

Company Registration Number: 08842936 (England and Wales)

Shirley Manor Primary Academy
(A Company Limited by Guarantee)

Annual Report and Financial Statements
Year ended 31 August 2023

Shirley Manor Primary Academy

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Year ended 31 August 2023

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Shirley Manor Primary Academy
Reference and Administrative Details
Year ended 31 August 2023

Members	<p>Mrs V Nixon</p> <p>Miss D McGuire*</p> <p>Mr M Dodd</p>
Trustees	<p>Mrs L Brown</p> <p>Mrs H Lacey (Head Teacher - ex-officio)</p> <p>Mrs T Copley (Staff trustee 1)*</p> <p>Mrs G Whitmore (Staff trustee 2)</p> <p>Mrs L Doherty-Bedford*</p> <p>Mr N Chivers (Vice Chair)</p> <p>Miss D McGuire*</p> <p>Mr S Holmes (Chair)</p> <p>Mr N Reynolds (appointed 6 December 2022)</p> <p>Mrs J Fairbairn (resigned 27 September 2022)</p> <p>* Members of the finance and general purposes committee</p>
Senior Management Team:	<p>Mrs H Lacey (Head Teacher)</p> <p>Mrs G Whitmore (SENDCo and Deputy Head Teacher)</p> <p>Mrs J Carnelly (Early Years Leader and Deputy Head Teacher)</p> <p>Mrs T Copley (School Business Manager)</p>
Company Name	Shirley Manor Primary Academy
Principal and Registered Office	<p>Methuen Oval</p> <p>Wyke</p> <p>Bradford</p> <p>BD12 8SA</p>
Company Registration Number	08442936 (England and Wales)
Independent Auditor	<p>Gibson Booth Chartered Accountants</p> <p>and Statutory Auditors</p> <p>New Court</p> <p>Abbey Road North</p> <p>Shepley</p> <p>Huddersfield</p> <p>HD8 8BJ</p>
Bankers	<p>Barclays Bank Plc</p> <p>10 Market Street</p> <p>Bradford</p> <p>BD1 1EG</p>
Solicitors	<p>Schofield Sweeney LLP</p> <p>Church Bank House</p> <p>Church Bank</p> <p>Bradford</p> <p>BD1 4DY</p>

Shirley Manor Primary Academy

Trustees' Report

Year ended 31 August 2023

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year from 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 3 to 11 serving a catchment area in Bradford South, West Yorkshire. It has a pupil capacity of 236 (including nursery). The Academy had a roll of 187 pupils as at the school census in October 2023.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company was incorporated on 13 January 2014 and opened as an academy on 1 March 2014. The charitable company's memorandum and articles of association are the primary governing documents of the academy.

The trustees of Shirley Manor Primary Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Shirley Manor Primary Academy.

Details of the trustees who served during the year are included in the Reference and Administrative Details on pages 1.

Members' Liability

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

Trustees' Indemnities

The Academy Trust utilises the Education and Skills Funding Agency's Risk Protection Assurance (RPA) scheme. The insurance provides for unlimited indemnity cover. The cost of this insurance is included in the total insurance premium charged to the Academy Trust but cannot be separately identified.

Method of Recruitment and Appointment or Election of Trustees and Governors

- In accordance with the Academy's Articles of Association, the members of the trust may appoint up to five Governors.
- Staff Governors are nominated by the staff employed at the Academy or by a secret ballot if there are more nominations than vacancies. If there are insufficient nominations, the Governing Body may appoint a staff Governor from amongst the employees. The total number of Governors (including the Principal) who are employees of the Academy Trust shall not exceed one third of the total number of Governors.
- A minimum of two parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he/she is elected.
- The Local Authority may appoint one LA Governor.

Policies and procedures adopted for the induction and training of governors

Training and induction of new Governors is dependent on existing experience, and is offered in line with the Governors' Induction Policy.

The Governing Body and Headteacher believe it is essential that all new governors receive a comprehensive induction package covering a broad range of issues and topics. There is a commitment to ensure that the new governors are given the necessary information and support to fulfil their role with confidence. The Academy subscribes to the Local Authority Governor Support Service, who provides training for newly appointed and existing members on financial, educational and legal matters. Ongoing training is also provided by external consultants, and by members of staff and trustees. The process is seen as an investment, leading to more effective governance and retention of governors.

Shirley Manor Primary Academy

Trustees' Report

Year ended 31 August 2023

Organisational Structure

The management structure consists of the Senior Leadership Team and the Governing Body.

The Governing Body meet each half-term. Sub-committees of the Governing Body also meet regularly throughout the year to discuss and monitor finance, facilities, staffing and school improvement.

The Governing Body is responsible for setting general policy, adopting the School Improvement Plan and budget, approving the statutory accounts, monitoring the budget and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Governing Body may delegate such powers and functions as they consider are required by the Headteacher for the internal organisation, management and control of the academy (including the implementation of all policies approved by the governors and for the direction of the teaching and curriculum at the Academy).

The Headteacher is the accounting officer. The Headteacher, supported by the Leadership Team, manages the school at an executive level, implementing policies set by the Governing Body and reporting back to them. Governors have delegated the day-to-day management of the Academy to the Headteacher, including authorisation of purchases within agreed limits and the appointment of staff, though recruitment panels for the appointment of senior posts always include a Governor.

Arrangements for setting pay and remuneration of key management personnel

The Governing Body have adopted the Bradford PACT HR Pay Policy and staff pay and remuneration is agreed in line with this policy. The Academy has a Pay Committee who is responsible for setting annual targets for the headteacher in accordance with the agreed performance management and appraisal policy.

Related parties and other connected charities and organisations

Working with other local and national schools: As an academy we are committed to enhancing the experiences of our children, outreach working and to sharing our good practice.

- Headteacher sits on a number of boards across the city:
BSiP (Bradford Schools in Partnership)
Bradford Early Help Leadership Board
LA Behaviour Panel
CTE (Careers, Technical Education Partnership)
Bradford FAP (Fair Access Protocols) Committee
- SMPA is an active member of the BD4 Family of Schools cluster which meets regularly
- SMPA has led training initiatives within Bradford for Teaching Assistants and Work Scrutiny.
- We work closely with the Lower Wyke Moravian Church, St Mary's Church and the Westfield United Reform Church in Wyke.
- We raised funds for various charities including The Wyke Food Bank, Comic Relief and Children in Need.

