

Registration number: 08920320

Tytherington School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2023

Tytherington School

Contents

Reference and administrative details	1 to 2
Trustees' report	3 to 10
Governance statement	11 to 17
Statement of regularity, propriety and compliance	18
Statement of Trustees' Responsibilities	19
Independent Auditor's Report on the Financial Statements to the Members of Tytherington School	20 to 23
Independent Reporting Accountant's Assurance Report on Regularity to Tytherington School and the Education and Skills Funding Agency	24 to 25
Statement of Financial Activities for the year ended 31 August 2023 (including Income and Expenditure Account)	26
Balance Sheet as at 31 August 2023	27
Statement of Cash Flows for the year ended 31 August 2023	28
Notes to the Financial Statements	29 to 51

Tytherington School

Reference and administrative details

Members

Mrs Jane Stephens
Ms Lyndsey Schofield
Dr David Laffan
Dr Ed Griffen
Mr Kenneth Gilliver

Governors and Trustees (Directors)

Dr Edward Griffen, Joint Chair
Mr Emmanuel Botwe, Headteacher
Mr Trevor Langston, Joint Chair
Mr Stephen Acreman
Mr Adam Brown
Ms Lynne Jones (resigned 10 September 2022)
Ms Charlotte Lock
Ms Amanda Martinez
Mr Stewart Morrell
Ms Elizabeth Owen
Dr Simon Preston (resigned 13 July 2023)
Dr Peter Simpson (resigned 30 June 2023)
Ms Sharon Williams (resigned 31 July 2023)
Mr James Baker
Mrs Charlotte Clowes
Ms Jeanie Davies
Ms Amanda Finch
Ms Ruth Griffiths
Mr Sam Wallinger

Head Teacher

Mr Emmanuel Botwe

Senior Management Team

Mr Emmanuel Botwe, Headteacher
Mr Andrew Pilbury, Deputy Headteacher
Mrs Caroline Brennan, Assistant Headteacher
Mrs Mary Gannon, Assistant Headteacher
Mrs Elizabeth Healey, Assistant Headteacher
Mrs Florence Pope, Assistant Headteacher
Mr Darren Pepper, Assistant Headteacher
Mrs Helen Pugh, Assistant Headteacher
Ms Rebecca Roe, Assistant Headteacher
Mr Simon Malkin, Business Director

Tytherington School

Reference and administrative details (continued)

Principal and Registered Office	Tytherington School Manchester Road Tytherington Macclesfield Cheshire SK10 2EE
Company Registration Number	08920320
Auditors	Beever and Struthers Chartered Accountants One Express 1 George Leigh Street Manchester M4 5DL
Bankers	Lloyds Bank 223 Finney Lane Heald Green Cheshire SK8 3PY
Solicitors	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS

Tytherington School

Trustees' report for the Year Ended 31 August 2023

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

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 Articles were updated in March 2021 to enable separation of Members and Trustees.

The company was incorporated on 3 March 2014 and fully transitioned operations as of 1 April 2014 following a decision by the Governing Body and acceptance by the Secretary of State for Education that the School become an Academy as of this date.

The governors act as the trustees for the charitable activities of Tytherington School and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Tytherington School.

Details of the trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

Method of recruitment and appointment or election of Trustees

In accordance with the articles of association paragraphs 50 to 59, Trustees are appointed as follows:

- a. seven community trustees appointed by the Members
- b. three staff trustees elected by the staff
- c. five parent trustees elected by parents
- d. the Headteacher is an ex-officio trustee
- e. the trustees may appoint co-opted trustees

The number of trustees shall be not less than three and shall not be subject to any maximum. The total number of trustees (including the Head) who are employees of the Academy Trust shall not exceed one third of the total number of trustees. In respect of those appointed by the trustees (a, above) when a vacancy arises the trustees seek to make an appointment that would maximise the relevant skills and experience on the Board of Trustees as a whole.

Tytherington School

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

Policies and procedures adopted for the induction and training of Trustees

On conversion to Academy status the Trustee Board undertook a skills audit and as vacancies occur the recruitment of professionals to fill skills gaps has been undertaken. The Trustee Board now has a broader set of abilities which is reflected by individual Trustees having delegated roles. A Trustees skills audit was carried out in autumn 2021.

On appointment Trustees receive information relating to the Academy Trust, receive an induction pack and attend a briefing. Further training depends upon a Trustee's existing experience or roles and responsibilities that they undertake. The Academy Trust also purchases the governors' training package run by the local authority.

Organisational structure

Before conversion to Academy status in April 2014 Tytherington School formed part of the Local Authority (LA) provision in Cheshire East. The governance of the trust is defined in the memorandum and articles of association together with the funding agreement with the Department of Education. The full Trustee Board meets at least three times a year and met four times in 2022/23.

Key areas of oversight are delegated to the following committees:

- Standards and Outcomes Committee
- Finance and Resources Committee
- Audit Committee

The committees are formally constituted with terms of reference which are reviewed annually. Specific responsibilities are delegated to each committee, the activities of which are reported to and discussed at full Trustee Board meetings. The chairs of the committees, the vice chair and chair of the Trustee Board meet twice per term for planning purposes and consider any important items for the agendas of the meetings.

All trustees are members of the full Trustee Board. In addition, trustees are members of one of the committees who report to the full Trustee Board on at least three occasions a year.

Day to day management of the Academy Trust is undertaken by the Headteacher, supported by the Senior Leadership Team (SLT). Members of the SLT attend Trustee Board meetings as appropriate. The Headteacher is also a trustee and attends all meetings.

The trustees are responsible for the strategic management of the school. They approve the budget, the strategic direction, make senior appointments and approve and direct any policy changes. They are able to do this by drawing on the information in the annual School Development Plan (SDP) and through receiving operational information from the SLT and support staff within school.

School policies are either reviewed as part of a cycle or as and when circumstances dictate. Once approved by the Governing Board the school policies are implemented by the SLT.

The Academy Trust has well established quality assurance and control mechanisms with self-evaluation embedded into school life.

