

Company Registration No. 08059055 (England and Wales)

GROVE PARK ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

GROVE PARK ACADEMIES

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GROVE PARK ACADEMIES

REFERENCE AND ADMINISTRATIVE DETAILS

Members	B Carey C Rayner J Pope K Ware L McHugh	(from Apr 2022) (to Dec 2021) (to Apr 2022)
Trustees	B Carey C Litton* C Rayner* D Crompton L Brooks L Grubb* R Jobe S Mason* S Moakes	Executive Headteacher and Accounting Officer (to Aug 2022) Vice Chair Chair (to Aug 2022)

* members of the Finance and General Purposes committee

Senior leadership and management team during the year

- Executive Headteacher	C Litton (to Aug 2022) D Browning (from Sept 2022)
- Headteacher of Aspire	N Dipple
- Headteachers of Grove Park	N Hague and A Powell
- Chief Finance Officer	R Finan

Company Secretary S Marsh

Company registration number 08059055 (England and Wales)

Academies operated Aspire School
Grove Park Primary School

Registered office Hilton Drive
Sittingbourne
Kent
ME10 1PT
United Kingdom

Independent auditor Baxter & Co
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Bankers Lloyds Bank
125 High Street
Sittingbourne
Kent
ME10 5BH

Solicitors Brachers
Somerfield House
59 London Road
Maidstone
Kent
ME16 8JH

GROVE PARK ACADEMIES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

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

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2021/2022 issued by the ESFA.

The principal activity of the company is the operation of two primary schools in Sittingbourne, Kent.

Grove Park Primary School provides a state education for students aged 4 to 11. As at census day in October 2021, there were 405 pupils on roll, with a capacity of 420.

Aspire School provides education for pupils with autism or speech and language challenges. As at census day in October 2021, there were 97 pupils on roll, with a capacity of 168.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees are the Directors for the purposes of company law.

Details of the Trustees who served during the year are included in the Reference and Administrative Details included on page 3.

Members' liability

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

Trustees' Indemnities

Subject to the provisions of the Companies Act 2006, every Trustee and Officer of the Academy shall be indemnified out of the assets of the Academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy.

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

No indemnities have been given to any third parties on behalf of any Trustees.

Method of recruitment and appointment or election of Trustees

In accordance with the articles of association, the Trustees of the charitable company are:

- a) Up to 13 Trustees appointed by the members;
- b) The Chairman of each local governing body (subject to a maximum of 5);
- c) A minimum of 2 Parent Trustees for every 10 or fewer academies;
- d) The Chief Executive Officer (ex-officio);

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- e) The Trustees may appoint co-opted Trustees;
- f) The Secretary of State may also appoint Additional Trustees.

Trustee's term of office is four years but they are eligible for re-election at the meeting at which they retire. At each Annual General Meeting the Trustees will elect a Chairman and a Vice-Chairman.

Policies and procedures adopted for the induction and training of Trustees and of Governors

The Trustees encourage the use of ASP to analyse school performance and use NGA courses to upskill the Trust Board. Trustees are given specific areas of responsibility and in these circumstances the clerk to the Trustees highlights training opportunities that are specific to their needs.

Organisational structure

The organisational structure exists at three levels: the Board of Members, the Trust Board and the Senior Leadership Team.

The Members will maintain a strategic overview of Grove Park Academies' performance and adherence to the terms within the Funding Agreement. The Trust Board is responsible for setting general policy, adopting an annual plan and budget, monitoring the Trust and each School using budgets and making major decisions about the direction of the Trust and Schools, capital expenditure and senior staff appointments. The Senior Leadership Team is responsible for the day-to-day running of the Schools.

A Trust Finance and General Purpose Committee is established, which considers budget and premises matters in detail and makes decisions, according to an agreed Scheme of Delegation and Terms of Reference. The Committee also undertakes the role of Audit to provide scrutiny over the financial systems and control. A Trust Pay and Personnel Committee is established, which considers pay and personnel matters in detail and makes decisions according to an agreed Scheme of Delegation and Terms of Reference.

A Staff Discipline Committee and an Appeals Committee are formed by the Trust Board from the pool of Trustees as the need arises. The Trust has also established ad-hoc working groups to address specific matters and report back to Trust Board as relevant.

The Headteacher and Senior Leaders at each School control their School at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group, the Headteacher and Senior Leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff. They are responsible for the day-to-day operation of the School, in organising the teaching staff, facilities and pupils. The Executive Headteacher is the Principal and the Accounting Officer for the Multi Academy Trust.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the academy trust comprise the trustees and senior leadership team as disclosed on page 3.

The remuneration policy, setting the terms and conditions for the key management personnel, was developed and approved by the board of trustees, after taking advice from the Executive Headteacher and following guidance from the relevant professional pay review bodies. Naturally neither the Executive Headteacher nor Headteachers are involved in setting their own remuneration package.

Only staff trustees, including the Executive Headteacher, are remunerated, and these individuals only receive remuneration in respect of services they provide under their contracts of employment, and not in respect of their role as trustees. There are no specific disclosures concerning staff trustees' remuneration.

The day to day running of the remuneration policy is delegated to the Executive Headteacher and monitored by the finance and general purpose committee. All details for setting pay and remuneration of key management personnel are set out in the pay policy and appraisal policy which are reviewed annually by the board of trustees.

Remuneration of key management personnel is set at an individual level, and where possible the trustees have taken external professional advice which includes benchmarking, market trends and advice on structuring of incentives. Senior management salaries are linked to pay spines, helping trustees conclude that everyone is remunerated at an

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FOR THE YEAR ENDED 31 AUGUST 2022

appropriate level. As such salaries are linked to factors such as length of service and experience. Total remuneration packages include employer pension contribution rates at specific approved rates.

The board always bear in mind the charitable status of the academy trust and recognise the fact the trust receives funding under a funding agreement with the Secretary of State for Education, and therefore ensure the remuneration paid to senior management personnel never exceeds a reasonable amount that provides value for money to the trust. The performance of senior management personnel is reviewed on a regular basis to ensure continuing value for money.