Objectives, Strategies and Activities

Object and aims

In addition to the Principal Activities outlined earlier in this report, the aims of the academy trust (as set down in section 1A (1) of the Academies Act 2010) are that:

- it is an independent school;
- it has a curriculum satisfying the requirements of section 78 of the Education Act 2002 (balanced and broadly based curriculum);
- it provides education for pupils of different abilities; and
- it provides education for pupils who are wholly or mainly drawn from the area in which the academy is situated and is not an alternate provision academy.

Other conditions and requirements in respect of the academy are that:

- the school will be at the heart of its community promoting community cohesion and sharing facilities with other schools and the wider community;
- there will be assessments of pupils' performance as they apply to maintained schools;
- the admissions policy and arrangements for the school will be in accordance with admission law and the DfE Codes of Practice as they apply to maintained schools;
- staff levels of pay and conditions of service for all employees will be the responsibility of the Academy Trust;
- there will be an emphasis on the needs of the individual pupils with special education needs (SEN), both those with and without statements of SEN or Education and Health Care Plans (EHCPs);
- there will be no charge in respect of admission to the school and the school will only charge pupils where the law allows maintained schools to charge; and

Shirley Manor Primary Academy

Trustees' Report

Year ended 31 August 2023

- the Academy Trust shall have an appropriate mechanism for the receipt and management of donations and shall use reasonable endeavours to procure donations through that mechanism for the purpose of the objects specified in the Articles of Association.

Objectives strategies and activities

To achieve our objectives and aims, the Academy Trust is governed, led and managed in a way which facilitates self-evaluation, ambitious target setting, prudent budgeting and effective improvement planning.

The long term aims, objective and strategies are set at an annual Trustees School Improvement Meeting and are reviewed throughout the year during board of trustees' meetings.

Our strategic priorities are:

- Ensuring secure educational assessment systems for life after levels across the age ranges;
- Ensuring secure baselining for each year group including Early Years;
- Continuing to achieve high standards of pupil attainment, pupil progress and pupil achievement;
- Continued business development and development of partnerships; and
- Maintenance and development of the physical spaces of the school.

These themes are complemented by the priorities for improvement which for the period of this report included:

- achieving higher levels in reading and phonics across school;
- addressing the cohort related dips in attainment across school;
- continuing to develop high quality teacher feedback to pupils;
- embedding alternative assessment systems to replace curriculum levels in;
- embedding the implementation and delivery of the National Curriculum
- increase attendance and punctuality of key groups of pupils; and
- Continue to improve parental and pupil awareness of healthy lifestyles

Public Benefit

All of the activities undertaken by the academy trust will aim to advance the public benefit of education in the Bradford Metropolitan District Council Area. As such the primary objective of the Academy Trust is to support this objective with no financial return to any trustee.

The Academy Trust confirms that the Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties and when reviewing the charity's aims and objectives in planning future activities.

The principal public benefit delivered by the academy trust is the provision of a high quality education to pupils, in line with the articles of association, as evidenced in the following pages.

The Trustees confirm that they have referred to the Charity Commissions Guidance.

Achievements and Performance

Ofsted

The school had a Section 5 inspection on 5 June 2019 where the school was judged to be good.

Key actions from the last Ofsted report:

Enhance the effectiveness of leadership and management by ensuring that the leaders of English and mathematics consistently and accurately monitor and evaluate provision in these subjects, and that they take swift action to improve provision and children's outcomes where needed.

Further improve the quality of teaching, learning and assessment by:

- ensuring that the teaching of mathematics is effective and enables children to be quick and accurate in calculation, in order to use this in problem-solving and reasoning and in turn make better progress
- making sure all children, particularly the most able children, are appropriately challenged in lessons, especially in mathematics and English, so that they achieve greater depth expectations in national tests.

COVID has had an impact on achievement. Strategies have been put in place to try and improve outcomes.

Shirley Manor Primary Academy













Trustees' Report

Year ended 31 August 2023

























Data Information

	EYFSP on a Page	2023
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EYFSP

CONTEXT	Shirley Manor Primary School (2077)		Local Authority - Bradford		
Item	Value	Cov.	Value	Gap	Cov.
Cohort	20	-	2,731	n/a	-
Gender (Boys)	75.0% 	100.0%	50.6% 	+24.4%	100.0%
SEN Support	10.0% 	100.0%	8.5% 	+1.5%	96.9%
EHCP/Statement	0.0% 	100.0%	2.1% 	-2.1%	96.9%
Ethnicity (BME)	10.0% 	100.0%	59.5% 	-49.5%	96.9%
Language (EAL)	10.0% 	100.0%	38.3% 	-28.3%	100.0%
Disadvantaged	25.0% 	100.0%	16.4% 	+8.6%	100.0%


ASSESSMENTS

	Shirley Manor Primary School (2077)		Local Authority - Bradford	
Item	Value		Value	Gap
Good Level of Development ●	75.0% 		60.3% 	+14.7%
Average no. ELGs at expected	15.1 		13.2 	+1.9
All Goals, Exp+	75.0% 		57.7% 	+17.3%
Prime Goals, Exp+	80.0% 		69.6% 	+10.4%
Com. & Lang. Goals, Exp+ ●	85.0% 		74.0% 	+11.0%
PSE Goals, Exp+ ●	85.0% 		79.9% 	+5.1%
Phys. Dev. Goals, Exp+ ●	95.0% 		83.2% 	+11.8%
Specific Goals, Exp+	75.0% 		58.6% 	+16.4%
Literacy Goals, Exp+ ●	75.0% 		62.3% 	+12.7%
Maths Goals, Exp+ ●	80.0% 		68.6% 	+11.4%
Und. The World Goals, Exp+	85.0% 		72.9% 	+12.1%
Exp. Arts & Des. Goals, Exp+	85.0% 		79.1% 	+5.9%

● Good level of development = at least expected in all prime, literacy and mathematics goals.