Arrangements for setting pay and remuneration of key management personnel

The pay and remuneration of key management personnel is decided by the Trustees Pay Committee (which does not include Staff Trustees), who take advice from the Headteacher regarding pay and promotions of staff. Promotions are subject to good performance. The academy has professionally qualified HR managers who advise on all staff pay including that of key management personnel. The pay of key management personnel is set using the same process used for all staff, i.e. it is performance based using evidence from appraisals and formally approved by the Trustees Pay Committee.

Tytherington School

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

Connected organisations, including related party relationships

The Academy is not part of any other organisation and not part of any wider networks. The Academy does not have any commercial relationships with any related party.

Objectives and activities

Objects and aims

Tytherington School converted to Academy status on 1 April 2014 at which point the entity's operations commenced. The principal object and activity of the Charitable Company is the operation of Tytherington School to the benefit of the local community in providing education for students between the ages of 11-18.

The school provides an education for students who are principally drawn from the geographical area in which the school is situated, which is primary schools in Tytherington, Bollington, Hursdfield, Kettleshulme, Rainow, and Pott Shrigley. Parents in this area and in other areas throughout the borough are at liberty to request a place in any school regardless of geographical considerations.

The school operates an open access sixth form with approximately 210 students in 2022/23, the majority of whom were Year 11 at the school, although we encourage applicants from other schools.

Objectives, strategies and activities

The Academy Trust was set up in April 2014 to further enhance the opportunities and life chances for all students and their families in the Tytherington area of Cheshire East. The school provides a broad-based educational curriculum enriched by inclusive pastoral support. The school is also the base for a number of community events and activities. Both the Academy Trust and Tytherington School continue to uphold the values and principles that has served the local community well for over fifty years.

Please see the link to the school's Statutory Information page on our web site for further information:

<http://www.tytheringtonschool.co.uk/information/statutory-information/>

Public benefit

The Academy provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

The Trustees consider that the key benefit delivered by the Tytherington School is that of the maintenance and development of educational opportunities for the people of Tytherington and the surrounding areas. In order to do this the school will focus on each individual and ensure that they have the resources, guidance and support to achieve their potential. Educational opportunities will be mirrored by both pastoral support and extra-curricular opportunities which are designed to both enrich and extend.

The school will also provide and support a range of activities and opportunities for the local community to pursue both educational and recreational goals and pastimes. This includes reduced rates for venue hire for local charity use and grass roots sports clubs in the area.

The Academy Trustees have complied with their duty to have due regard to the guidance on public benefit published by the charity commission in exercising their powers or duties and defining the direction of Tytherington School.

Tytherington School

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

Strategic Report

Tytherington School is an ambitious school at the heart of the community. Tytherington School was inspected in April 2022 and was rated a good school. Leaders were praised for providing a “broad and ambitious curriculum” and creating an environment which parents and students described as: “a safe and happy place where everyone feels included and can make friends.” The school has a national profile with the Headteacher having recently been elected as the Vice President of the Association of School and College Leaders (ASCL) which represents 25, 000 senior leaders across the UK. He will take on the position of President in the next academic year.

The governance of the school is strong. The governing body recently commissioned an external review of governance. The report was published in September 2023 and concluded that: "There is a strong, skilled governance structure in place: trustees are well informed through the CEO and senior team, they provide strong challenge and have well developed procedures, policies and structures in place to fulfil the core governance functions effectively."

There is a culture of restless ambition and an unrelenting commitment to the highest standards to ensure that there has been sustained improvements in all areas of the school's work. Outcomes at Sixth Form are particularly strong. For example 32% of all grades awarded were A*-A which was the highest in the local authority and 7% above the national average. Outcomes at Key Stage 4 are good. In the most recently published school league tables, the school achieved a Progress 8 score in line with the national average. Our results were heavily affected by very poor attendance which remains a focus for school improvement post-Covid.

As a result of covid, students have had a disrupted educational experience across the last few academic years. Because of this, senior leaders at the school have focused on the following areas:

- A focus on exposing students to activities which they would have missed as a result of the pandemic e.g. trips, Art, PE, etc.
- Personal, Social and Health Education
- Pupils learning skills e.g. reading, ability to take instruction, work independently, etc
- Key knowledge and skills content which will provide students with the best chance of achieving well in public examination

Key performance indicators

Tytherington School is growing rapidly, as shown in the table below. This has a positive long-term effect but gives significant cash flow issues because lagged funding means we receive the funding for those students a year later. We therefore incur additional costs (such as extra teaching staff) in the year before we receive the income for the extra students. Once student numbers level out, the issue of lagged funding should cease. We have built 6 new classrooms which were opened in September 2021, and we are planning to add a further new building with additional classrooms and facilities for our expanding Sixth Form roll.

KPI	2022	2021	2020	2019
Students	1,374	1,291	1,215	1,126
Teachers	86	81	68	54

Tytherington School

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

Strategic Report

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. This is based upon detailed financial forecasting for the next three to four years which is based upon student number data received from Cheshire East and funding information. The Academy is paid for the number of students in the previous year, so when the school is expanding there is potentially a cash flow issue having to pay for extra teachers before the funding is received for the extra children. Cheshire East Council provide some growth funding which partly makes up for this. All this is built into the income and expenditure and cash flow estimates to ensure that the Academy Trust continues to be a going concern.

For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

Most of the school's income is obtained from the ESFA in the form of its General Annual Grant (GAG), the use of which is restricted for particular purposes i.e. the objectives of the Academy Trust. The GAG received during the period covered by this report and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Academies are funded on the basis of the number of students in the previous financial year. From 2021/22 to 2022/23 the Academy Trust grew by 83 students and incurred the extra cost of teachers and classrooms for these extra students. However, we do not receive the funding for the extra students until 2023/24. There will be a similar impact in 2023/24 as pupil numbers are expected to increase by a similar amount in September 2023.

The school has operated normally throughout the 2022-23 academic year, following the impact of the COVID pandemic in recent years. Staff and students have, individually, continued to suffer from infections but the impact on teaching and learning has been minimised and there has been no requirement for remote learning, as in previous years. COVID recovery grant funding has been utilised in the academic year.

The School has also been affected by the national industrial dispute between the Government and the teaching trade unions. The School has closed, on several occasions, to cohorts of students as a result.