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

Percentage of time spent on facility time

Percentage of time	Number of Employees
0%	0
1% - 50%	0
51% - 99%	0
100%	0

Percentage of pay bill spent on facility time

Total Cost of facility time	£0
Total Pay bill	£4,079,140
Percentage of the total pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0%
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Related Parties and other Connected Charities and Organisations

Our Home School Association is a registered charity, and they make regular donations to the school for small pieces of equipment.

One Trustee's wife is employed by the Trust, but he was not included in the employment process and is not party to any decisions around her employment.

Engagement with employees (including disabled persons)

The following statement summarises action taken during the period to introduce, maintain or develop arrangements aimed at:

- providing employees with information on matters of concern to them
- consulting employees or their representatives regularly so that the views of employees can be considered in making decisions which are likely to affect their interests
- encouraging the involvement of employees in the Trust's performance
- achieving a common awareness on the part of all employees of the factors affecting the performance of the Trust.
- The Trust's policy in respect of applications for employment from disabled persons, the treatment of employees who become disabled and the training, career development and promotion of disabled persons.

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TRUSTEES' REPORT

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The Trust places immense value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Trust. This is achieved through formal and informal meetings, team briefings and internal newsletters/updates. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

In respect of disabled persons, the policy of the Trust is to support recruitment and retention of students, staff and Trustees/Governors with disabilities. Lifts, ramps and disabled toilets are installed, and door widths are adequate to enable wheelchair access to all the main areas of all the schools. The Trust does this by adapting the physical environment, making support resources available and through relevant training. Our policy is to promote the career development and promotion of disabled persons, irrespective of the nature of their disability and we will provide whatever assistance we reasonably can do in order to support the individual in meeting their career goals, ensuring that there is a 'level playing field' for all.

Engagement with suppliers, customers and others in a business relationship with the trust

The Trust recognises the importance of maintaining good business relationships with its suppliers. We have a clear procurement policy to ensure that suppliers are treated in an even-handed manner. The performance of and relationship with key suppliers is constantly monitored to ensure that we treat suppliers fairly, ensuring that payment terms are adhered to and that we comply with contractual obligations placed upon the Trust. We encourage an open and ongoing dialogue with suppliers to ensure that we conduct our business with them in a professional commercial manner.

Our objects and aims, described below, put students at the heart of all that we do. We have described our main achievements within the Strategic Report and how we have performed against our objectives. We are committed to ensuring that we maintain strong and effective relationships with students, parents and wider stakeholders in the community.

Objectives and activities

Objects and aims

To advance for the public benefit education in the United Kingdom, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

Objectives, strategies and activities

The principal object and activity of the charitable company is the operation of Grove Park Primary School and Aspire School to provide education and care for pupils of different abilities between the ages of 4 to 11.

Our objectives, strategies and activities are outlined in each school's development plan, which lays out our aspirations for the future development of each school.

Public benefit

The trustees confirm that they have complied with the duties in Section 4 of the Charities Act to have due regard to the Charity Commission's general guidance on public benefit.

We have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The public benefit of Grove Park Academies is the advancement of education within the local community.

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Strategic report

Trust Growth

The Trust has been working within the framework of Trust Strategic Plan. In the Plan we recognised the intention to develop a programme of measured, rather than rapid, growth of the Trust and consider how we could enable more schools to join us. In the period covered by this report the Trust has;

- Aspire School has expanded the pupil roll as planned.
- Made further enquiries with Local Authority to adding a nursery provision on the Grove Park School site.

In November 2021, the CEO approached another local Trust CEO to request support to increase leadership capacity. At the time a series of long term absences (for maternity cover and long term illness) had meant that leadership capacity was stretched. The local Trust – Timu Academy Trust – offered CEO support and an assistant Headteacher initially. During the remainder of the year, the CEO of Grove Park Academies decided to retire, and a consultation started to merge the 2 trusts together. This merger was completed at the start of September 2022.

Key Performance Indicators

The Trustees assessed the following KPI's during the year and were happy they were in line with national averages for similar size schools, or else there were justifiable reasons if they were not:

Staff Costs as a Proportion of Revenue Expenditure

Staff Costs as a Proportion of Revenue Income

Annual Average FTE Teaching Staff

Annual Average FTE Non-Teaching Staff

Annual Average FTE

Funded Pupil Numbers

Pupil Teacher Ratio

Pupil Adult Ratio

Average Teacher Cost (£)

Teaching Costs as Proportion of DfE Revenue Grants

Teaching Costs as Proportion of Revenue Income

Leadership Costs as Proportion of DfE Revenue Grants

Leadership Costs as Proportion of Revenue Income

Surplus / (Deficit) as Proportion of Total Income

Cumulative Reserves as a Proportion of Total Income

Going concern

As explained in note 27 of the financial statements, the management of the Trust's academies was transferred on 1 September 2022. Since Grove Park Academies will be dissolved in due course it is not appropriate to prepare financial statements on the going concern basis.

Since all assets and liabilities have been transferred out effectively as a going concern, no adjustments are required as a result of ceasing to apply the going concern basis, and there is no change to the measurement of assets and liabilities.

The Trustees would like to highlight that the merger has been undertaken to build on the strategic and operational strengths gained from the collaboration across the Schools in Bourne Alliance Multi Academy Trust, formally Timu Academy Trust, as well as benefiting from broader economies of scale.

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TRUSTEES' REPORT

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Financial review and position

Most of the Trust's recurrent income is received in the form of grants from the Education and Skills Funding Agency ("ESFA"), the use of which is restricted to purposes. The grants received from the ESFA during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities ("SoFA").

The SoFA shows total incoming resources for the year were £4.91m (2021: £3.89m) and total resources expended amounted to £5.47m (2021: £3.84m). Since this total expenditure is in excess of incoming resources the SoFA reports net expenditure of £557k (2021: net income £42k).

It is important to note that this net expenditure does not represent in the day-to-day operating result of the Trust due to the impact of movements on the restricted fixed asset fund and part of the movement on the Local Government Pension Scheme (LGPS) reserve.