- = value suppressed, negligible or unavailable

Phonics – LA 77% SMPA 64% last year 33%



Phonics Benchmark

		Mark								Outcome				
Estab. No.	Estab. Name	Cohort	No Score	0-15	16-23	24-31	32-36	37-40	APS	Q	A	D	WT	WA
-	Local Authority	7,086	3.2%	9.9%	4.6%	5.1%	30.2%	47.0%	32.4	0.0%	0.3%	2.9%	19.6%	77.1%
2077	Shirley Manor Primary School	25	0.0%	20.0%	8.0%	8.0%	32.0%	32.0%	27.5	0.0%	0.0%	0.0%	36.0%	64.0%

Shirley Manor Primary Academy

Trustees' Report

Year ended 31 August 2023

KS1 Nationally R 69% W61% M72% RWM 56%



KS1 on a Page

Key Stage 1

CONTEXT		Shirley Manor Primary School (2077)		Local Authority - Bradford	
Item		Value	Cov.	Value	Gap Cov.
Cohort		22	-	4,751	n/a -
Gender (Boys)		50.0%		50.3%	-0.3% 100.0%
SEN Support		27.3%		13.8%	+13.5% 98.8%
EHCP/Statement		0.0%		4.0%	-4.0% 98.8%
Ethnicity (BME)		13.6%		48.3%	-34.7% 98.8%
Language (EAL)		13.6%		34.2%	-20.6% 100.0%
Disadvantaged		45.5%		29.7%	+15.8% 100.0%

ASSESSMENTS

		Shirley Manor Primary School (2077)		Local Authority - Bradford	
Subject	Level	Value		Value	Gap
Reading	≥EXS	63.6%		62.7%	+0.9%
	GDS	9.1%		12.3%	-3.2%
Writing	≥EXS	54.5%		55.5%	-1.0%
	GDS	4.5%		5.4%	-0.9%
Maths	≥EXS	68.2%		64.6%	+3.6%
	GDS	9.1%		11.5%	-2.4%

- = value suppressed, negligible or unavailable

KS2 Teacher Assessment

Teacher Assessment gives a more accurate view of children's ability. These results were moderated by the Local Authority, Family of Learning Trust, West Yorkshire Maths Hub and other local schools.

Reading 73%

Writing 64%

Maths 67%

KS2 SATS

Expected

SMPA Reading 43%

Writing 64%

Maths 47%

RWM 40%

NA Reading 73%

Writing 73%

Maths 71%

RWM 59%

Shirley Manor Primary Academy

Trustees' Report

Year ended 31 August 2023



Key Stage 2

CONTEXT		Shirley Manor Primary School (2077)		Local Authority - Bradford	
Item		Value	Cov.	Value	Gap
Cohort		30	-	8,032	n/a
Gender (Boys)		33.3%	100.0%	50.7%	-17.4%
SEN Support		26.7%	100.0%	16.8%	+9.9%
EHCP/Statement		0.0%	100.0%	4.1%	-4.1%
Ethnicity (BME)		10.0%	100.0%	51.6%	-41.6%
Language (EAL)		10.0%	100.0%	39.7%	-29.7%
Disadvantaged		46.7%	100.0%	34.1%	+12.6%

ATTAINMENT & ASSESSMENTS

		Shirley Manor Primary School (2077)		Local Authority - Bradford	
Subject	Level	Value		Value	Gap
Reading (test), Writing (TA) & Maths (test)	≥EXS/Exp.Std.	40.0%		56.4%	-16.4%
	GDS/High Score	3.3%		5.8%	-2.5%
Reading	≥Exp.Std.	43.3%		68.7%	-25.4%
	High Score	16.7%		22.2%	-5.5%
Writing (TA)	≥EXS	63.3%		70.4%	-7.1%
	GDS	6.7%		11.4%	-4.7%
Maths (test)	≥Exp.Std.	46.7%		71.4%	-24.7%
	High Score	10.0%		20.0%	-10.0%

Key Performance Indicators

School characteristics

	2021	2022	2023
School number on roll	Close to average 222	Below average 208	Below average 206
School % FSM	Well above average 51	Well above average 53	Well above average 52
School % SEND support	Well above average 24	Well above average 28	Well above average 25
School % EHC plan	Close to average 1.8	Close to average 1.9	Below average 1.5
School % EAL	Close to average 5	Close to average 5	Close to average 8
School % stability	Below average 78	Close to average 80	Close to average 81
Pupil base deprivation	Well above average	Well above average	Well above average
	2021	2022	2023
School location deprivation	Well above average	Well above average	Well above average

Shirley Manor Primary Academy

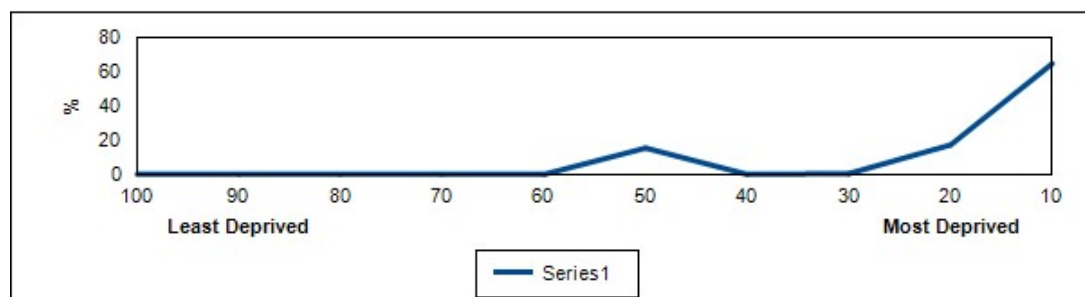
Trustees' Report

Year ended 31 August 2023

Deprivation

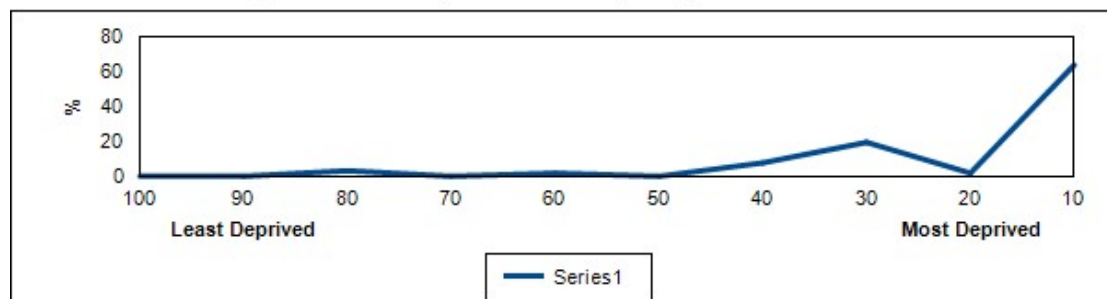
Shirley Manor Primary School is situated in the Bradford South area of the city within the Wyke ward. 84.2% of the school cohort live in the 30% most deprived areas of England. Based on the Index of Multiple Deprivation (IMD), the school is ranked 64th out of 156 primary schools (where 1 equals the most deprived).