Included within restricted funds at 31 August 2023 is the Local Government Pension Scheme deficit of £524k (2021 - £991k). The pension deficit is viewed as a long-term debt and annual contributions are adjusted as necessary to mitigate the risk and reduce the deficit.

In the year ending 31 August 2023 the operational surplus of the school, excluding depreciation and the pension deficit adjustment, was a break even. This gives operational reserves at 31 August 2023 of £249k.

Tytherington School

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

Strategic Report

Reserves policy

The Trustees formally review the reserve levels of the Academy annually, although the monthly financial reports include a Reserves report, which is reviewed by the Headteacher and the chair of the Trustees Finance and Resources Committee each month and by the Finance and Resource Committee each time it meets. This review encompasses the income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Finance and Resources Committee reviewed the Reserves Policy during the 2022/23 year. As at 1 September 2022, general fund reserves were £394k and designated fund reserves were £10k, giving total reserves of £404k, excluding land and buildings.

The Committee agreed to utilise some of these reserves in the 2022/23 year in order to fund a number of development projects (replacement sports hall floor, upgraded security alarm system and the purchase of additional chromebooks and new IT servers) as well as contributing to the cost of the installation of new Air Source Heat Pumps (ASHP). In doing so, trustees agreed to establish a minimum reserve of 3% of annual grant income.

Investment policy

Since converting to an academy Tytherington School has managed its cash balances to provide for the day-to-day working capital requirements of its operations. Under the Memorandum and Articles of Association, the Academy Trust has the power to invest funds not immediately required for its own purposes, in any way the Trustees see fit. To date there have not been surplus funds to invest.

Principal risks and uncertainties

One main risk and uncertainty is the risk that the Academy will expand too quickly as student funding is received a year in arrears but extra students require extra teachers now. This could seriously affect the Academy's cash flow. This risk is mitigated by carefully managing the expansion process and carefully managing expenditure and cash flow.

Another risk is that the school will not attract enough new students each year, which would reduce future income. This risk is being mitigated by excellent exam results and many other aspects of the school, such as excellent pastoral care, meaning that parents want to send their children to Tytherington School. Our strong links with our feeder Primary Schools ensures potential students are aware of the benefits of coming to Tytherington School. This approach has been very successful and our student numbers are increasing.

The effects of COVID-19 or other pandemics, poses a risk of a shortage of teachers and other key staff members due to illness/self-isolating which would put pressure on the teaching and learning within the school and the logistical running of the school. Currently we have been able to provide enough teachers to give lessons and so mitigate this risk.

Fundraising

In 2022/23 we received £6,133 in donations, mainly from parents, to support the school to raise money for a number of development projects.

Tytherington School

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

Strategic Report

Plan for future periods

During 2022-23, capital projects to replace windows and to upgrade fire doors and screens continued. These projects are due to be completed by August 2023 or early in the following year.

The School was successful in securing funding from SALIX, in the sum of £747k, in order to assist in decarbonisation of the heating system. This work commenced in the 2022/23 year and is expected to be completed by November 2023.

Having completed one new classroom block, the School has agreed funding of £2.5 million with Cheshire East to construct a further building providing additional classrooms, Sixth Form provision and improved changing rooms and other facilities available for community use. This is currently subject to planning permission and Department for Education approval.

The School is also currently considering further Condition Improvement Fund (CIF) bids for other potential development projects across the School site.

Tytherington School

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

Funds held as Custodian Trustee on behalf of others

At 31 August 2023 Tytherington School holds the following money as trustees, which are shown as creditors in our balance sheet:

Tytherington Partnership – This is a fund to assist Tytherington School's feeder Primary Schools with their liaison with Tytherington School. At 1 September 2022 the balance of the fund was £5,208. The responsible Assistant Head and Head of Year 7 have excellent relations with the transition teams in all the feeder primary schools to ensure smooth transitions for all students. Part of the fund is used each year to pay for transporting children to Tytherington School from the Primary Schools for transition days and the cost of educational materials on those days. The fund has now been spent during the 2022/23 year and discussions will be held in the 2023-24 year to establish a new basis of funding Partnership activities.

Sheffield Hope Memorial Fund - This fund is to help support students who have to overcome barriers and disadvantages to move forward and to create and fulfil their ambitions. This fund is the result of a donation of £10,000 during 2019/20 plus gift aid of £2,500. Funds have been utilised during the year to help support Sixth Form students attend career and other events. There is a balance available at 31 August 2023 of £10,624.

Auditor

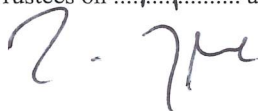
Insofar as the Trustees are aware:

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

Reappointment of auditor

Beever and Struthers Chartered Accountants are deemed to be reappointed in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continued in force under the Companies Act 2006.

Trustees' report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees on ¹⁴12/2023 and signed on its behalf by:



Emmanuel Botwe
Headteacher



Trevor Langston
Joint Chair of Governors

PP E.J. GRIFFEN

Tytherington School

Governance statement

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to Mr Emmanuel Botwe, Head Teacher, 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 Tytherington School and the Secretary of State for Education. He is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The Board of Trustees met 4 times during the year. Attendance at the Board of trustees meetings was as follows:

Trustee	Meetings attended	Out of a possible
Dr Edward Griffen, Joint Chair	3	4
Mr Trevor Langston, Joint Chair	4	4
Mr Emmanuel Botwe	4	4
Mr Adam Brown	4	4
Mr Stephen Acreman	2	4
Ms Elizabeth Owen	1	4
Ms Charlotte Lock	3	4
Mr Stewart Morrell	2	4
Dr Peter Simpson (resigned 30 June 2023)	3	3
Ms Sharon Williams (resigned 31 July 2023)	2	4
Mr James Baker	4	4
Dr Simon Preston (resigned 13 July 2023)	2	4
Mrs Charlotte Clowes	3	4
Ms Amanda Martinez	4	4
Ms Jeanie Davies	3	4
Ms Lynne Jones (resigned 10 September 2022)	0	0
Ms Amanda Finch	3	4
Ms Ruth Griffiths	2	4
Mr Sam Wallinger	2	4

Tytherington School

Governance statement (continued)

Effective oversight of funds

Although the Board of Trustees only met four times during the year, the Board maintains effective financial oversight of the Academy's funds by:

- A detailed financial report for the Academy is produced every month, which includes Income and Expenditure report and forecast over the next three years, a cash flow forecast, a reserves forecast and a Balance Sheet.
- The monthly financial reports are placed on Governors Virtual Office (GVO) website for all Trustees to see.
- The monthly financial report is reviewed and signed by the Business Director, the Headteacher and the Trustee who chairs the Finance and Resources Committee, currently Dr Edward Griffen.
- The Finance and Resources Committee met four times in the year and that Committee reviews the latest monthly financial report.

