 23 to 45 were approved by the trustees and authorised for issue on 08 December 2022 and are signed on their behalf by:



E Hagan
Chair

Company registration number 08063334

EPPLETON ACADEMY PRIMARY SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	19		84,098		(521,789)
Cash flows from investing activities					
Dividends, interest and rents from investments		39		73	
Capital grants from DfE Group		6,115		548,816	
Capital funding received from sponsors and others		-		1,500	
Purchase of tangible fixed assets		(12,788)		(18,767)	
Net cash (used in)/provided by investing activities			(6,634)		531,622
Net increase in cash and cash equivalents in the reporting period			77,464		9,833
Cash and cash equivalents at beginning of the year			170,853		161,020
Cash and cash equivalents at end of the year			248,317		170,853
Relating to:					
Bank and cash balances			217,993		140,542
Short term deposits			30,324		30,311

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

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

1.1 Basis of preparation

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

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts 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 accounts.

The increase in the reported share of the LGPS deficit in the year has had a significant impact on our restricted funds, however we draw your attention to the cash reserves held by the academy as well as the balances held in unrestricted and restricted general reserves.

1.3 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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income

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

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.

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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.

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 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 are 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.

1.5 Tangible fixed assets and depreciation

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 that require 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.

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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

Land and buildings	125 years
Leasehold improvements	50 years
Computer equipment	3 years
Fixtures, fittings & equipment	5 years

The trust's land and buildings are occupied on a 125 year lease from the local authority. In the view of the trustees, the risks and rewards of occupying the site have been substantially transferred to the trust and therefore the land and buildings have been recognised as a donation on conversion and capitalised within the restricted fixed assets fund. The basis of valuation has been disclosed within the fixed assets note.

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.

1.6 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.

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

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

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 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.

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.10 Pensions benefits

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

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

1.11 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 Education Funding Agency/Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency/Department for Education.

2 Critical accounting estimates and areas of judgement

Accounting 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.

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and areas of judgement

(Continued)

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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Land and buildings

The trust's land and buildings are occupied on a 125 year lease from the local authority. In the view of the trustees, the risks and rewards of occupying the site have been substantially transferred to the trust and therefore the land and buildings have been recognised as a donation on conversion and capitalised within the restricted fixed assets fund. The land and buildings are valued on the basis of valuations provided by the ESFA/local authority

Depreciation

Depreciation is calculated as to write off the cost of an asset off over its useful economic life. The accounting policies are disclosed in the accounting policy above.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donated fixed assets	-	-	-	2,601
Capital grants	-	6,115	6,115	548,816
Other donations	1,025	-	1,025	3,298
	<u>1,025</u>	<u>6,115</u>	<u>7,140</u>	<u>554,715</u>

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the academy trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
DfE/ESFA grants				
General annual grant (GAG)	-	793,816	793,816	744,854
Other DfE/ESFA grants:				
- UIFSM	-	21,833	21,833	26,708
- Pupil premium	-	76,513	76,513	63,622
- PE and sports premium	-	17,380	17,380	17,470
- Rates	-	2,389	2,389	4,096
- Teachers pension grant	-	2,868	2,868	30,128
- Teachers pay grant	-	1,014	1,014	8,593
- National tutor grant	-	6,480	6,480	-
- Supplementary grant	-	10,992	10,992	-
- Others	-	1,800	1,800	-
	-	935,085	935,085	895,471
Other government grants				
Local authority grants	-	91,438	91,438	94,934
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	-	-	13,280
Other DfE/ESFA COVID-19 funding	-	7,286	7,286	(3,309)
Non-DfE/ESFA				
Other COVID-19 funding	-	8,376	8,376	9,705
	-	15,662	15,662	19,676
Other funding				
Catering income	17,459	-	17,459	10,050
Other incoming resources	7,964	-	7,964	37,099
	25,423	-	25,423	47,149
Total funding	25,423	1,042,185	1,067,608	1,057,230

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Hire of facilities	1,510	-	1,510	3,120
Music tuition	120	-	120	682
Educational visits	7,907	-	7,907	50
Other income	18,243	-	18,243	8,827
	<u>27,780</u>	<u>-</u>	<u>27,780</u>	<u>12,679</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Short term deposits	39	-	39	73
	<u>39</u>	<u>-</u>	<u>39</u>	<u>73</u>