2020/21 Index of Multiple Deprivation (IMD):



*Where 1 is the most deprived Primary School in Bradford

2020/21 The Income Deprivation Affecting Children Index (IDACI):



*Where 1 is the most deprived Primary School in Bradford

Attendance

Attendance

In 2022/23 the overall absence rate was 7.5%, which is 0.2% greater than the national percentage of 7.3%. This is 0.4% higher than the previous year.

The percentage of sessions recorded as authorised absence was 5.0% and unauthorised absence was 2.5%. Persistent absence was 22.3% compared to 21.1% nationally.

Going Concern

After making appropriate enquiries, the Board of Trustees have a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Shirley Manor Primary Academy

Trustees' Report

Year ended 31 August 2023

Financial Review

Most of the academy trust's income is generated from the Education and Skills Funding Agency (ESFA) and the Local Authority (LA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during the year and associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31 August 2023 the excess of expenditure over income on restricted funds, excluding pension fund movement and fixed asset funds, was £134,278.

The excess of income over expenditure on unrestricted funds was £848 for the period. This can be used for any purposes within the Academy's charitable objects.

The Academy also received capital funding of £20,702 during the period. Details are shown in note 2.

The Academy held unrestricted funds as at 31 August 2023 of £85,021. Total restricted funds were £1,892,931, including the pension scheme reserve of £22,000. The Fixed Asset funds as at 31 August 2023 were £1,770,530.

The governing body annually monitors the three-year budgets to ensure the trust remains financially viable.

Reserves Policy

The trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

As at 31 August 2023, the academy trust held £85,021 in unrestricted funds and £100,401 in restricted reserves (excluding pension liability). The trustees believe that these funds are sufficient for future operational requirements.

The deficit in the Local Government Pension Scheme (LGPS) is recognised on the balance sheet in accordance with the provision of FRS102.

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Principal within strict guidelines approved by the board of trustees.

Principal risks and uncertainties

The trustees assess major risks to which the academy trust is exposed, in particular those relating to the specific provision of teaching, facilities management, pupil welfare and other operational areas of the academy trust and its finances. Procedures are in place to safeguard children and staff and systems are in place to assess health and safety issues. A number of systems are in place in relation to the control of finance and where significant financial risk still remains there is adequate insurance cover.

The trustees observe that there are continuing changes to the environment in which the academy trust operates and as such will be monitoring risks on a quarterly basis.

The risk management process will cover:

- the type of risk the academy trust faces;
- the level of risks which they regard as acceptable;
- the likelihood of risks materialising;
- the academy trust's ability to reduce the incidence and the impact on the academy trust's operations of risks that do materialise;
- the cost of operating particular controls relative to the benefits obtained; and
- develop systems to respond quickly to evolving risks arising from factors within the academy trust and to changes in the external environment.

Financial and risk management objectives and policies

The Academy Trust's dealings with financial instruments are limited to bank accounts, creditors and debtors. This limitation serves to minimise credit and liquidity risks when this is combined with the nature the Academy Trust's debtors (being principally Government bodies and other schools) and therefore the risk to cash flow is also minimal.

Plans for Future Periods

The main priorities for future financial planning are:

- Continue with Education Endowment Fund research projects
- Explore funding streams; and

Shirley Manor Primary Academy

Trustees' Report

Year ended 31 August 2023

- Fully meeting the objects of our Articles in particular the curriculum and developing the capacity and skills of those inhabitants of the area of benefit who are socially and economically disadvantaged in such a way that they feel they are better able to identify and help meet their needs and participate fully in society.

Auditors

Insofar as the trustees are aware:

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

Approved by order of the board of trustees 13 Dec 2023 and signed on its behalf by:

Stephen Holmes

..S.Holmes.(Dec.13, 2023,...

9:04pm)
Mr S Holmes

Chair of Trustees

Shirley Manor Primary Academy

Governance Statement

Year ended 31 August 2023

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Shirley Manor Primary Academy and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the year.

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

Attendance 2022/23 (September – July)

FULL GOV BODY

	Meetings attended	Out of a possible
Mrs Donna McGuire	5	6
Mrs T Copley (staff trustee)	6	6
Mrs G Whitmore (staff trustee)	4	6
Ms L Doherty-Bedford	3	6
Mrs H Lacey	6	6
Mrs L Brown	3	6
Mr N Chivers	5	6
Mr S Holmes	5	6
Mr N Reynolds	5	6

The Resources Committee of is a sub-committee of the main board of trustees. Its purpose is to:

- Assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility;
- Ensure sound management of the Academy's finances and resources including the buildings;
- Ensure that the Academy undertakes proper planning, monitoring and probity;
- Ensure that financial transactions give good value for money;
- Make appropriate comment and recommendations of such matters to the governing body on a regular basis; and

Major issues will be referred to the full governing body for ratification

Attendance during the year at meetings was as follows:

RESOURCES COMMITTEE

	Meetings attended	Out of a possible
Mrs T Copley (staff trustee)	6	6
Mrs H Lacey	6	6
Mr N Chivers	5	6
Mr S Holmes	6	6
Mrs L Dougherty-Bedford	3	6

Shirley Manor Primary Academy

Governance Statement

Year ended 31 August 2023

Review of Value for Money

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

The accounting officer considers how the 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:

- We set Targets and closely monitor teaching and learning to ensure that all pupils, including disadvantaged and those with Special Educational Needs and Disability, make the best possible progress from their starting points,
- Quarterly budget monitoring is presented to the Finance & General Purposes Committee for review and approval;
- We ensure that the Academy's Finance Policy and Procedures are adhered to;
- When looking at ways to maintain and improve our school we obtain a range of quotes looking for good prices and best value.
- The trust obtains a minimum of three quotations for any goods or services exceeding £10,000.
- Trustees ensure that all statutory health and safety, environmental and estate related requirements are covered by contracted services.
- The trustees undertake an annual benchmarking exercise, comparing our financial data against other similar academies.