Governance reviews

There are four Trustee committees to support the Trustee Board:

- Finance and Resources Committee
- Audit Committee
- Pay Committee
- Standards and Outcomes Committee

The committees are formally constituted with terms of reference which are reviewed annually.

Finance and Resources Committee

The Finance and Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to provide guidance and assistance to the Headteacher and the governing body in all matters relating to budgeting, finance, and premises management/development and internal control financial control. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Dr Simon Preston	2	4
Dr Edward Griffen	4	4
Mr James Baker	3	4
Ms Amanda Finch	4	4
Mr Adam Brown	4	4
Ms Sharon Williams	3	4
Mr Emmanuel Botwe	4	4

Tytherington School

Governance statement (continued)

Audit Committee

The Audit Committee is a sub-committee of the main Board of Trustees. Until 2019/20 the Audit Committee was a subset of the Finance & Resources Committee. In 2020/21 it was decided to make the Audit Committee an independent committee as described in the DfE's Academy Financial Handbook 2020. It is responsible for:

1. directing the trust's programme of internal scrutiny
2. ensuring that risks are being addressed appropriately through internal scrutiny
3. reporting to the board on the adequacy of the trust's internal control framework, including financial and non-financial controls and management of risks.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Stewart Morrell	4	4
Ms Amanda Martinez	4	4
Ms Elizabeth Owen	2	4
Ms Ruth Griffiths	3	4

Pay Committee

The Pay Committee is a sub-committee of the main Board of Trustees. It is responsible for

1. approving the academy's pay policy
2. approving the annual inflation and performance pay increases

Attendance at meetings during the year was as follow

Trustee	Meetings attended	Out of a possible
Ms Amanda Finch	2	2
Mr Stewart Morrell	0	2
Mr Trevor Langston	2	2
Ms Sharon Williams	2	2
Mrs Amanda Martinez	2	2
Mr Emmanuel Botwe	2	2

Tytherington School

Governance statement (continued)

Standards and Outcomes Committee

The Standards and Outcomes Committee is a sub-committee of the main Board of Trustees. Its purpose is to provide guidance and assistance to the Headteacher and the Board of Trustees in all matters relating to teaching and learning standards and outcomes.

Attendance at meetings during the year was as follow:

Trustee	Meetings attended	Out of a possible
Mr Trevor Langston	3	3
Mr Stephen Acreman	3	3
Dr Peter Simpson	2	3
Ms Charlotte Lock	3	3
Mr Stewart Morrell	2	3
Mr Emmanuel Botwe	3	3
Mrs Charlotte Clowes	2	3
Dr Edward Griffen	3	3
Mre Jeanie Davies	2	3
Mrs Amanda Martinez	2	3
Mr Sam Wallinger	2	3

Review of value for money

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

Tytherington School

Governance statement (continued)

The Academy Trust has delivered improved value for money during the year by:

- Management of the continued expansion of the student roll in 2022/23
- Continuing to make effective use of technology through the review and renewal of support contracts and changes in the way technology is utilised - for example, by reducing the number of text messages issued to parents in favour of other sources of communication.
- Working with a third-party supplier to set up a scheme to offer students the opportunity to purchase portable computers at competitive rates to enable students to work from home more efficiently.
- Teams and Zoom continue to be used for staff meetings, enabling good communication while maintaining social distancing.
- Installation of new Air Source Heat Pumps (ASHP) funded via a combination of SALIX grant and utilisation of School reserves and which should reduce the cost of utilities as well as reducing environmental impact through decarbonisation.
- Completion of the Heating project, which involved replacing all the heating pipes and radiators in the old main school building with modern piping and modern air convectors. This provides value for money by reducing the heating costs.
- Replacement of the majority of School windows to provide greater heating efficiency and therefore value for money through savings in utility costs and increased ventilation efficiency.

The academy trust plans to deliver the following value for money in future:

- Further management of the expansion programme increasing up to over 1,500 students by September 2024.
- Designing and constructing additional accommodation to further expand the school and house the increased number of students using additional Local Authority funding. We aim to have designs agreed and planning permission obtained in 2023-24 with the accommodation available for use in 2024-25.
- Reviewing and improving aspects of our budget management through the use of tools such as Integrated Curriculum and Financial Planning (ICFP) and through the development of ideas discussed with our School Resource Management Advisor (SRMA).
- Increasing the community use of our buildings and grounds, especially the recently donated and installed astro turf pitch.

Please see our web site for more information:

<http://www.tytheringtonschool.co.uk/information/statutory-information/#SDP>

The purpose of the System of Internal Control

The system of internal control has been in place in Tytherington School for the year ending 31 August 2023 and up to the date of approval of the annual report and financial statements.

It is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

During the year 2020/21 the Finance Manual was completely rewritten and formally approved by the Trustees. The new Finance Manual better reflects a modern control environment and focusses on describing how we control the finances within the school. It was therefore subject to only minor changes in 2022/23.

Tytherington School

Governance statement (continued)

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that a formal, ongoing process for identifying, evaluating and managing the academy trust's significant risks has been in place in for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and Resources 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;
- 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 appointed Haines Watts in Altrincham as Internal Auditors from January 2021. Some specialist audits, such as Health & Safety and Fire Risk assessments will be performed by specialists in those areas.

In 2022/23 Internal Audits were performed on the following areas:

1. IT Systems and Security
2. Emergency Planning and Business Continuity
3. Catering provision

No major control weaknesses were reported.

The Risk Register was also re-vamped and updated during the year and an external review of governance was also completed. Trustees and SLT also worked with a School Resource Management Advisor (SRMA) to review a number of areas of financial planning and management.