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2022 £	Total 2021 £
Expenditure on raising funds					
- Direct costs	-	-	33,355	33,355	27,783
Academy's educational operations					
- Direct costs	680,075	-	49,852	729,927	688,950
- Allocated support costs	199,193	101,504	124,576	425,273	951,346
	<u>879,268</u>	<u>101,504</u>	<u>207,783</u>	<u>1,188,555</u>	<u>1,668,079</u>

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	7,650	6,200
- Other services	2,500	2,500
Operating lease rentals	5,795	3,946
Depreciation of tangible fixed assets	33,099	39,986
Net interest on defined benefit pension liability	8,000	8,000
	<u>57,044</u>	<u>60,632</u>

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Charitable activities

	2022	2021
	£	£
All from restricted funds:		
Direct costs		
Educational operations	729,927	688,950
Support costs		
Educational operations	425,273	951,346
	<u>1,155,200</u>	<u>1,640,296</u>
	2022	2021
	£	£
Analysis of support costs		
Support staff costs	199,674	176,474
Depreciation	33,099	39,986
Premises costs	68,405	619,143
Legal costs	1,290	1,290
Other support costs	107,628	100,770
Governance costs	15,177	13,683
	<u>425,273</u>	<u>951,346</u>

9 Staff

Staff costs

Staff costs during the year were:

	2022	2021
	£	£
Wages and salaries	611,752	573,365
Social security costs	52,882	49,915
Pension costs	196,799	176,089
Staff costs - employees	<u>861,433</u>	<u>799,369</u>
Agency staff costs	17,835	24,942
	<u>879,268</u>	<u>824,311</u>
Staff development and other staff costs	7,867	9,196
	<u>887,135</u>	<u>833,507</u>

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff

(Continued)

Staff numbers

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

	2022 Number	2021 Number
Teachers	10	12
Administration and support	13	11
Management	3	3
	<u>26</u>	<u>26</u>

Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	1	1

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £186,491 (2021: £189,917).

10 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an 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 services as trustees.

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

K Bushby (head teacher and trustee):		
Remuneration	£65,001 - £70,000	(2021: £65,001 - £70,000)
Employer's pension contributions	£15,001 - £20,000	(2021: £15,001 - £20,000)
L Jackson (staff trustee):		
Remuneration	£50,001 - £55,000	(2021: £50,001 - £55,000)
Employer's pension contributions	£10,001 - £15,000	(2021: £10,001 - £15,000)

Other related party transactions involving the trustees are set out within the related parties note.

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £25,000,000 on any one claim and the cost for the year ended 31 August 2022 was £1,200. The cost of this insurance is included in the total insurance cost.

12 Tangible fixed assets

	Land and buildings	Leasehold improvements	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2021	1,495,000	132,056	66,477	80,653	1,774,186
Additions	-	-	2,666	10,122	12,788
At 31 August 2022	1,495,000	132,056	69,143	90,775	1,786,974
Depreciation					
At 1 September 2021	101,191	5,797	33,142	70,748	210,878
Charge for the year	12,997	-	16,304	3,798	33,099
At 31 August 2022	114,188	5,797	49,446	74,546	243,977
Net book value					
At 31 August 2022	1,380,812	126,259	19,697	16,229	1,542,997
At 31 August 2021	1,393,809	126,259	33,335	9,905	1,563,308

Land and buildings were valued on the basis of depreciated replacement cost as at 31 March 2013 by Mouchel on behalf of the EFA. This value was capitalised on the date of conversion.

13 Debtors

	2022 £	2021 £
Trade debtors	300	-
VAT recoverable	28,316	15,392
Prepayments and accrued income	43,541	142,154
	72,157	157,546

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	74,285	53,536
Accruals and deferred income	40,233	71,230
	114,518	124,766

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

15 Deferred income

	2022 £	2021 £
Deferred income is included within:		
Creditors due within one year	13,896	16,394
	<u> </u>	<u> </u>
Deferred income at 1 September 2021	16,394	13,587
Released from previous years	(16,394)	(13,587)
Resources deferred in the year	13,896	16,394
	<u> </u>	<u> </u>
Deferred income at 31 August 2022	13,896	16,394

Deferred income comprises Universal Infants' Free School Meals and Rates for the 2022-2023 academic year received in advance.