The Purpose and 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 Shirley Manor Primary Academy for the period from 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal scrutiny function. The Finance Director of another local Multi Academy Trust was appointed to carry out an internal review of the academy's financial, HR and payroll systems and controls. This was undertaken in March 2023. No material control issues were noted.

On an annual basis, the reviewer reports to the board of trustees, through the resources committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. On an annual basis the reviewer prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Shirley Manor Primary Academy

Governance Statement

Year ended 31 August 2023


Review of Effectiveness

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

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

The accounting officer has been advised of the implications of the results of their review of the system of internal control by the resources committee – a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on **14 Dec 2023** and signed on its behalf by:


.....
H Lacey (Dec 14, 2023, 10:22am)
.....
Mrs H Lacey
Accounting Officer


.....
S Holmes (Dec 13, 2023, 9:04pm)
.....
Mr S Holmes
Chair of Trustees

Shirley Manor Primary Academy

Statement of Regularity, Propriety and Compliance

Year ended 31 August 2023

As accounting officer of Shirley Manor Primary Academy I have considered my responsibility to notify the Academy Trust Board of Directors and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2022, including responsibilities for estates safety and management.

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

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



H Lacey (Dec 14, 2023,
10:22am)

.....
Mrs H Lacey
Accounting Officer

14 Dec 2023
.....

Shirley Manor Primary Academy

Statement of Trustees' Responsibilities

Year ended 31 August 2023

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

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

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

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

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

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

13 Dec 2023

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

Stephen Holmes

S Holmes (Dec 13, 2023,
9:04pm).....

Mr S Holmes
Chair of trustees

Shirley Manor Primary Academy

Independent Auditor's Report to the Members of Shirley Manor Primary Academy (continued)

Year ended 31 August 2023

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy 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 trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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.

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Shirley Manor Primary Academy

Independent Auditor's Report to the Members of Shirley Manor Primary Academy (continued)

Year ended 31 August 2023

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13 the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 academy trust or to cease operations, 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 included 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. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charity and the charity sector, we identified that the principal risks of non-compliance with law and regulations related to the Charities Act 2011 and the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the audit procedures performed included:

- discussions with management including consideration of known or suspected instances of non-compliance with laws, regulation and fraud;
- challenging assumptions and judgements made by management in their significant accounting estimates;
- testing of non-purchase and sales ledger bank transactions;
- testing the appropriateness of journal entries;
- testing of purchase invoice authorisations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Alistair Russell (Dec 14, 2023,
10:25am)

Alistair Russell FCA
For and on behalf of
Gibson Booth Chartered Accountants
and Statutory Auditors
New Court
Abbey Road North
Shepley
Huddersfield
HD8 8BJ

14 Dec 2023
.....

Shirley Manor Primary Academy

Independent Reporting Accountant's Assurance Report on Regularity to Shirley Manor Primary Academy and the Education and Skills Funding Agency

Year ended 31 August 2023

In accordance with the terms of our engagement letter dated 16 August 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Shirley Manor Primary Academy during the period from 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Shirley Manor Primary Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Shirley Manor Primary Academy 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 Shirley Manor Primary Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Shirley Manor Primary Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Shirley Manor Primary Academy's funding agreement with the Secretary of State for Education dated 26 February 2014 and the Academies Financial Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Report 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 our conclusions includes:

- an initial risk assessment, the results of which were used to tailor a specific work programme to ensure sufficient appropriate evidence could be obtained to support the conclusion;
- a review of the academy trust's accounting and internal control procedures; and
- consideration and review of the evidence supporting the accounting officer's statement on regularity, propriety and compliance.

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 from 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Alistair Russell (Dec 14,
2023, 10:25am)
Gibson Booth Chartered Accountants
New Court
Abbey Road North
Shepley
Huddersfield
HD8 8BJ

14 Dec 2023

Shirley Manor Primary Academy

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

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2023	Total 2022
	Note	£	£	£	£	£
Income and endowments from:						
Donations and capital grants	2	3,020	-	20,702	23,722	24,957
Charitable activities:						
Funding for the academy trust's						
educational operations	3	-	1,382,986	-	1,382,986	1,397,760
Other trading activities	4	752	-	-	752	2,430
Investments	5	76	-	-	76	65
Total		<u>3,848</u>	<u>1,382,986</u>	<u>20,702</u>	<u>1,407,536</u>	<u>1,425,212</u>
Expenditure on:						
Charitable activities:						
Academy trust educational operations		3,000	1,489,409	48,557	1,540,966	1,481,535
Total	6,7	<u>3,000</u>	<u>1,489,409</u>	<u>48,557</u>	<u>1,540,966</u>	<u>1,481,535</u>
Net income / (expenditure)		848	(106,423)	(27,855)	(133,430)	(56,323)
Transfers between funds	15	-	-	-	-	-
Other recognised losses:						
Actuarial gains on defined benefit pension schemes	15,21	-	260,000	-	260,000	1,168,000
Net movement in funds		<u>848</u>	<u>153,577</u>	<u>(27,855)</u>	<u>126,570</u>	<u>1,111,677</u>
Reconciliation of funds						
Total funds brought forward		84,173	(31,176)	1,798,385	1,851,382	739,705
Total funds carried forward		<u>85,021</u>	<u>122,401</u>	<u>1,770,530</u>	<u>1,977,952</u>	<u>1,851,382</u>

Shirley Manor Primary Academy
Balance Sheet as at 31 August 2023

		2023	2022
	Note	£	£
Fixed assets			
Tangible assets	11	1,748,809	1,788,577
Current assets			
Stock	12	694	694
Debtors	13	62,221	71,224
Cash at bank and in hand		196,319	251,524
		259,234	323,442
Creditors: Amounts falling due within one year	14	(52,091)	(64,637)
Net current assets		207,143	258,805
Total assets less current liabilities		1,955,952	2,047,382
Net assets excluding pension liability		1,955,952	2,047,382
Defined benefit pension scheme asset/ (liability)	21	22,000	(196,000)
Total assets		1,977,952	1,851,382
Funds of the academy trust:			
Restricted funds			
Fixed asset fund	15	1,770,530	1,798,385
Restricted income fund	15	100,401	164,824
Pension reserve	15	22,000	(196,000)
Total restricted funds		1,892,931	1,767,209
Unrestricted income funds	15	85,021	84,173
Total funds		1,977,952	1,851,382