The total movement in the Trust's funds for the year was an increase of £2.03m (2021: reduction of £282k) following the remaining element of the LGPS reserve movement, an actuarial gain of £2.58m (2021: actuarial loss of £324k).

The following balances held were held at 31 August:

Fund	Category	2022 £	2021 £
General Annual Grant	Restricted General Funds	336,792	121,142
Other DfE/ESFA Grants	Restricted General Funds	-	75,999
Other Government Grants	Restricted General Funds	9,011	68,378
General	Unrestricted Funds	241,056	300,462
Capital Grants	Restricted Fixed Asset Fund	250,558	291,185
Sub-Total Spendable Funds		837,417	857,166
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	14,492,968	14,478,664
SALIX Loan Balance	Restricted Fixed Asset Fund	(9,152)	-
Share of LGPS Deficit	Restricted Pension Reserve	(296,000)	(2,338,000)
Total All Funds		<u>15,025,233</u>	<u>12,997,830</u>

The LGPS reserve is the only fund in deficit. The pension deficit is not a concern since it does not mean that an immediate liability crystallises; it results in a cash flow effect in the form of possible future increases in pension contributions, which, if required, will be met from the budgeted annual income. Employer contributions are reviewed every three years in consultation with the scheme's administrators, and employer contributions have recently been confirmed as staying at the current 22.5% rate until March 2026.

At 31 August 2022, the net book value of group fixed assets was £14.49m (2021: £14.48m) and movements in tangible fixed assets are shown in note 13 financial statements. During the year the assets were used almost exclusively for providing education and the associated support services to the pupils of the academies, the only exceptions to this being letting of the premises to local community groups and other affiliated organisations.

Reserves policy

The Academy Trust has a reserves policy which is set by the Finance Committee and reviewed annually. The policy states that it is considered prudent to maintain a level of useable reserves sufficient to cover unexpected and unplanned events such that the school's primary objective is preserved. At the same time, the school wishes to ensure that it uses its funding to benefit the students in its care which implies an imperative to consider actively the use of reserves to enhance educational provision.

Each year the Trustees review the resource requirements and grant income that is forecast for the coming year and an annual budget is formulated and approved.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. In determining the appropriate level of free reserves, the Trustees have considered the following risks:

- Unexpected falls in student numbers
- Emergencies

Trustees will monitor levels of reserves in financial reports provided by the Trust Business Manager and in the Annual Financial Statement prepared by our Auditors. Trustees will look to ensure that a prudent level of reserves is maintained, bearing in mind the recurrent spending needs to ensure high quality provision. In deciding the level of reserves Trustees will consider the following:

- one month salary bill
- the Trust's annual budget
- the need for any large project spend such as facilities development or building
- condition needs
- any uncertainty, turbulence or expected reduction in funding arrangements,
- including the level of transitional protection within the school funding and its
- expiry date
- anticipated funding over the next three years.

Investment policy

The Chief Finance Officer in conjunction with the Finance Committee has identified operational cash requirements. Funds in excess of this level are invested in fixed term deposits for variable periods between 3 months and a year. The operational cash flow requirement is assessed at each Finance and General Purpose Committee Meeting. Speculative investments are not permitted.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the academy trust is exposed, those relating to the specific teaching, provision of facilities and other operational areas of the academy, and its finances. The Trustees have implemented several systems to assess risks that the company faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have developed systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risks remain, they have ensured they have adequate insurance cover.

The trustees have considered the risks presented to the academy trust and have implemented policies and systems to mitigate these risks. The academy trust will continue to manage these risks, through a series of performance reviews, monitoring and efficiency evaluation. The trustees have deemed the following risks to be of most serious consequence to the academy trust:

- Failure to successfully recruit and retain pupils;
- Changes to Government policy on Education Funding;
- Changes to Education priorities by the Government;
- Loss of a key member of the Senior Leadership Team;
- Impact of an uncontrollable event e.g. fire or flood
- Major injury or a health and safety issue or environmental incident; and
- Changes to Pension policy or the funding costs for the TPS and LGPS.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), Trustees consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

Most of the company's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Our fundraising practices

The trust and individual academies within it organise fundraising events and appeals and co-ordinate the activities of our supporters both in the academies and in the wider community on behalf of the trust.

The trust does not use professional fundraisers or involve commercial participators.

There have been no complaints about fundraising activity this year.

The trust complies with the Fundraising Regulator's Code of Fundraising Practice.

All fundraising is undertaken by the trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, academy newsletters, our websites and via students. All fundraising material contains clear instructions on how a person can be removed from mailing lists.

Funds held as custodian trustee on behalf of others

The trust does not hold any funds as custodian trustee.

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.

The Trustees Report, incorporating a strategic report, approved by order of the Directors of Grove Park Academies, as the company directors on 15 December 2022 and signed on their behalf by:



.....
S Mason
Chair of Trustees

GROVE PARK ACADEMIES

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Executive Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Grove Park Academies and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees (Directors)	Meetings attended	Out of possible
B Carey	4	6
C Litton	4	6
C Rayner	4	6
D Crompton	6	6
L Brooks	3	6
L Grubb	5	6
R Jobe	4	6
S Mason	6	6
S Moakes	5	6

Governance reviews:

There is a clear governance plan for the Trust which outlines the responsibility of the Trust Board and a clear scheme of delegation. We continue to run two main committees; Finance and General Purpose plus Standards committee. Within these committees statutory monitoring takes place for Safeguarding and Special Educational Needs.

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to oversee the financial operations, property interests and personnel of the Academy. There have been no significant developments this year beyond the normal financial procedures carried out on an annual basis as part of the committee's delegated powers. We have started to use available tools in ensuring the management of our funds is robust.

Attendance at Finance and General Purposes meetings was as follows:

Trustees (Directors)	Meetings attended	Out of possible
C Litton	3	6
S Mason	6	6
C Rayner	3	6
L Grubb	5	6

We are a multi academy trust however, as we currently only operate two academies, we do not have a separate audit committee. The finance and general purpose committee therefore takes on this role.