Review of Effectiveness

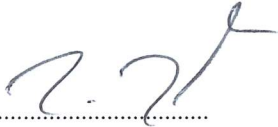
As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

Approved by order of the members of the Board of Trustees on 14/12/2023 and signed on its behalf by:

Tytherington School

Governance statement (continued)



.....
Mr Emmanuel Botwe
Accounting Officer
Head Teacher
Governor

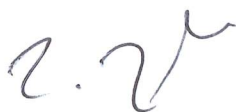
Tytherington School

Statement of regularity, propriety and compliance

As Accounting Officer of Tytherington School I have considered my responsibility to notify the academy 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 Academies Financial Handbook 2021.

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

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



.....
Mr Emmanuel Botwe, Headteacher
Accounting Officer

Tytherington School

Statement of Trustees' Responsibilities

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

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

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

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

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

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

Approved by order of the members of the Board on 14/12/2023 and signed on its behalf by:



.....
Mr Emmanuel Botwe
Headteacher

Tytherington School

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

Opinion

We have audited the financial statements of Tytherington School "the academy trust" for the year ended 31 August 2023, which comprise the Statement of Financial Activities for the year ended 31 August 2023 (including Income and Expenditure Account), Balance Sheet as at 31 August 2023, Statement of Cash Flows for the year ended 31 August 2023, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

Tytherington School

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the 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 our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 19, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Tytherington School

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

Auditor Responsibilities for the audit of the financial statements

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

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

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the academy through discussions with trustees and other management, and from our knowledge and experience of the academy sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including the Companies Act 2006, the Charities Act 2011, and the Academies Accounts Direction 2022 to 2023 and Academies Financial Handbook 2022, both issued by the Education and Skills Funding Agency.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures on material balances for which robust, substantive analytical procedures have been undertaken to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- investigated the rationale behind significant or unusual transactions.

Tytherington School

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

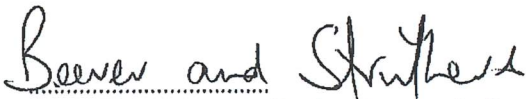
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance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

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

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

Use of our report

This report is made solely to the academy trust'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 academy trust'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 academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Andrew J McLaren (Senior Statutory Auditor)

For and on behalf of Beever and Struthers Chartered Accountants, Statutory Auditor

One Express
1 George Leigh Street
Manchester
M4 5DL

14/12/23

Tytherington School

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

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

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

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

The accounting officer is responsible, under the requirements of the Board of Trustees's funding agreement with the Secretary of State for Education dated 31 October 2022 and the Academies Financial Handbooks extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountants 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:

- Review and testing of the financial internal control systems
- Sample testing of transactions
- Discussions with management
- Reference to the Academies Accounts Direction 2022/23, Annex B: Regularity Reporting section 4

Tytherington School

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

Conclusion

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

Beever and Struthers

Mr Andrew J McLaren

For and on behalf of Beever and Struthers Chartered Accountants, Chartered Accountants

One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 14/12/23

Tytherington School

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

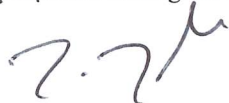
Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Income and endowments from:					
Donations and capital grants	2	6	-	777	666
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	8,415	-	8,415
Other trading activities	4	529	38	-	567
Total	<u>535</u>	<u>8,453</u>	<u>777</u>	<u>9,765</u>	<u>8,764</u>
Expenditure on:					
Raising funds	5	331	-	-	331
<i>Charitable activities:</i>					
Academy trust educational operations	6	13	8,730	429	9,172
Total	<u>344</u>	<u>8,730</u>	<u>429</u>	<u>9,503</u>	<u>8,802</u>
Net income/(expenditure)		191	(277)	348	262
Transfers between funds		(346)	191	155	-
Other recognised gains and losses					
Actuarial gain/(loss) on defined benefit pension schemes	23	-	552	-	552
Net movement in (deficit)/funds		(155)	466	503	814
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2022		<u>404</u>	<u>(991)</u>	<u>16,102</u>	<u>15,515</u>
Total funds/(deficit) carried forward at 31 August 2023		<u>249</u>	<u>(525)</u>	<u>16,605</u>	<u>15,515</u>

Tytherington School

(Registration number: 08920320) Balance Sheet as at 31 August 2023

	Note	2023 £ 000	2022 £ 000
Fixed assets			
Tangible assets	10	16,906	16,129
Current assets			
Debtors	11	496	707
Cash at bank and in hand		<u>285</u>	<u>768</u>
		781	1,475
Creditors: Amounts falling due within one year	12	<u>(696)</u>	<u>(914)</u>
Net current assets		<u>85</u>	<u>561</u>
Total assets less current liabilities		16,991	16,690
Creditors: Amounts falling due after more than one year	13	<u>(137)</u>	<u>(184)</u>
Net assets excluding pension liability		16,854	16,506
Pension scheme liability	23	<u>(525)</u>	<u>(991)</u>
Net assets including pension liability		<u><u>16,329</u></u>	<u><u>15,515</u></u>
Funds of the Academy:			
Restricted funds			
Restricted fixed asset fund		16,605	16,102
Restricted pension fund		<u>(525)</u>	<u>(991)</u>
		<u>16,080</u>	<u>15,111</u>
Unrestricted funds			
Unrestricted general fund		239	394
Unrestricted designated fund		<u>10</u>	<u>10</u>
		249	404
Total funds		<u><u>16,329</u></u>	<u><u>15,515</u></u>

The financial statements on pages 26 to 51 were approved by the Trustees, and authorised for issue on 14/12/2023 and signed on their behalf by:



.....
Mr Emmanuel Botwe
Headteacher

Tytherington School

Statement of Cash Flows for the year ended 31 August 2023

	Note	2023 £ 000	2022 £ 000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	17	(19)	817
Cash flows from financing activities	18	(35)	(36)
Cash flows from investing activities	19	<u>374</u>	<u>(511)</u>
Change in cash and cash equivalents in the year		320	270
Cash and cash equivalents at 1 September		<u>768</u>	<u>498</u>
Cash and cash equivalents at 31 August	20	<u><u>1,088</u></u>	<u><u>768</u></u>

Tytherington School

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

1 Accounting policies

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

Basis of preparation

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

Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £Nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in [(for net gain) Donations - transfer from local authority on conversion/ (for net loss) Charitable activities - transfer from local authority on conversion] in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in the notes.

