

Company registration number 08916979 (England and Wales)

DAYS LANE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

DAYS LANE PRIMARY SCHOOL

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DAYS LANE PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Members

S Self
J Ward
C Lancett (From 25 November 2022)

Trustees

C Lancett (Co-Chair)
L Larkins (Co-Chair)
N Martin (Resigned 9 January 2023)
G Self
J Trusty (Accounting Officer)
J Ward
A Chibber (Trustee) (Appointed 20 February 2023)
C Marriott (Appointed 1 September 2023)
J O'Donnell (Appointed 1 September 2023)
F Akande (Appointed 1 September 2023)

Senior management team

- Head Teacher and Accounting Officer
- Deputy Head Teacher
- Deputy Head Teacher
- Assistant Head Teacher
- Assistant Head Teacher
- Assistant Head Teacher
- School Business Manager

J Trusty
R Lang (resigned 31/08/2023)
G Kenward
V Stewart
E Mills
C Drummond
B South

Company registration number

08916979 (England and Wales)

Principal and registered office

Days Lane
Sidcup
Kent
DA15 8JU
United Kingdom

Independent auditor

Azets Audit Services
First Floor
River House
1 Maidstone Road
Sidcup
Kent
DA14 5RH
United Kingdom

Bankers

Lloyds Bank
39 Threadneedle Street
Po Box 1000
London
BX1 1LT
United Kingdom

DAYS LANE PRIMARY SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The academy trust operates a single academy for pupils aged 3 to 11, serving a catchment area in Bexley. It has a pupil capacity of 630 (669 including Nursery) and had a roll of 624 (663 including Nursery) in the school census on 6th October 2022.

Structure, governance and management

Constitution

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

The charitable company operates as Days Lane Primary School.

The trustees of Days Lane Primary School are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 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

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 Trustees are indemnified in respect of their duties on behalf of Days Lane Primary School to the extent that they are covered within the specific provisions contained within the ESFA Risk Protection Arrangement. This insurance provides unlimited cover in respect on any one claim.

Method of recruitment and appointment or election of Trustees

The Articles of Association require the following: 3 members, up to 6 appointed governors, up to 2 Staff Governors, 2 to 4 Parent Governors, the Head Teacher and any number of co-opted governors. Parent and Staff Governors are elected: appointed governors are appointed by the Governing Body, following nomination based on their experience and professional skills.

The Governors are directors of the Academy for the purposes of the Companies Act 2006 act and Trustees for the purposes of charity legislation. The term of office for any Governor shall be 4 years save that this time limit shall not apply to the Head Teacher. Subject to remaining eligible to be a particular type of trustee, any trustee may be re-appointed or re-elected.

Policies and procedures adopted for the induction and training of Trustees

The full Trust Board met 3 times during the year. Trustees are provided with all relevant documents that they will need to undertake their roles. All Board meetings were held in person at the school site. Training for governors was delivered virtually during the year by Bexley Council and school managed online platforms.

Organisational structure

Governors, in conjunction with the Head Teacher are responsible for the strategic direction of the company, and the senior leadership of the Academy are responsible for the operational management within the Academy. The Head Teacher is the Accounting Officer.

The Governing Body have a number of governors' with delegated terms of reference: Curriculum Finance, Staffing and General Purpose and Pay. They report back to the full governing body with recommendations or decisions made under their delegated powers.

DAYS LANE PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Arrangements for setting pay and remuneration of key management personnel

The Trustees have agreed a Pay Policy under the jurisdiction of the Pay Committee and using London Borough of Bexley guidance.

Related parties and other connected charities and organisations

There are no third party organisations under the management and control of the Governors.

Objectives and activities

Objects and aims

School Improvement Plan :

Priority 1: Teaching and learning is consistently good, with a focus on effectively identifying gaps in learning, resulting in all children 'catching up' and on track to make at least good progress over time. A key focus will be in writing across the school through the introduction of Talk for Writing, and in particular increasing the number of pupils achieving greater depth.

Priority 2: To further develop planning and assessment practices in foundation subjects, to enable teachers to accurately assess the children's learning and address gaps in their knowledge, skills and vocabulary, so that pupils effectively build on and apply what they have learnt previously.

Priority 3: To ensure that all pupils with SEND can access the full curriculum, which will enable them to make good progress from their starting point.

Priority 4: To continue developing subject leaders to monitor and evaluate the strengths and areas for development within their subject/area and implement changes for improvement.

Objectives, strategies and activities

The principle activity is the operation of Days Lane Primary School to provide education for pupils between the ages of 3 and 11. Days Lane Primary School is a former local authority primary school and is a very popular and successful community school providing an inclusive, caring and stimulating learning environment for children aged three to eleven. The school has a tradition of high academic standards and is a good school with outstanding features. At Days Lane children's' attainment is well above the national average in EYFS, KS1 and KS2. The children enjoy an exciting range of enrichment and extra curriculum activities. Our recent Ofsted inspection, in March 2023, confirmed that Days Lane continues to be a good school.