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	25,686	793,816	(805,771)	(6,673)	7,058
UIFSM	302	21,833	(22,135)	-	-
Pupil premium	-	76,513	(76,513)	-	-
Other DfE/ESFA COVID-19 funding	-	7,286	(7,286)	-	-
Other Coronavirus funding	-	8,376	(8,376)	-	-
Other DfE/ESFA grants	-	1,800	(1,800)	-	-
Other government grants	-	91,438	(91,438)	-	-
Teachers pension	-	2,868	(2,868)	-	-
Teachers pay grant	-	1,014	(1,014)	-	-
PE and sports premium	-	17,380	(17,380)	-	-
Rates	-	2,389	(2,389)	-	-
National tutor grant	-	6,480	(6,480)	-	-
Supplementary grant	-	10,992	(10,992)	-	-
Pension reserve	(516,000)	-	(68,000)	546,000	(38,000)
	<u>(490,012)</u>	<u>1,042,185</u>	<u>(1,122,442)</u>	<u>539,327</u>	<u>(30,942)</u>
Restricted fixed asset funds					
Inherited on conversion	1,393,809	-	(11,960)	-	1,381,849
DfE group capital grants	36,966	6,115	(911)	-	42,170
Capital expenditure from GAG	128,692	-	(18,925)	6,673	116,440
Private sector capital sponsorship	3,841	-	(1,303)	-	2,538
	<u>1,563,308</u>	<u>6,115</u>	<u>(33,099)</u>	<u>6,673</u>	<u>1,542,997</u>
Total restricted funds	<u>1,073,296</u>	<u>1,048,300</u>	<u>(1,155,541)</u>	<u>546,000</u>	<u>1,512,055</u>
Unrestricted funds					
General funds	<u>177,645</u>	<u>54,267</u>	<u>(33,014)</u>	<u>-</u>	<u>198,898</u>
Total funds	<u>1,250,941</u>	<u>1,102,567</u>	<u>(1,188,555)</u>	<u>546,000</u>	<u>1,710,953</u>

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds

(Continued)

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

General Annual Grant must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Other government grants includes funding for pupils with special educational needs and early years funding.

The pension reserve reflects the LGPS transactions. The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to the LGPS, and the pension liability has therefore been aligned with these funds.

DfE/EFA capital grants consist of the devolved capital grant which has been spent on furniture and fixtures.

The inherited fixed asset fund reflects the fixed assets acquired on conversion. Depreciation on these assets is charged against this fund.

Unrestricted funds may be used for any purpose, at the discretion of the trustees, within the objects of the academy trust.

The academy's general restricted and unrestricted funds total £205,956 at 31 August 2022.

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds

(Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	-	744,854	(1,252,187)	533,019	25,686
UIFSM	-	26,708	(26,406)	-	302
Pupil premium	-	63,622	(63,622)	-	-
Other DfE/ESFA grants	-	9,971	(9,971)	-	-
Other government grants	-	104,639	(104,639)	-	-
Teachers pension	-	30,128	(30,128)	-	-
Teachers pay grant	-	8,593	(8,593)	-	-
PE and sports premium	-	17,470	(17,470)	-	-
Rates	-	4,096	(4,096)	-	-
Other restricted funds	-	1,470	-	(1,470)	-
Pension reserve	(507,000)	-	(53,000)	44,000	(516,000)
	<u>(507,000)</u>	<u>1,011,551</u>	<u>(1,570,112)</u>	<u>575,549</u>	<u>(490,012)</u>
Restricted fixed asset funds					
Inherited on conversion	1,413,001	-	(19,192)	-	1,393,809
DfE group capital grants	21,946	548,816	(777)	(533,019)	36,966
Capital expenditure from GAG	146,979	-	(19,757)	1,470	128,692
Private sector capital sponsorship	-	4,101	(260)	-	3,841
	<u>1,581,926</u>	<u>552,917</u>	<u>(39,986)</u>	<u>(531,549)</u>	<u>1,563,308</u>
Total restricted funds	<u>1,074,926</u>	<u>1,564,468</u>	<u>(1,610,098)</u>	<u>44,000</u>	<u>1,073,296</u>
Unrestricted funds					
General funds	<u>175,397</u>	<u>60,229</u>	<u>(57,981)</u>	<u>-</u>	<u>177,645</u>
Total funds	<u>1,250,323</u>	<u>1,624,697</u>	<u>(1,668,079)</u>	<u>44,000</u>	<u>1,250,941</u>