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GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Conflicts of Interest

Trustees are required to complete a formal declaration of interests on an annual basis. At the commencement of every board and Committee meeting trustees are invited to declare any interests they may have in agenda items and are not permitted to take part in specific considerations / votes should a conflict be identified.

A register of interests is maintained and used to monitor if there are any potential conflicts of interest. The trustees are aware of the guidance and requirements of the academy Trust handbook and the charities SORP concerning managing, reporting and disclosing such matters.

Review of Value for Money

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

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

The Trustees of Grove Park Academies are committed to achieving **Best Value** in all decisions made. We use the principles of **Best Value** as they apply to securing continuous improvement in the school.

Challenge — why, how and by whom an activity is carried out. Target and performance indicators are set for improvement.

Compare — how the school's financial and pupil performance compare with other schools, both locally and nationally.

Consult — how the school consult stakeholders especially pupils, parents and Governors before making decisions.

Compete — how the school ensures efficient, effective and quality services.

In order to ensure **Best Value** is achieved at our Schools we incorporate these principles into the decision making process.

Financial Governance and Oversight

At Grove Park Academies we compare our performance against relevant data that is available to us; we will look to make this comparison with relevant sources. This information is discussed at the Finance and General Purposes Committee meeting.

We monitor the budgets and monthly reports are produced and presented to the Finance and General Purposes Committee who in turn report to the main board. This ensures we check and monitor the levels of expenditure are in line with the budgets set.

Regular checks are undertaken to ensure that the various budget holders are on track with their spending.

With all purchases the Trust Business Manager tries to obtain the best value by considering a variety of suppliers; the Trust has a list of regular suppliers who offer best prices. When contracts are due for renewal a close comparison of best prices is considered and collaboration across the Schools within the Trust is also sought to achieve best value.

The purpose of the system of internal control

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

GROVE PARK ACADEMIES

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy trust's significant risks that has been in place for the year ended 31 August 2021 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. It includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Resources Team 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 has appointed Internal Audit & Counter Fraud Partnership (IACF), to undertake our scrutiny visits and reports.

Their role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. The auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The checks carried out in the current period included:

- Contracts and procurement
- Month-end procedures and monthly reporting arrangements
- Payroll Processes

The Finance and General Purposes Committee confirm that the internal auditor has delivered their schedule of work as planned. There were no material control issues arising as a result of the auditor's/reviewer's work.


Review of effectiveness

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

- internal audit reports;
- the work of the External Auditor;
- the financial management and governance self-assessment process;
- the work of the Executive Managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Directors of Grove Park Academies, on 15 December 2022 and signed on its behalf by:



.....
S Mason
Chair of Trustees



.....
D Browning
Executive Headteacher and Accounting Officer

GROVE PARK ACADEMIES

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2022

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

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

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

Diane Browning

D Browning
Accounting Officer

15 December 2022

GROVE PARK ACADEMIES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees (who are also the directors of Grove Park Academies for the purposes of company law) are responsible for preparing the Trustees' report and the Financial Statements in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these Financial Statements, the Trustees are required to:

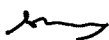
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 that grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 15 December 2022 and signed on its behalf by:



S Mason
Chair of Trustees

GROVE PARK ACADEMIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROVE PARK ACADEMIES

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

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

In our opinion the Financial Statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the 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.

Emphasis of matter: Cessation of Operations

The operations and activities and the assets and liabilities of Grove Park Academies were transferred on 1 September 2022 into the Bourne Alliance Multi Academy Trust (company number 09022463 registered in England and Wales), for £nil consideration.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

GROVE PARK ACADEMIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROVE PARK ACADEMIES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal assurance reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

GROVE PARK ACADEMIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROVE PARK ACADEMIES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Use of our report

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

Louise Hallsworth FCA (Senior Statutory Auditor)
for and on behalf of Baxter & Co

Baxter & Co

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Chartered Certified Accountants
Statutory Auditor

Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

GROVE PARK ACADEMIES

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GROVE PARK ACADEMIES AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 18 May 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Grove Park Academies during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Grove Park Academies's accounting officer and the reporting accountant

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

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of internal scrutiny implemented by the Academy Trust in order to comply with its obligations under 3.1 of the Academy Trust Handbook 2021, issued by the ESFA.

GROVE PARK ACADEMIES

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GROVE PARK ACADEMIES AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Conclusion

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

Baxter & Co

Reporting Accountant

Baxter & Co
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dec 17, 2022
Dated:

GROVE PARK ACADEMIES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2022 £	Total 2021 £
Income and endowments from:					
Donations and capital grants	3	17,123	-	244,216	261,339
Charitable activities:					
- Funding for educational operations	4	63,284	4,578,555	-	4,641,839
Other trading activities	5	7,816	-	-	7,816
Investments	6	116	-	-	116
Total		88,339	4,578,555	244,216	4,911,110
Expenditure on:					
Raising funds	7	-	-	-	-
Charitable activities:					
- Educational operations	9	147,745	4,903,286	416,676	5,467,707
Total	7	147,745	4,903,286	416,676	5,467,707
Net income/(expenditure)		(59,406)	(324,731)	(172,460)	(556,597)
Transfers between funds	18	-	(136,985)	136,985	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit pension schemes	20	-	2,584,000	-	2,584,000
Net movement in funds		(59,406)	2,122,284	(35,475)	2,027,403
Reconciliation of funds					
Total funds brought forward		300,462	(2,072,481)	14,769,849	12,997,830
Total funds carried forward		241,056	49,803	14,734,374	15,025,233