We believe that education is a partnership. Staff, Trustees and parents/carers work closely together to support children's learning and community links are strong. We strive for excellence and set high standards for all. Good can never be good enough for our children and we aspire to be an outstanding school. Children's learning, achievement and well-being are at the centre of all that we do. We encourage children's progress and celebrate their achievements. We are always looking for ways to further improve and build on what we have already achieved because we believe that children deserve the very best.

Public benefit

In setting our objectives and planning our activities, the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

DAYS LANE PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and performance

The school was inspected by Ofsted in March 2023.

The school retained its overall judgement of good with behavior and attitudes were judged to be outstanding. The report recognises many of our strengths, which include:

- Pupils enjoy coming to Days Lane Primary School.
- They are excited about their learning and want to achieve well.
- Leaders provide an inclusive curriculum and have high expectations of all pupils
- Leaders have identified the key knowledge, skills and vocabulary that pupils need to learn
- Leaders place a high priority on reading
- Pupils have highly positive attitudes to learning
- Leaders identify the needs of pupils with SEND accurately. They support pupils with SEND so they access the same curriculum as others, where appropriate.
- Leaders support pupils to develop their character and personal development.
- Behaviour across the school is excellent.
- Arrangements for safeguarding are effective and leaders ensure that all staff receive comprehensive training.
- Staff know how to identify and support vulnerable pupils and those at risk.

This academic year was the first without any disruption due to the Covid-19 the pandemic however many schools were adversely affected by industrial action from Teaching staff linked to the rise in the cost of living. Days Lane Primary school was able to remain open during all 6 days of strike action, offering a mixture of face to face and remote learning.

Pupil Achievement:

The Summer term marked the return of national curriculum assessments for pupils in key stages 1 and 2, the first since the start of the pandemic in 2019.

Key strengths

- Summer term data indicate that all year groups made more than expected progress during the year.
- Disadvantaged pupils generally made similar progress to their peers in each year group.
- Standards are highest in reading across the school.
- Pupils with special educational needs and/or disabilities generally made expected progress or better

Areas for development

- In each year group, at least 75% achieve the expected standard and 20% achieve greater depth in each subject.
- In each year group, at least 65% of pupils achieve the expected standard in reading, writing, and mathematics combined.
- In each year group, 11% achieve greater depth in reading, writing, and mathematics combined (these reflect 2019 national averages), with the exception of Year 2 (9%).

Key performance indicators

The main KPI is the Ofsted Framework for Inspection.

1. Inspectors must judge the quality of education provided in the school. This is the overarching judgement.
2. In order to make a judgement about the quality of education provided in the school, inspectors must first make four key judgements. These are:
 - overall effectiveness
 - personal development, behaviour and welfare
 - outcomes
 - effectiveness of early years
3. In addition the school must take into account the:
 - extent to which the education provided by the school meets the needs of the range of pupils at the school, and in particular the needs of:
 - pupils who have a disability for the purposes of the Equality Act 2010.
 - pupils who have special education needs.

DAYS LANE PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the board of Trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2023, total income was £3,643k (2022: £3,387k), total expenditure of £3,762k (2022:£3,521k) was met by recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the year was £119k (2022: Deficit of £134k).

This year has seen additional financial challenges for schools due to the increase in cost of living especially the much higher utility costs. In addition, support staff pay increased over and above any previous awards and at a higher percentage than expected.

The Academy's trading income has improved with the removal of all restrictions linked to the Covid-19 pandemic. Self-generated income has continued to increase after this was impaired due to Covid-19. This year the breakfast and after school club usage has remained consistent and by the Summer term 2023 was operating at or near capacity daily. Extra curricular clubs were offered from the start of the academic year, these were well attended and increased the overall income from lettings for this year. The school are making progress in expanding its capacity for lettings and hopes to increase the income further next year by extending the lettings to include evenings, weekends and school closure periods.

Historically the Academy has enjoyed robust reserves which are aligned with the strategic vision of the school estates; this has allowed extensive projects as regards, estates refurbishments and expanding network infrastructure and ICT resources.

Future forecasts rely on historical reliable demand for school places, successful school business enterprises and promises of increased grant funding from the Prime Minister's government to ensure a broadly favourable and balanced budget position.

At 31 August 2023 the net book value of fixed assets was £6,029k (2022: £6,055k). Movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The London Borough of Bexley Pension Fund, in which the Academy participates, showed a balance of £nil (after allowing for asset ceiling) (2022:Deficit of £332k) at 31 August 2023.