13 Dec 2023

The financial statements on pages 19 - 35 were approved by the Trustees, and authorised for issue on and are signed on their behalf by:

Stephen Holmes

S Holmes (Dec 13, 2023,
9:04pm)

Mr S Holmes

Chair of Trustees

Company Registration Number: 08842936

Shirley Manor Primary Academy

Statement of Cash Flows for the year ended 31 August 2023

		2023	2022
	Note	£	£
Cash flows from operating activities			
Net cash used in/ provided by operating activities	18	(67,118)	108,608
Cash flows from investing activities			
Purchase of tangible fixed assets		(8,789)	(28,337)
Capital grants from DfE/ESFA		20,702	6,457
		<u>11,913</u>	<u>(21,880)</u>
Change in cash and cash equivalents in the reporting period		<u>(55,205)</u>	<u>86,728</u>
Cash and cash equivalents at 1 September 2022		251,524	164,796
Cash and cash equivalents at the 31 August 2023		<u>196,319</u>	<u>251,524</u>

Shirley Manor Primary Academy

Notes to the Financial Statements for the year ended 31 August 2023

1 Statement of Accounting Policies

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

Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Shirley Manor Primary Academy Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

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

Income

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

Grants

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

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

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

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.

Donated goods, facilities and services

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be 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.

Shirley Manor Primary Academy

Notes to the Financial Statements for the year ended 31 August 2023

1 Statement of Accounting Policies (continued)

Expenditure

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

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.

Tangible Fixed Assets

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

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

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

Leasehold land	Over 125 years, the term of the lease
Leasehold buildings	2% straight line
Fixtures, fittings and equipment	20% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use. Leasehold land and buildings are leased under a 125 year lease from Bradford Council. No rent is charged.

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

Liabilities

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

Provisions

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

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

Leased Assets

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

Shirley Manor Primary Academy

Notes to the Financial Statements for the year ended 31 August 2023

1 Statement of Accounting Policies (continued)

Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Stock

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

Taxation

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

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

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund Accounting

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

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

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

Shirley Manor Primary Academy

Notes to the Financial Statements for the year ended 31 August 2023

1 Statement of Accounting Policies (continued)

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pensions 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 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets.

Critical areas of judgement

No significant judgements have been made in the process of applying the entity's accounting policies.

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Shirley Manor Primary Academy

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

2 Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Capital Grants	-	20,702	20,702
Donations	3,020	-	3,020
	<u>3,020</u>	<u>20,702</u>	<u>23,722</u>
	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Capital Grants	-	6,457	6,457
Donations	18,500	-	-
	<u>18,500</u>	<u>6,457</u>	<u>6,457</u>

3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
DfE / ESFA grants			
General Annual Grant (GAG)	-	1,004,409	1,004,409
Rates relief	-	3,686	3,686
UFSM	-	12,359	12,359
PE grant	-	17,690	17,690
Pupil premium	-	140,989	140,989
	<u>-</u>	<u>1,179,134</u>	<u>1,179,134</u>
Other Government grants			
Local authority grants	-	99,117	99,117
Other Government grants	-	75,243	75,243
	<u>-</u>	<u>174,360</u>	<u>174,360</u>
Other income from the academy trust's educational operations	-	29,492	29,492
	<u>-</u>	<u>1,382,986</u>	<u>1,382,986</u>
	Unrestricted Funds £	Restricted Funds £	Total 2022 £
DfE / ESFA grants			
General Annual Grant (GAG)	-	1,051,911	1,051,911
Rates relief	-	11,024	11,024
UFSM	-	13,813	13,813
PE grant	-	17,840	17,840
Pupil premium	-	144,577	144,577
	<u>-</u>	<u>1,239,165</u>	<u>1,239,165</u>
Other Government grants			
Local authority grants	-	94,754	94,754
Other Government grants	-	46,199	46,199
	<u>-</u>	<u>140,953</u>	<u>140,953</u>
Other income from the academy trust's educational operations	-	17,642	17,642
	<u>-</u>	<u>1,397,760</u>	<u>1,397,760</u>

Shirley Manor Primary Academy

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

4 Other trading activities

	Unrestricted Funds	Restricted Funds	Total 2023
	£	£	£
Hire of facilities	752	-	752
Nursery income	-	-	-
	<u>752</u>	<u>-</u>	<u>752</u>
	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£
Hire of facilities	1,854	-	1,854
Nursery income	576	-	576
	<u>2,430</u>	<u>-</u>	<u>2,430</u>

5 Investment income

	Unrestricted Funds	Restricted Funds	Total 2023
	£	£	£
Deposit account interest	76	-	76
	<u>76</u>	<u>-</u>	<u>76</u>
	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£
Deposit account interest	65	-	65
	<u>65</u>	<u>-</u>	<u>65</u>

6 Expenditure

	Staff Costs	Non Pay Expenditure		Total
		Premises	Other	2023
	£	£	£	£
Academy's educational operations:				
Direct costs	822,116	48,557	100,337	971,010
Allocated support costs	166,416	138,101	265,439	569,956
	<u>988,532</u>	<u>186,658</u>	<u>365,776</u>	<u>1,540,966</u>
	Staff Costs	Non Pay Expenditure		Total
		Premises	Other	2022
	£	£	£	£
Academy's educational operations:				
Direct costs	803,103	47,256	72,467	922,826
Allocated support costs	255,014	93,832	209,864	558,710
	<u>1,058,117</u>	<u>141,088</u>	<u>282,331</u>	<u>1,481,536</u>

Net income/(expenditure) for the period includes:

	2023	2022
	£	£
Operating lease rentals	2,123	1,726
Depreciation	48,557	47,256
Fees payable to auditor for:		
- audit	3,500	3,500
- other services	<u>1,100</u>	<u>800</u>

Shirley Manor Primary Academy

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

7 Charitable Activities

	Total 2023 £	Total 2022 £
Direct costs – educational operations	971,010	944,816
Support costs – educational operations	569,956	493,114
	<u>1,540,966</u>	<u>1,437,930</u>