GROVE PARK ACADEMIES

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

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2021 £
Income and endowments from:					
Donations and capital grants	3	6,333	-	486,191	492,524
Charitable activities:					
- Funding for educational operations	4	24,754	3,366,379	-	3,391,133
Other trading activities	5	2,797	-	-	2,797
Investments	6	89	-	-	89
Total		<u>33,973</u>	<u>3,366,379</u>	<u>486,191</u>	<u>3,886,543</u>
Expenditure on:					
Raising funds	7	1,746	-	-	1,746
Charitable activities:					
- Educational operations	9	20,597	3,416,858	404,985	3,842,440
Total	7	<u>22,343</u>	<u>3,416,858</u>	<u>404,985</u>	<u>3,844,186</u>
Net income/(expenditure)		11,630	(50,479)	81,206	42,357
Transfers between funds	18	-	(31,684)	31,684	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(324,000)	-	(324,000)
Net movement in funds		11,630	(406,163)	112,890	(281,643)
Reconciliation of funds					
Total funds brought forward		288,832	(1,666,318)	14,656,959	13,279,473
Total funds carried forward		<u>300,462</u>	<u>(2,072,481)</u>	<u>14,769,849</u>	<u>12,997,830</u>

GROVE PARK ACADEMIES

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	13	14,492,967	14,478,664
Current assets			
Debtors	14	365,085	363,301
Cash at bank and in hand		779,292	661,639
		<u>1,144,377</u>	<u>1,024,940</u>
Current liabilities			
Creditors: amounts falling due within one year	15	(308,103)	(167,774)
Net current assets		<u>836,274</u>	<u>857,166</u>
Total assets less current liabilities		<u>15,329,241</u>	<u>15,335,830</u>
Creditors: amounts falling due after more than one year	16	(8,008)	-
Net assets before defined benefit pension scheme liability		<u>15,321,233</u>	<u>15,335,830</u>
Defined benefit pension scheme liability	20	(296,000)	(2,338,000)
Total net assets		<u>15,025,233</u>	<u>12,997,830</u>
Funds of the Academy Trust:			
Restricted funds	18		
- Fixed asset funds		14,734,374	14,769,849
- Restricted income funds		345,803	265,519
- Pension reserve		(296,000)	(2,338,000)
Total restricted funds		<u>14,784,177</u>	<u>12,697,368</u>
Unrestricted income funds	18	<u>241,056</u>	<u>300,462</u>
Total funds		<u>15,025,233</u>	<u>12,997,830</u>

The Financial Statements on pages 20 to 44 were approved by the Trustees and authorised for issue on 15 December 2022 and are signed on their behalf by:



S Mason
Chair of Trustees

Company registration number 08059055

GROVE PARK ACADEMIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by operating activities	21		295,148		87,254
Cash flows from investing activities					
Dividends, interest and rents from investments		116		89	
Capital grants from DfE Group		244,216		478,726	
Purchase of tangible fixed assets		(430,979)		(219,225)	
Net cash (used in)/provided by investing activities			(186,647)		259,590
Cash flows from financing activities					
Advance/(Repayment) of long term loan		9,152		-	
Net cash provided by/(used in) financing activities			9,152		-
Net increase in cash and cash equivalents in the reporting period			117,653		346,844
Cash and cash equivalents at beginning of the year			661,639		314,795
Cash and cash equivalents at end of the year			779,292		661,639

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

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

1.1 Basis of preparation

The 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 Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. On 1 September 2022 the operations and activities and the assets and liabilities of Grove Park Academies transferred into the Bourne Alliance Multi Academy Trust (company number 09022463 registered in England and Wales) for £nil consideration. With effect from 1 September 2022, Grove Park Academies was dormant other than dealing with matters connected with the transfer and statutory and regularity obligations. Trustees believe it appropriate to continue to adopt the going concern basis of accounting in preparing the Financial Statements.

1.3 Income

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

Grants

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

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

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

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.

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Donated fixed assets

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Leasehold land and buildings	2% Straight Line
Assets under construction	Not depreciated
Computer equipment	25% Straight Line
Fixtures, fittings & equipment	10% Straight Line

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.

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

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

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

Financial liabilities

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

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

1.9 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10 Pensions benefits

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

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

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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

1.11 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The ultimate responsibility for setting the assumptions is that of the academy trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The academy trust has, in practice with most employers, adopted the recommended actuarial assumptions following further consultation with its auditors to ensure these assumptions are reasonable and in line with those adopted by other academy trusts. The key assumption is the discount rate, which is the estimated rate of long-term investment returns. This year the discount rate used of 4.25% is considerably higher than the rate of 1.65% used in 2021. Since a higher discount rate means assets will grow more rapidly in the future, this results in lower current liabilities. This is the key driver for the reduction in the carried LGPS deficit from £2,338,000 to £296,000 during the year.

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and areas of judgement

(Continued)

Critical areas of judgement

In preparing these Financial Statements, the Trustees have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donated fixed assets	-	-	-	7,465
Capital grants	-	244,216	244,216	478,726
Other donations	17,123	-	17,123	6,333
	<u>17,123</u>	<u>244,216</u>	<u>261,339</u>	<u>492,524</u>

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the Academy Trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
DfE/ESFA grants				
General annual grant (GAG)	-	2,618,908	2,618,908	1,887,500
Other DfE/ESFA grants:				
- UIFSM	-	57,620	57,620	61,355
- Pupil premium	-	151,370	151,370	103,450
- Teachers' pay grant	-	-	-	19,517
- Teachers' pension grant	-	-	-	55,148
- Aspire funding (PDG)	-	67,000	67,000	93,000
- Others	-	57,955	57,955	65,897
	-	2,952,853	2,952,853	2,285,867
Other government grants				
Local authority grants	-	1,561,522	1,561,522	1,035,908
Special educational projects	-	41,505	41,505	600
	-	1,603,027	1,603,027	1,036,508
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	-	-	38,640
Other DfE/ESFA COVID-19 funding	-	22,675	22,675	3,725
	-	22,675	22,675	42,365
Other funding				
Catering income	25,455	-	25,455	14,772
Other incoming resources	37,829	-	37,829	11,621
	63,284	-	63,284	26,393
Total funding	63,284	4,578,555	4,641,839	3,391,133

The Academy Trust has been eligible to claim additional funding in the year from government support schemes in response to the Coronavirus outbreak. The funding received is shown above under "COVID-19 additional funding".

- The funding received for coronavirus exceptional support includes £17,478 for Recovery Premium and £5,197 Tutoring funding covering staff and other costs. These costs are included in notes 7 and 9 below as appropriate.