Going concern

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

Income

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

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Tytherington School

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

1 Accounting policies (continued)

Donations

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

Other income

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Intangible fixed assets

Intangible assets costing £Nil or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Tytherington School

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

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £250 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought in use.

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

Asset class	Depreciation method and rate
Buildings	2% straight line
Furniture and equipment	20% reducing balance
Computer equipment	25% reducing balance

Liabilities

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

Provisions

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

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

Leased assets

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

Tytherington School

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

1 Accounting policies (continued)

Investments

The academy trust's shareholding in the wholly owned subsidiary, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 11. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 12. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Stock

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

Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

Tytherington School

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

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust. The TPS is an unfunded scheme and contributions are calculated so as 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 on the basis of quinquennial valuations using a prospective benefit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded 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 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 operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency/Department for Education/sponsor/other funders where the asset acquired or created is held for a specific purpose.

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

Critical accounting estimates and areas of judgement

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

Tytherington School

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

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted Funds £ 000	Restricted Fixed Asset Funds £ 000	2023/22 Total £ 000	2022/21 Total £ 000
Capital grants	-	777	777	656
Other donations	6	-	6	10
	6	777	783	666

The income from donations and capital grants was £782,853 (2022: £667,283) which was allocated between the funds as follows; £5,658 unrestricted funds (2022: £10,372), £475 restricted funds (2022: £474), £776,720 restricted fixed asset funds (2022: £656,437) and £Nil endowment funds (2022: £Nil).

Tytherington School

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

3 Funding for the Academy Trust's educational operations

	Restricted funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
DfE/ESFA revenue grants			
General Annual Grant (GAG)	7,194	7,194	6,726
Other DfE/ESFA grants	120	120	263
Pupil Premium	254	254	130
Supplementary grant	194	194	-
Mainstream additional grant	99	99	-
Teachers' pension grant	36	36	-
	7,897	7,897	7,119
Other government grants			
Local authority grants	518	518	483
Exceptional government funding			
Coronavirus funding	-	-	79
Total grants	8,415	8,415	7,681

The funding for educational operations was £8,414,813 (2022: £7,680,440) which was allocated between the funds as follows; £Nil unrestricted funds (2022: £Nil), £8,414,813 restricted funds (2022: £7,680,440), £Nil restricted fixed asset funds (2022: £Nil) and £Nil endowment funds (2022: £Nil).

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

The funding received for coronavirus exceptional support covers £79k of catch up and recovery premiums and mass testing. These costs are included in notes 6 and 7 below as appropriate.

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading.

Tytherington School

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

4 Other trading activities

	Unrestricted Funds £ 000	Restricted General Funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Hire of facilities	97	-	97	92
Catering income	12	-	12	12
Educational Trips and Visits	315	-	315	196
Other sales	105	38	143	117
	<u>529</u>	<u>38</u>	<u>567</u>	<u>417</u>

The income from other trading activities was £566,503 (2022: £416,732) which was allocated between the funds as follows; £528,347 unrestricted funds (2022: £379,382), £38,156 restricted funds (2022: £37,350), £Nil restricted fixed asset funds (2022: £Nil) and £Nil endowment funds (2022: £Nil).

5 Expenditure

	Non Pay Expenditure			2022/23 Total £ 000	2021/22 Total £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
Expenditure on raising funds					
Direct costs	-	-	331	331	201
Academy's educational operations					
Direct costs	5,487	429	652	6,568	5,859
Allocated support costs	2,040	312	252	2,604	2,742
	<u>7,527</u>	<u>741</u>	<u>1,235</u>	<u>9,503</u>	<u>8,802</u>

Net income/(expenditure) for the year includes:

	2022/23 £ 000	2021/22 £ 000
Operating leases - other leases	34	30
Fees payable to auditor - audit	9	8
- other audit services	2	2
Depreciation of tangible fixed assets	<u>429</u>	<u>381</u>

Tytherington School

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

6 Charitable activities

	2022/23 £ 000	2021/22 £ 000
Direct costs - educational operations	6,568	5,859
Support costs - educational operations	<u>2,604</u>	<u>2,742</u>
	<u>9,172</u>	<u>8,601</u>
	Educational operations £ 000	2022/23 Total £ 000
		2021/22 Total £ 000
Analysis of support costs		
Support staff costs	2,040	2,142
Premises costs	312	259
Other support costs	231	321
Governance costs	<u>21</u>	<u>20</u>
Total support costs	<u>2,604</u>	<u>2,742</u>

7 Staff

Staff costs

	2022/23 £ 000	2021/22 £ 000
Staff costs during the year were:		
Wages and salaries	5,606	5,007
Social security costs	541	485
Pension costs	<u>1,289</u>	<u>1,538</u>
	7,436	7,030
Supply teacher costs	91	135
Staff restructuring costs	<u>-</u>	<u>26</u>
	<u>7,527</u>	<u>7,191</u>
	2022/23 £ 000	2021/22 £ 000
Staff restructuring costs comprise:		
Other restructuring costs	<u>-</u>	<u>26</u>

Tytherington School

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

7 Staff (continued)

Staff numbers

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

	2022/23 No	2021/22 No
Teachers	97	90
Administration and support	104	94
Management	11	11
	212	195
	2022/23 No	2021/22 No
Full time equivalents		
Teachers	86	83
Administration and support	67	54
Management	9	11
	162	148

Higher paid staff

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

	2022/23 No	2021/22 No
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
£90,001 - £100,000	-	1
£100,001 - £110,000	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 and employer national insurance contributions) received by key management personnel for their services to the academy trust was £925,711 (2021: £813,752).