Analysis of support costs	Educational operations £	Total 2023 £	Educational operations £	Total 2022 £
Support staff costs	166,416	166,416	255,014	255,014
Technology costs	5,152	5,152	1,515	1,515
Premises costs	138,101	138,101	93,832	93,832
Catering costs	61,347	61,347	31,498	31,498
Other support costs	193,586	193,586	170,201	170,201
Governance costs	5,344	5,344	6,650	6,650
Total support costs	<u>569,946</u>	<u>569,946</u>	<u>558,710</u>	<u>558,710</u>

8 Staff

a. Staff costs

Staff costs during the period were:

	Total 2023 £	Total 2022 £
Wages and salaries	735,506	716,001
Social security costs	66,652	68,007
Operating costs of defined benefit pension schemes	186,374	274,109
	<u>988,532</u>	<u>1,058,117</u>

b. Staff numbers

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

	2023 No.	2022 No.
Teachers	9	9
Administration and support	15	16
Management	3	3
	<u>27</u>	<u>28</u>

Shirley Manor Primary Academy

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

c. Higher paid staff

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

	2023	2022
	No.	No.
£60,001 - £70,000	1	1

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £246,541 (2022: £240,665).

9 Related Party Transactions - Trustees' Remuneration and Expenses

One or more 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.

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

Mrs H Lacey (principal and trustee, appointed 1 September 2016):

- . Remuneration: £75,000 - £80,000 (2022: £65,000 - £70,000)
- . Employer's pension contributions paid: £15,000 - £20,000 (2022: £15,000 - £20,000)

Staff trustee 1 (staff trustee):

- . Remuneration: £35,000 - £40,000 (2022: £30,000 - £35,000)
- . Employer's pension contributions paid: £5,000 - £10,000 (2022: £5,000 - £10,000)

Staff trustee 2 (staff trustee):

- . Remuneration: £50,000 - £55,000 (2022: £45,000 - £50,000)
- . Employer's pension contributions paid: £10,000 - £15,000 (2022: £10,000 - £15,000)

During the period ended 31 August 2023, no travel and subsistence expenses were reimbursed or paid directly to trustees (2022: none).

Other related party transactions involving the trustees are set out in note 22.

10 Trustees' and Officers' Insurance

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

Shirley Manor Primary Academy

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

11 Tangible Fixed Assets

	Leasehold Land and Buildings	Furniture and Equipment	Total
	£	£	£
Cost			
At 1 September 2022	2,101,468	67,575	2,169,043
Additions	2,970	5,819	8,789
At 31 August 2023	<u>2,104,438</u>	<u>73,394</u>	<u>2,177,832</u>
Depreciation			
At 1 September 2022	328,210	52,256	380,466
Charged in year	41,038	7,519	48,557
At 31 August 2023	<u>369,248</u>	<u>59,775</u>	<u>429,023</u>
Net book values			
At 31 August 2023	<u>1,735,190</u>	<u>13,619</u>	<u>1,748,809</u>
At 31 August 2022	<u>1,773,258</u>	<u>15,319</u>	<u>1,788,577</u>

12 Stock

	2023	2022
	£	£
Clothing	694	694
	<u>694</u>	<u>694</u>

13 Debtors

	2023	2022
	£	£
Other debtors	18,218	23,796
Prepayments and accrued income	44,003	47,428
	<u>62,221</u>	<u>71,224</u>

14 Creditors: Amounts falling due within one year

	2023	2022
	£	£
Other creditors	-	8,644
Accruals and deferred income	52,091	55,993
	<u>52,091</u>	<u>64,637</u>
Deferred income		
	2023	2022
	£	£
Deferred income at 1 September 2022	27,752	49,347
Released from previous years	(27,752)	(49,347)
Resources deferred in the year	27,667	27,752
Deferred Income at 31 August 2023	<u>27,667</u>	<u>27,752</u>

Deferred income at the year-end included free school meals income received in advance.

Shirley Manor Primary Academy

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

15 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	164,824	1,004,409	(1,068,832)	-	100,401
Other DfE/ESFA grants	-	349,084	(349,084)	-	-
Other income	-	29,493	(29,493)	-	-
Pension reserve	(196,000)	-	(42,000)	260,000	22,000
	<u>(31,176)</u>	<u>1,382,986</u>	<u>(1,489,409)</u>	<u>260,000</u>	<u>122,401</u>
Restricted fixed asset funds					
Transfer on conversion	1,571,210	-	(36,999)	-	1,534,211
DfE/ESFA capital grants	208,858	20,702	(11,188)	-	218,372
Assets from unrestricted income	18,317	-	(370)	-	17,947
	<u>1,798,385</u>	<u>20,702</u>	<u>(48,557)</u>	<u>-</u>	<u>1,770,530</u>
Total restricted funds	<u>1,767,209</u>	<u>1,403,688</u>	<u>(1,537,966)</u>	<u>260,000</u>	<u>1,892,931</u>
Total unrestricted funds	<u>84,173</u>	<u>3,848</u>	<u>(3,000)</u>	<u>-</u>	<u>85,021</u>
Total funds	<u>1,851,382</u>	<u>1,407,536</u>	<u>(1,540,966)</u>	<u>260,000</u>	<u>1,977,952</u>

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 2023.

The restricted general funds relate to grants and other income receivable from the DfE, ESFA and other sources towards the operating activities of the academy trust.

The restricted fixed asset funds represent the net book values of donated fixed assets and assets purchased out of income from other sources which are held for the continuing use of the academy trust.