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Hire of facilities	7,816	-	7,816	300
Other income - revenue	-	-	-	2,497
	<u>7,816</u>	<u>-</u>	<u>7,816</u>	<u>2,797</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Short term deposits	116	-	116	89
	<u>116</u>	<u>-</u>	<u>116</u>	<u>89</u>

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2022 £	Total 2021 £
Expenditure on raising funds					
- Direct costs	-	-	-	-	1,746
Academy's educational operations					
- Direct costs	3,142,892	333,340	318,332	3,794,564	2,687,669
- Allocated support costs	1,007,060	326,221	339,862	1,673,143	1,154,771
	<u>4,149,952</u>	<u>659,561</u>	<u>658,194</u>	<u>5,467,707</u>	<u>3,844,186</u>

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	6,750	6,500
- Other services	4,715	4,850
Operating lease rentals	7,023	4,082
Depreciation of tangible fixed assets	416,676	404,985
Net interest on defined benefit pension liability	36,000	26,000
	<u>471,164</u>	<u>486,417</u>

Included within expenditure are the following transactions:

	2022 £
Gifts made by the Academy Trust - total	<u>274</u>

The gifts of £274 during the year (2021: £790) represent the cumulative amount of modest gifts such as flowers sent to staff following bereavements and serious illnesses, leaving gifts and similar.

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

8 Central services

The Academy Trust has provided the following central services to its academies during the year:

- Human Resources;
- Finance;
- Premises Manager;
- Executive Headteacher
- External Governance Services
- Central Administration

The Academy Trust charges for these services on the basis of a recharge of actual costs plus a contingency. Costs are split 50:50 between the schools except for the Finance Officer who is 30% GP / 70% ASP due to additional processing demands.

The amounts charged during the year were as follows:

	2022 £	2021 £
Grove Park Primary School	168,820	184,848
Aspire School	213,732	188,781
	<u>382,552</u>	<u>373,629</u>

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Direct costs				
Educational operations	-	3,794,564	3,794,564	2,687,669
Support costs				
Educational operations	147,745	1,525,398	1,673,143	1,154,771
	<u>147,745</u>	<u>5,319,962</u>	<u>5,467,707</u>	<u>3,842,440</u>

	2022 £	2021 £
Analysis of costs		
Direct costs		
Teaching and educational support staff costs	3,142,892	2,155,470
Staff development	29,739	9,424
Depreciation	333,340	323,988
Technology costs	35,019	51,755
Educational supplies and services	107,090	64,824
Educational consultancy	114,456	59,252
Other direct costs	32,028	22,956
	<u>3,794,564</u>	<u>2,687,669</u>

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Charitable activities

(Continued)

Support costs

Support staff costs	501,060	475,327
Defined benefit pension scheme - staff costs (FRS102 adjustment)	506,000	260,000
Staff development	3,766	3,916
Depreciation	83,336	80,997
Technology costs	51,409	36,068
Maintenance of premises and equipment	71,971	59,658
Cleaning	16,342	17,935
Energy costs	104,560	36,859
Rent, rates and other occupancy costs	40,531	39,686
Insurance	9,481	8,100
Security and transport	8,810	2,344
Catering	62,483	38,042
Defined benefit pension scheme - finance costs (FRS102 adjustment)	36,000	26,000
Legal costs	2,884	2,308
Other support costs	160,105	55,535
Governance costs	14,405	11,996
	<u>1,673,143</u>	<u>1,154,771</u>

10 Staff

Staff costs

Staff costs during the year were:

	2022 £	2021 £
Wages and salaries	2,773,223	2,029,257
Social security costs	208,839	140,864
Pension costs	591,078	423,486
Defined benefit pension scheme – staff costs (FRS102 adjustment)	506,000	260,000
Staff costs - employees	<u>4,079,140</u>	<u>2,853,607</u>
Agency staff costs	35,822	24,310
Staff restructuring costs	34,990	12,880
Total staff expenditure	<u>4,149,952</u>	<u>2,890,797</u>

Staff restructuring costs comprise:

Severance payments	<u>34,990</u>	<u>12,880</u>
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Severance payments

The Academy Trust paid 1 severance payments in the year, disclosed in the following bands:

£25,001 - £50,000	1
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GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

10 Staff

(Continued)

Special staff severance payments

Included in the severance payment above was a non-contractual element totalling £6,524

Staff numbers

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

	2022 Number	2021 Number
Teachers	36	34
Administration and support	125	113
Management	5	4
	<u>166</u>	<u>151</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2022 Number	2021 Number
Teachers	37	21
Administration and support	72	55
Management	5	4
	<u>114</u>	<u>80</u>

Higher paid staff

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

	2022 Number	2021 Number
£70,001 - £80,000	1	2
£90,001 - £100,000	1	1
	<u>2</u>	<u>3</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £305,093 (2021: £322,397).

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Principal and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff members under their contracts of employment, and not in respect of their services as Trustees.

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

C Litton (Executive Headteacher)

- Remuneration: £95,000 - £100,000 (2021: £90,000 - £95,000)
- Employer's pension contributions: £20,000- £25,000 (2021: £20,000 - £25,000)

No expenses were paid to Trustees during either year.

12 Trustees' and officers' insurance

The Academy Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

13 Tangible fixed assets

	Leasehold land and buildings	Assets under construction	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2021	14,688,430	2,315	395,828	552,682	15,639,255
Reclassification	2,315	(2,315)	-	-	-
Additions	282,294	109,900	18,545	20,240	430,979
At 31 August 2022	14,973,039	109,900	414,373	572,922	16,070,234
Depreciation					
At 1 September 2021	772,783	-	213,262	174,546	1,160,591
Charge for the year	292,216	-	67,164	57,296	416,676
At 31 August 2022	1,064,999	-	280,426	231,842	1,577,267
Net book value					
At 31 August 2022	13,908,040	109,900	133,947	341,080	14,492,967
At 31 August 2021	13,915,647	2,315	182,566	378,136	14,478,664

Included in leasehold land and buildings is land valued at £409,300.