8 Trustees' remuneration and expenses

The Principal and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the Academy in respect of their role as trustees. The value of trustees' remuneration was as follows:

Tytherington School

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

8 Trustees' remuneration and expenses (continued)

Mr Adam Brown (Staff trustee):

Remuneration: £30,000 - £35,000 (2022 - £25,000 - £30,000)

Employer's pension contributions: £5,000 - £10,000 (2022 - £5,000 - £10,000)

Mr Stephen Acreman (Staff trustee):

Remuneration: £40,000 - £45,000 (2022 - £40,000 - £45,000)

Employer's pension contributions: £10,000 - £15,000 (2022 - £5,000 - £10,000)

Mr Emmanuel Botwe (Headteacher and trustee):

Remuneration: £105,000 - £110,000 (2022 - £95,000 - £100,000)

Employer's pension contributions: £20,000 - £25,000 (2022 - £20,000 - £25,000)

During the year ended 31 August 2023, travel and subsistence expenses totalling £Nil (2022 - £Nil) were reimbursed or paid directly to trustees (2022 - 0).

Other related party transactions involving the trustees are set out in note 24.

9 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

Tytherington School

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

10 Tangible fixed assets

	Freehold land and buildings £ 000	Freehold land and buildings under construction £ 000	Furniture and equipment £ 000	Computer equipment £ 000	Total £ 000
Cost					
At 1 September 2022	17,054	803	1,306	344	19,507
Additions	1,049	-	122	34	1,205
Transfers	803	(803)	-	-	-
At 31 August 2023	<u>18,906</u>	<u>-</u>	<u>1,428</u>	<u>378</u>	<u>20,712</u>
Depreciation					
At 1 September 2022	2,145	-	1,049	184	3,378
Charge for the period	330	-	66	32	428
At 31 August 2023	<u>2,475</u>	<u>-</u>	<u>1,115</u>	<u>216</u>	<u>3,806</u>
Net book value					
At 31 August 2023	<u>16,431</u>	<u>-</u>	<u>313</u>	<u>162</u>	<u>16,906</u>
At 31 August 2022	<u>14,909</u>	<u>803</u>	<u>257</u>	<u>160</u>	<u>16,129</u>

11 Debtors

	2023 £ 000	2022 £ 000
Trade debtors	24	19
VAT recoverable	78	85
Prepayments	158	115
Accrued grant and other income	236	488
	<u>496</u>	<u>707</u>

Tytherington School

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

12 Creditors: amounts falling due within one year

	2023	2022
	£ 000	£ 000
Trade creditors	324	306
Loans	35	35
Other creditors	131	148
Accruals	29	246
Deferred income	37	54
Pension scheme creditor	140	125
	696	914

Loans

For details of loans see Note 13.

	2023	2022
	£ 000	£ 000
Deferred income		
Deferred income at 1 September 2022	54	106
Resources deferred in the period	37	54
Amounts released from previous periods	(54)	(106)
Deferred income at 31 August 2023	37	54

At the balance sheet date the academy trust was holding funds received in advance in relation to trip income.

13 Creditors: amounts falling due in greater than one year

	2023	2022
	£ 000	£ 000
Loans	137	184

Loans

There were four Salix loans and one CIF loan outstanding at the year end. The total loan amount is £253,573 with repayment periods between 6 - 10 years.

All three of the loans are repaid bi-annually with instalments of £1,483, £2,375 and £12,500.

The CIF loan is at a low interest rate and is repaid monthly with installments of £632.

Tytherington School

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

14 Funds

	Balance at 1 September 2022 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2023 £ 000
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	-	7,194	(7,385)	191	-
Other ESFA/DFE grants	-	741	(741)	-	-
LA grants	-	518	(518)	-	-
<i>Restricted fixed asset funds</i>					
Transferred on conversion	12,239	-	(303)	-	11,936
Capital grants	3,697	777	(122)	-	4,352
Transfer from unrestricted funds	166	-	(4)	155	317
<i>Other restricted funds</i>					
LGPS	(991)	-	(86)	552	(525)
Total restricted funds	<u>15,111</u>	<u>9,230</u>	<u>(9,159)</u>	<u>898</u>	<u>16,080</u>
<i>Unrestricted general funds</i>					
Unrestricted funds	394	535	(344)	(346)	239
<i>Unrestricted designated funds</i>					
Designated fund	<u>10</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10</u>
Total unrestricted funds	404	535	(344)	(346)	249
Total endowment funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u><u>15,515</u></u>	<u><u>9,765</u></u>	<u><u>(9,503)</u></u>	<u><u>552</u></u>	<u><u>16,329</u></u>

Tytherington School

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

14 Funds (continued)

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

	Balance at 1 September 2021 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2022 £ 000
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	36	6,769	(6,792)	(13)	-
Other ESFA/DFE grants	-	350	(350)	-	-
LA grants	-	483	(483)	-	-
Coronavirus funding	-	79	(79)	-	-
Other restricted funds	-	39	(39)	-	-
<i>Restricted fixed asset funds</i>					
Transferred on conversion	12,542	-	(303)	-	12,239
Capital grants	3,117	656	(76)	-	3,697
Transfer from unrestricted funds	110	-	(2)	58	166
<i>Other restricted funds</i>					
LGPS	(3,825)	-	(464)	3,298	(991)
Total restricted funds	<u>11,980</u>	<u>8,376</u>	<u>(8,588)</u>	<u>3,343</u>	<u>15,111</u>
<i>Unrestricted general funds</i>					
Unrestricted funds	265	388	(214)	(45)	394
<i>Unrestricted designated funds</i>					
Designated fund	10	-	-	-	10
Total unrestricted funds	275	388	(214)	(45)	404
Total endowment funds	-	-	-	-	-
Total funds	<u><u>12,255</u></u>	<u><u>8,764</u></u>	<u><u>(8,802)</u></u>	<u><u>3,298</u></u>	<u><u>15,515</u></u>

Tytherington School

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

15 Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	16,906	16,906
Current assets	249	530	2	781
Current liabilities	-	(530)	(166)	(696)
Creditors over 1 year	-	-	(137)	(137)
Pension scheme liability	-	(525)	-	(525)
Total net assets	249	(525)	16,605	16,329

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

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	16,129	16,129
Current assets	404	583	488	1,475
Current liabilities	-	(583)	(331)	(914)
Creditors over 1 year	-	-	(184)	(184)
Pension scheme liability	-	(991)	-	(991)
Total net assets	404	(991)	16,102	15,515