Comparative information in respect of the preceeding year is as follows:

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	40,386	1,051,911	(927,473)	-	164,824
Other DfE/ESFA grants	-	187,254	(187,254)	-	-
Other income	10,958	158,595	(169,553)	-	-
Pension reserve	(1,214,000)	-	(150,000)	1,168,000	(196,000)
	<u>(1,162,656)</u>	<u>1,397,760</u>	<u>(1,434,280)</u>	<u>1,168,000</u>	<u>(31,176)</u>
Restricted fixed asset funds					
Restricted fixed asset funds					
Transfer on conversion	1,607,972	-	(36,762)	-	1,571,210
DfE/ESFA capital grants	212,711	6,457	(10,310)	-	208,858
Assets from unrestricted income	-	-	(183)	18,500	18,317
	<u>1,820,683</u>	<u>6,457</u>	<u>(47,255)</u>	<u>18,500</u>	<u>1,798,385</u>
Total restricted funds	<u>658,027</u>	<u>1,404,217</u>	<u>(1,481,535)</u>	<u>1,186,500</u>	<u>1,767,209</u>
Total unrestricted funds	<u>81,678</u>	<u>20,995</u>	<u>-</u>	<u>(18,500)</u>	<u>84,173</u>
Total funds	<u>739,705</u>	<u>1,425,212</u>	<u>(1,481,535)</u>	<u>1,168,000</u>	<u>1,851,382</u>

The restricted fixed asset funds represent the net book values of donated fixed assets and assets purchased out of income from other sources which are held for the continuing use of the academy trust.

Shirley Manor Primary Academy

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

16 Analysis of Net Assets between Funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	-	1,748,809	1,748,809
Current assets	88,021	130,992	21,721	259,234
Current liabilities	-	(52,091)	-	(52,091)
Pension scheme liability	-	22,000	-	22,000
Total net assets	<u>88,021</u>	<u>100,901</u>	<u>1,770,530</u>	<u>1,977,952</u>

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	-	1,788,577	1,788,577
Current assets	84,173	229,462	9,806	323,442
Current liabilities	-	(64,637)	-	(64,637)
Pension scheme liability	-	(196,000)	-	(196,000)
Total net assets	<u>84,173</u>	<u>(31,175)</u>	<u>1,798,383</u>	<u>1,851,382</u>

17 Commitments under operating leases

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

	2022 £	2021 £
Amounts due within one year	2,123	2,123
Amounts due between one and five years	<u>4,496</u>	<u>6,620</u>
	<u>6,619</u>	<u>8,743</u>

Shirley Manor Primary Academy

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

18 Reconciliation of Net Expenditure to Net Cash Flow from

Operating Activities

	2023	2022
	£	£
Net expenditure for the reporting period	(133,430)	(56,323)
Adjusted for:		
Depreciation charges (note 11)	48,557	47,256
Capital grants from DfE and other capital income (note 2)	(20,702)	(6,457)
Defined benefit pension scheme cost less contributions payable (note 21)	35,000	130,000
Defined benefit pension scheme finance cost (note 21)	7,000	20,000
Decrease/ (increase) in debtors	9,003	(24,887)
Decrease in creditors	(12,546)	(980)
	<u>(67,118)</u>	<u>108,608</u>

19 Analysis of changes in net debt

	1 Sep 22	Cash flows	31 Aug 23
	£	£	£
Cash	<u>251,524</u>	<u>(55,205)</u>	<u>196,319</u>
Total	<u>251,524</u>	<u>(55,205)</u>	<u>196,319</u>

20 Members' Liability

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

21 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 West Yorkshire Pension Fund. Both are multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 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 full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers 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. 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 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer
- 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;
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations;
- 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 is 4.45%.

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

Shirley Manor Primary Academy

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

21 Pension and Similar Obligations (continued)

The pension costs paid to TPS in the period amounted to £85,374 (2022: £71,109).

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 a multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds.

The total contribution made for the year ended 31 August 2023 was £80,000 (2022: £72,000), of which employer's contributions totalled £59,000 (2022: £53,000) and employees' contributions totalled £21,000 (2022: £19,000). The agreed contribution rates for future years are 12.50% for employers and between 5.50% and 12.50% for employees.

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

Principal Actuarial Assumptions	At 31 August 2023	At 31 August 2022
Rate of increase in salaries	3.85%	3.95%
Rate of increase for pensions in payment/inflation	2.60%	2.70%
Discount rate for scheme liabilities	5.00%	4.00%
Inflation assumption (CPI)	2.60%	2.70%

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

	At 31 August 2023	At 31 August 2022
<i>Retiring today</i>		
Males	21.0	21.8
Females	24.1	24.6
<i>Retiring in 20 years</i>		
Males	22.2	22.5
Females	25.1	25.7

Sensitivity analysis on obligations

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31 August 2023 is set below:

	At 31 August 2023 £	At 31 August 2022 £
Discount rate + 0.1%	1,252,000	1,326,000
Discount rate - 0.1%	1,312,000	1,404,000
Mortality assumption - 1 year increase	1,249,000	1,324,000
Mortality assumption - 1 year decrease	1,313,000	1,404,000
CPI rate + 0.1%	1,308,000	1,397,000
CPI rate - 0.1%	1,255,000	1,333,000

Shirley Manor Primary Academy

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

21 Pension and Similar Obligations (continued)

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

	Fair value at 31 August 2023	Fair value at 31 August 2022
	£	£
Equity instruments	1,044,000	932,000
Debt instruments	206,000	172,000
Property	43,000	46,000
Other	10,000	18,000
Total market value of assets	<u>1,303,000</u>	<u>1,168,000</u>

The actual return on scheme assets was £63,000 (2022: £14,000).

Amounts recognised in the statement of financial activities

	2023 £	2022 £
Current service cost	(94,000)	(183,000)
Net interest cost	<u>(7,000)</u>	<u>(20,000)</u>
Total operating charge	<u>(101,000)</u>	<u>(203,000)</u>

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

	2023 £	2022 £
At 1 September	1,364,000	2,305,000
Current service cost	94,000	183,000
Interest cost	55,000	39,000
Employee contributions	21,000	19,000
Actuarial (gain) / loss	(245,000)	(1,173,000)
Benefits paid	(8,000)	(9,000)
Plan introductions, benefit changes, curtailments and settlements		
At 31 August	<u>1,281,000</u>	<u>1,364,000</u>

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

	2023 £	2022 £
At 1 September	1,168,000	1,091,000
Interest income	48,000	19,000
Actuarial gain/ (loss)	15,000	(5,000)
Employer contributions	59,000	53,000
Employee contributions	21,000	19,000
Benefits paid	<u>(8,000)</u>	<u>(9,000)</u>
At 31 August	<u>1,303,000</u>	<u>1,168,000</u>

22 Related Party Transactions

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

23 Post balance sheet event

After the year end, the academy agreed to join a multi academy trust from 1 December 2023.