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

14 Debtors

	2022 £	2021 £
Trade debtors	12,473	-
VAT recoverable	41,108	17,072
Prepayments and accrued income	311,504	346,229
	<u>365,085</u>	<u>363,301</u>

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Government loans	1,144	-
Trade creditors	97,432	12,205
Other taxation and social security	-	38,751
Other creditors	7,695	46,167
Accruals and deferred income	201,832	70,651
	<u>308,103</u>	<u>167,774</u>

16 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Government loans	8,008	-
	<u>8,008</u>	<u>-</u>

Analysis of loans

	2022 £	2021 £
Not wholly repayable within five years by instalments	3,432	-
Wholly repayable within five years	5,720	-
	<u>9,152</u>	<u>-</u>
Less: included in current liabilities	(1,144)	-
	<u>8,008</u>	<u>-</u>

Loan maturity

Debt due in one year or less	1,144	-
Due in more than one year but not more than two years	1,144	-
Due in more than two years but not more than five years	3,432	-
Due in more than five years	3,432	-
	<u>9,152</u>	<u>-</u>

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Deferred income

	2022 £	2021 £
Deferred income is included within:		
Creditors due within one year	34,192	55,326
Deferred income at 1 September 2021	55,326	39,315
Released from previous years	(55,326)	(39,315)
Resources deferred in the year	34,192	55,326
Deferred income at 31 August 2022	34,192	55,326

Deferred Income at 31 August 2022 represented income received in advance for Universal Infant Free School Meals £34,192 (2021: £35,791), rates income received in advance £nil (2021: £5,685) and insurance receipt of £nil (2021: £13,850).

18 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	121,142	2,618,908	(2,272,773)	(130,485)	336,792
UIFSM	-	57,620	(57,620)	-	-
Pupil premium	37,588	151,370	(188,958)	-	-
Catch-up premium	10,979	-	(10,979)	-	-
Other DfE/ESFA COVID-19 funding	-	22,675	(22,675)	-	-
Other DfE/ESFA grants	27,432	124,955	(145,887)	(6,500)	-
Other government grants	68,378	1,603,027	(1,662,394)	-	9,011
Pension reserve	(2,338,000)	-	(542,000)	2,584,000	(296,000)
	<u>(2,072,481)</u>	<u>4,578,555</u>	<u>(4,903,286)</u>	<u>2,447,015</u>	<u>49,803</u>
Restricted fixed asset funds					
Fixed asset fund	14,478,664	-	(416,676)	430,980	14,492,968
Capital grants	291,185	244,216	-	(293,995)	241,406
	<u>14,769,849</u>	<u>244,216</u>	<u>(416,676)</u>	<u>136,985</u>	<u>14,734,374</u>
Total restricted funds	<u>12,697,368</u>	<u>4,822,771</u>	<u>(5,319,962)</u>	<u>2,584,000</u>	<u>14,784,177</u>
Unrestricted funds					
General funds	<u>300,462</u>	<u>88,339</u>	<u>(147,745)</u>	<u>-</u>	<u>241,056</u>
Total funds	<u>12,997,830</u>	<u>4,911,110</u>	<u>(5,467,707)</u>	<u>2,584,000</u>	<u>15,025,233</u>

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Funds

(Continued)

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

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

The Other Government Grant Funds represent the unspent balance of grants received during the period for specific purposes.

The Pension Reserve represents the Academy's share of the LGPS pension fund deficit.

The Restricted Fixed Asset Fund represents the net book value of fixed assets. When assets are purchased the fund is increased and depreciation charges reduce the fund. The fund also includes the unspent balance of Capital Grants that are carried forward to the next year.

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	-	1,887,500	(1,766,358)	-	121,142
UIFSM	-	61,355	(61,355)	-	-
Pupil premium	16,224	103,450	(82,086)	-	37,588
Catch-up premium	-	38,640	(27,661)	-	10,979
Other DfE/ESFA COVID-19 funding	-	3,725	(3,725)	-	-
Other DfE/ESFA grants	28,587	233,562	(234,717)	-	27,432
Other government grants	16,871	943,508	(860,317)	(31,684)	68,378
Aspire funding (PDG)	-	93,000	(93,000)	-	-
Other restricted funds	-	1,639	(1,639)	-	-
Pension reserve	(1,728,000)	-	(286,000)	(324,000)	(2,338,000)
	<u>(1,666,318)</u>	<u>3,366,379</u>	<u>(3,416,858)</u>	<u>(355,684)</u>	<u>(2,072,481)</u>
Restricted fixed asset funds					
Fixed asset fund	14,656,959	7,465	(404,985)	219,225	14,478,664
Capital grants	-	478,726	-	(187,541)	291,185
	<u>14,656,959</u>	<u>486,191</u>	<u>(404,985)</u>	<u>31,684</u>	<u>14,769,849</u>
Total restricted funds	<u>12,990,641</u>	<u>3,852,570</u>	<u>(3,821,843)</u>	<u>(324,000)</u>	<u>12,697,368</u>
Unrestricted funds					
General funds	<u>288,832</u>	<u>33,973</u>	<u>(22,343)</u>	<u>-</u>	<u>300,462</u>
Total funds	<u>13,279,473</u>	<u>3,886,543</u>	<u>(3,844,186)</u>	<u>(324,000)</u>	<u>12,997,830</u>

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

18 Funds (Continued)

Total funds analysis by academy

	2022 £	2021 £
Fund balances at 31 August 2022 were allocated as follows:		
Grove Park Primary School	234,220	412,106
Aspire School	319,349	103,755
Central services	33,290	50,120
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	586,859	565,981
Restricted fixed asset fund	14,734,374	14,769,849
Pension reserve	(296,000)	(2,338,000)
	<hr/>	<hr/>
Total funds	<u>15,025,233</u>	<u>12,997,830</u>

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Grove Park Primary School	1,570,250	246,586	36,394	371,925	2,225,155	1,925,843
Aspire School	1,436,238	123,471	70,696	254,091	1,884,496	865,684
Central services	136,404	637,003	-	167,973	941,380	647,674
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	3,142,892	1,007,060	107,090	793,989	5,051,031	3,439,201
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	14,492,967	14,492,967
Current assets	241,056	652,762	250,559	1,144,377
Current liabilities	-	(306,959)	(1,144)	(308,103)
Non-current liabilities	-	-	(8,008)	(8,008)
Pension scheme liability	-	(296,000)	-	(296,000)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	<u>241,056</u>	<u>49,803</u>	<u>14,734,374</u>	<u>15,025,233</u>

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	14,478,664	14,478,664
Current assets	300,462	433,293	291,185	1,024,940
Current liabilities	-	(167,774)	-	(167,774)
Pension scheme liability	-	(2,338,000)	-	(2,338,000)
Total net assets	300,462	(2,072,481)	14,769,849	12,997,830

20 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

Introduction

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

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

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.