Tytherington School

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

16 Commitments under operating leases

Operating leases

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

	2023 £ 000	2022 £ 000
Amounts due within one year	12	41
Amounts due between one and five years	25	23
	37	64

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

	2022/23 £ 000	2021/22 £ 000
Net income/(expenditure)	262	(38)
Depreciation	428	382
Capital grants from DfE and other capital income	(777)	(656)
Defined benefit pension scheme cost less contributions payable	43	398
Defined benefit pension scheme finance cost	43	66
Decrease in debtors	211	482
(Decrease)/increase in creditors	(229)	183
Net cash (outflow)/inflow from operating activities	(19)	817

18 Cash flows from financing activities

	2022/23 £ 000	2021/22 £ 000
Repayments of borrowing	(35)	(36)
Net cash used in financing activities	(35)	(36)

19 Cash flows from investing activities

	2022/23 £ 000	2021/22 £ 000
Purchase of tangible fixed assets	(403)	(1,192)
Proceeds from sale of tangible fixed assets	-	25
Capital grants from DfE/ESFA	777	656
Net cash provided by/(used in) investing activities	374	(511)

Tytherington School

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

20 Analysis of cash and cash equivalents

	2023 £ 000	2022 £ 000
Cash in hand and at bank	285	768
Total cash and cash equivalents	285	768

21 Analysis of changes in net debt

	At 1 September 2022 £ 000	Cash flows £ 000	At 31 August 2023 £ 000
Cash	768	(483)	285
Loans falling due within one year	(35)	-	(35)
Loans falling due after more than one year	(184)	47	(137)
	(219)	47	(172)
Total	549	(436)	113

22 Member liability

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

23 Pension and similar obligations

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

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

Contributions amounting to £140,249 (2022 - £101,270) were payable to the schemes at 31 August and are included within creditors.

Tytherington School

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

23 Pension and similar obligations (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £917,758 (2022: £821,523).

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

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £428,000 (2022 - £359,000), of which employer's contributions totalled £342,000 (2022 - £288,000) and employees' contributions totalled £86,000 (2022 - £71,000). The agreed contribution rates for future years are 23.4 per cent for employers and 5.5 to 12.5 per cent for employees.

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

Tytherington School

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

23 Pension and similar obligations (continued)

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.70	3.80
Rate of increase for pensions in payment/inflation	3.00	3.10
Discount rate for scheme liabilities	5.20	4.30

Sensitivity analysis

	2023	2022
	£ 000	£ 000
Discount rate +0.1%	(96)	(106)
Discount rate -0.1%	96	106
Mortality assumption – 1 year increase	174	-
CPI rate +0.1%	91	97
CPI rate -0.1%	(91)	(97)
Salary increase rate +0.1%	6	10

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

	2023	2022
Retiring today		
Males retiring today	22.50	21.20
Females retiring today	24.30	23.80
Retiring in 20 years		
Males retiring in 20 years	20.60	22.10
Females retiring in 20 years	25.20	25.50

Tytherington School

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

23 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2022/23 £ 000	2021/22 £ 000
Current service cost	(385)	(686)
Interest income	159	61
Interest cost	<u>(202)</u>	<u>(127)</u>
Total amount recognised in the SOFA	<u><u>(428)</u></u>	<u><u>(752)</u></u>

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

	2023/22 £ 000	2022/21 £ 000
At start of period	4,549	7,363
Current service cost	385	686
Interest cost	202	127
Employee contributions	86	71
Actuarial (gain)/loss	(794)	(3,638)
Benefits paid	<u>(73)</u>	<u>(60)</u>
At 31 August	<u><u>4,355</u></u>	<u><u>4,549</u></u>

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

	2023/22 £ 000	2022/21 £ 000
At start of period	3,558	3,538
Interest income	159	61
Actuarial gain/(loss)	(241)	(340)
Employer contributions	342	288
Employee contributions	86	71
Benefits paid	<u>(73)</u>	<u>(60)</u>
At 31 August	<u><u>3,831</u></u>	<u><u>3,558</u></u>

The actual return on scheme assets was (£84,000) (2022 - (£270,000)).

Tytherington School

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

23 Pension and similar obligations (continued)

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

	2023	2022
	£ 000	£ 000
Equities	1,992	1,743
Corporate bonds	1,264	1,139
Property	537	463
Cash and other liquid assets	38	213
Total market value of assets	<u>3,831</u>	<u>3,558</u>

Local government pension schemes

24 Related party transactions

Owing to the nature of the academy trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. There were no relevant related party transactions in the financial period.

25 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the academy trust received £2,606 and disbursed £7,799 from the fund. An amount of £3,777 is included in other creditors relating to undistributed funds that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2022 are £5,212 received, £5,366 disbursed and £8,969 was held in reserves at the year end.

Tytherington School

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

26 Statement of Financial Activities for the Year Ended 31 August 2022

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2022 £ 000
Income and endowments from:					
Donations and capital grants	2	10,372	474	656,437	667,283
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	7,680,441	-	7,680,441
Other trading activities	4	379,382	37,350	-	416,732
Investments		-	90	-	90
Total		<u>389,754</u>	<u>7,718,355</u>	<u>656,437</u>	<u>8,764,546</u>
Expenditure on:					
Raising funds	5	201,011	-	-	201,011
<i>Charitable activities:</i>					
Academy trust educational operations	6	<u>13,678</u>	<u>8,206,431</u>	<u>381,253</u>	<u>8,601,362</u>
Total		<u>214,689</u>	<u>8,206,431</u>	<u>381,253</u>	<u>8,802,373</u>
Net income/(expenditure)		175,065	(488,076)	275,184	(37,827)
Transfers between funds		(44,989)	(13,178)	58,166	(1)
Other recognised gains/(losses):					
Actuarial gain/(loss) on defined benefit pension schemes	23	<u>-</u>	<u>3,298,000</u>	<u>-</u>	<u>3,298,000</u>
Net movement in funds		130,076	2,796,746	333,350	3,260,172
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021		<u>274,945</u>	<u>(3,788,822)</u>	<u>15,768,516</u>	<u>12,254,639</u>
Total funds/(deficit) carried forward at 31 August 2022		<u>405,021</u>	<u>(992,076)</u>	<u>16,101,866</u>	<u>15,514,811</u>