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Analysis of net assets between funds

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	1,542,997	1,542,997
Current assets	198,898	121,576	-	320,474
Current liabilities	-	(114,518)	-	(114,518)
Pension scheme liability	-	(38,000)	-	(38,000)
Total net assets	198,898	(30,942)	1,542,997	1,710,953
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	1,563,308	1,563,308
Current assets	177,645	150,754	-	328,399
Current liabilities	-	(124,766)	-	(124,766)
Pension scheme liability	-	(516,000)	-	(516,000)
Total net assets	177,645	(490,012)	1,563,308	1,250,941

18 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 South Tyneside Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related 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

Introduction

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

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

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £105,386 (2021: £103,272).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 20.1% for employers and 5.5-12.5% for employees.

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

Total contributions made	2022 £	2021 £
Employer's contributions	33,000	29,000
Employees' contributions	10,000	8,000
Total contributions	43,000	37,000

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	4.2	4.1
Rate of increase for pensions in payment/inflation	2.7	2.6
Discount rate for scheme liabilities	4.1	1.7
Inflation assumption (CPI)	2.7	2.6

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

	2022 Years	2021 Years
Retiring today		
- Males	21.8	21.9
- Females	25.0	25.1
Retiring in 20 years		
- Males	23.5	23.6
- Females	26.7	26.9

Scheme liabilities would have been affected by changes in assumptions as follows:

	2022 £	2021 £
Discount rate + 0.1%	870,000	1,332,000
Discount rate - 0.1%	913,000	1,399,000
Mortality assumption + 1 year	866,000	1,314,000
Mortality assumption - 1 year	916,000	1,417,000
CPI rate + 0.1%	912,000	1,366,000
CPI rate - 0.1%	871,000	1,364,000

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

	2022 Fair value £	2021 Fair value £
Equities	458,000	471,000
Government bonds	14,000	18,000
Corporate bonds	159,000	171,000
Cash	15,000	34,000
Property	95,000	68,000
Other assets	112,000	87,000
Total market value of assets	853,000	849,000

The actual return on scheme assets was £(25,000) (2021: £134,000).

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Pension and similar obligations

(Continued)

Amount recognised in the statement of financial activities	2022 £	2021 £
Current service cost	93,000	74,000
Interest income	(15,000)	(12,000)
Interest cost	23,000	20,000
Total operating charge	101,000	82,000
Changes in the present value of defined benefit obligations	2022 £	2021 £
At 1 September 2021	1,365,000	1,199,000
Current service cost	93,000	74,000
Interest cost	23,000	20,000
Employee contributions	10,000	8,000
Actuarial (gain)/loss	(586,000)	78,000
Benefits paid	(14,000)	(14,000)
At 31 August 2022	891,000	1,365,000
Changes in the fair value of the academy trust's share of scheme assets	2022 £	2021 £
At 1 September 2021	849,000	692,000
Interest income	15,000	12,000
Actuarial loss/(gain)	(40,000)	122,000
Employer contributions	33,000	29,000
Employee contributions	10,000	8,000
Benefits paid	(14,000)	(14,000)
At 31 August 2022	853,000	849,000

EPPLETON ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2022 £	2021 £
Net expenditure for the reporting period (as per the statement of financial activities)		(85,988)	(43,382)
Adjusted for:			
Capital grants from DfE and other capital income		(6,115)	(552,917)
Investment income receivable	6	(39)	(73)
Defined benefit pension costs less contributions payable	18	60,000	45,000
Defined benefit pension scheme finance cost	18	8,000	8,000
Depreciation of tangible fixed assets		33,099	39,986
Decrease/(increase) in debtors		85,389	(68,889)
(Decrease)/increase in creditors		(10,248)	50,486
Net cash provided by/(used in) operating activities		84,098	(521,789)

20 Analysis of changes in net funds

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	140,542	77,451	217,993
Cash equivalents	30,311	13	30,324
	170,853	77,464	248,317

21 Related party transactions

Owing to the nature of the academy trust's operations 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 academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

No related party transactions took place during the year.

22 Members' liability

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