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

20 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £312,065 (2021: £245,122).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 22.5% for employers and 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

Total contributions made	2022 £	2021 £
Employer's contributions	275,000	177,000
Employees' contributions	71,000	49,000
Total contributions	346,000	226,000
Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.95	3.9
Rate of increase for pensions in payment/inflation	2.95	2.9
Discount rate for scheme liabilities	4.25	1.65
RPI Inflation	2.95	3.2

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Pension and similar obligations

(Continued)

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

	2022 Years	2021 Years
Retiring today		
- Males	21.0	21.9
- Females	23.5	23.8
Retiring in 20 years		
- Males	22.3	23.3
- Females	24.9	25.3

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

	2022 £	2021 £
Discount rate + 0.1%	-72,000	-116,000
Discount rate - 0.1%	+73,000	+119,000
Mortality assumption + 1 year	+84,000	+180,000
Mortality assumption - 1 year	-82,000	-173,000
CPI rate + 0.1%	+71,000	+110,000
CPI rate - 0.1%	-69,000	-107,000

Defined benefit pension scheme net liability

	2022 £	2021 £
Scheme assets	2,572,000	2,210,000
Scheme obligations	(2,868,000)	(4,548,000)
Net liability	(296,000)	(2,338,000)

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

	2022 Fair value £	2021 Fair value £
Equities	1,686,000	1,447,000
Gilts	15,000	12,000
Other Bonds	340,000	307,000
Cash	44,000	63,000
Property	302,000	227,000
Other assets	185,000	154,000
Total market value of assets	2,572,000	2,210,000

The actual return (charge) on scheme assets was £(31,000) (2021: £267,000).

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

20 Pension and similar obligations

(Continued)

Amount recognised in the statement of financial activities	2022 £	2021 £
Current service cost	780,000	436,000
Interest income	(40,000)	(30,000)
Interest cost	76,000	56,000
Administration expenses	1,000	1,000
Total operating charge	817,000	463,000
Changes in the present value of defined benefit obligations	2022 £	2021 £
At 1 September 2021	4,548,000	3,519,000
Current service cost	780,000	436,000
Interest cost	76,000	56,000
Employee contributions	71,000	49,000
Actuarial (gain)/loss	(2,655,000)	561,000
Benefits returned / (paid)	48,000	(73,000)
At 31 August 2022	2,868,000	4,548,000
Changes in the fair value of the Academy Trust's share of scheme assets	2022 £	2021 £
At 1 September 2021	2,210,000	1,791,000
Interest income	40,000	30,000
Actuarial (loss)/gain	(71,000)	237,000
Employer contributions	275,000	177,000
Employee contributions	71,000	49,000
Benefits returned / (paid)	48,000	(73,000)
Administration expenses	(1,000)	(1,000)
At 31 August 2022	2,572,000	2,210,000

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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

	Notes	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		(556,597)	42,357
Adjusted for:			
Capital grants from DfE and other capital income		(244,216)	(486,191)
Investment income receivable	6	(116)	(89)
Defined benefit pension costs less contributions payable	20	506,000	260,000
Defined benefit pension scheme finance cost	20	36,000	26,000
Depreciation of tangible fixed assets		416,676	404,985
Decrease in stocks		-	738
Increase in debtors		(1,784)	(277,855)
Increase in creditors		139,185	117,309
Net cash provided by operating activities		295,148	87,254

22 Analysis of changes in net funds

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	661,639	117,653	779,292
Loans falling due within one year	-	(1,144)	(1,144)
Loans falling due after more than one year	-	(8,008)	(8,008)
	661,639	108,501	770,140

23 Long-term commitments

Operating leases

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

	2022 £	2021 £
Amounts due within one year	5,940	4,084
Amounts due in two and five years	19,800	-
	25,740	4,084

GROVE PARK ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

24 Capital commitments

	2022 £	2021 £
Expenditure contracted for but not provided in the Financial Statements	218,509	278,787

At 31 August 2022, the Trust was committed to completing a boiler replacement project for which relevant funds are set aside within the Fixed Asset Funds

25 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

During the year expenditure of £5,095 (2021: £5,724) was incurred with UHY Kent LLP for payroll services. This is a related party by virtue of the fact that B Carey is both a director of Grove Park Academies and UHY Kent LLP and L Grubb is both a director of Grove Park Academies and an employee at UHY Kent LLP. No balances were outstanding on the balance sheet date.

Mrs S Mason, the wife of Mr S Mason; Chair of Trustees, is employed by the Academy Trust as a Teaching Assistant. Mrs S Mason's appointment was made in open competition and Mr S Mason was not involved in the decision making process regarding the appointment. Mrs S Mason is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a Trustee.

In entering into the above transactions, the Academy Trust has complied with the requirements of the ESFA's Academy Trust Handbook 2021.

26 Members' liability

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

27 Post balance sheet events

On 1 September 2022 the operations and activities and the assets and liabilities of Grove Park Academies transferred into the Bourne Alliance Multi Academy Trust (company number 09022463 registered in England and Wales) for £nil consideration. With effect from 1 September 2022, Grove Park Academies was dormant other than dealing with matters connected with the transfer and statutory and regularity obligations.