Reserves policy

The Governors 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 Governors have determined that the appropriate level of unrestricted reserves should be equivalent to four weeks' expenditure, approximately £200k (2022: £200k).

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of unrestricted reserves is £592k (2022: £667k). The Governors expect to utilise the additional reserves in the coming periods.

DAYS LANE PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Investment policy

The academy does not hold any investments at the current time. The accounting policy will be determined when the need arises in accordance with the Memorandum and Articles and the Funding Agreement.

Principal risks and uncertainties

The Governors have assessed the major risks to which the School is exposed, in particular those relating to teaching, safeguarding, finance, facilities, School trips, health and safety, and other operational areas of the School. Appropriate systems, policies, procedures and controls have been put in place so as to ensure that the various risks do not impact adversely on its students or the operation of the School. Where possible, appropriate insurances are in place for insurable risks.

The Governors consider the principal risks to which the Academy Trust is exposed to be:

Safeguarding

The safety of the Academy's pupils and staff is the highest priority of Days Lane Primary School at all times. Health and Safety policies are in place, in addition to a strong culture of security and vigilance. There are five designated safeguarding leaders who can be contacted at any time necessary through various means, with a Pastoral Care Lead on site who will also assist with any safeguarding concerns.

Economic climate

The Academy has been impacted by the increased energy prices, in addition to the increased cost of living which has led to higher than expected increases in salary costs. The Academy has robust reserves that offer a level of protection against the rising costs however the long-term implications of the current economic climate remain a risk to longer term budget planning.

Reduced government funding

The future of Academy funding continues to be uncertain, which makes planning a balanced budget very difficult beyond the scope of one year. Generally speaking the Academy takes a prudent approach as much as possible and seeks to utilise its own business resources to generate additional income where possible.

Business Continuity Plan

Ensuring an effective business continuity plan is in place, with particular regard to the continuation of teaching in the event of loss of premises, protection and reinstatement of information management systems and loss of key employees.

The Academy strives to build continuity plans, operation manuals and redundancy into its systems where possible to ensure that in the event of loss of premises or staff, the Academy can still continue to operate effectively. Similarly staff share responsibilities and knowledge in school to help cover for sickness and absence.

Cyber Security

School leaders and the Trust Board ensure they are aware of cyber risks and are adequately prepared in the event of a cyber incident with an effective cyber response plan in place. Training for all Staff and Trustees helps to protect the Academy against online theft or damage as well as preventing unauthorised access to the vast amounts of personal data stored within online accounts.

Health & Safety

The Health and Safety of the Academies Pupils and Staff is the priority of Days Lane Primary School. The Academy aims to create safe learning environments, giving pupils an appreciation of risk and how to deal with it. Health and safety policies are in place supported the competently trained management team who ensure risks are managed responsibly and proportionately.

Estate Management and Upkeep

Trustees strive to ensure that the estate meets the Academies current and future educational needs via planned preventative maintenance, risk assessments and policy. Staff tasked with estate management are adequately trained and supported in their role by the senior leadership team.

DAYS LANE PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Financial and risk management objectives and policies

The Academy primarily relies upon grant funding from the Education and Skills Funding Agency, who delegate funding from central government to allow the Academy to meet its charitable purpose of providing education to young children aged 3 to 11 years old. This grant is based largely on our pupil numbers and is also impacted by the deprivation profile of our pupils. Additional grants may also be awarded to the Academy, such as Pupil Premium which must be used for the benefit of disadvantaged pupils or the PE and Sports Premium grant for primary schools, which must be spent for the benefit of our pupils and their progress with sports and physical education. The Academy also receives top-up funding from the local authority for special educational needs support with regards to relevant pupils, as well as Early Years Funding for the school nursery each term. These all appear within the accounts as DfE/ESFA restricted grants.

In addition to government funding, the Academy also receives other income from parents for items such as school trips, school dinners and the provision of childcare out of school hours, and funding is also received from third parties who make use of the premises when offering pupils activities. These additional streams of revenue help to shield the Academy from the financial risks of decreasing government funding and rising costs for staffing and upkeep and running of the premises.

Generally speaking the Academy's main financial assets are bank balances, representing liquid cash. A sizable deposit is held on a 32 day notice account as part of the school's investment strategy, but this remains accessible in times of need. Furthermore the Academy maintains a healthy level of available reserves in its current bank account to ensure that any short-term threats to cash flow will not jeopardise the effective running of the Academy.

The Academy holds funds in two broad categories, funds which are available for spending and other funds which are not available for spending. Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of the governors (Unrestricted Funds) and those which are subject to condition or restriction (Restricted Funds). Funds not available for spending include the book value of fixed assets such as the land, buildings and equipment. In common with all academies and local authorities, our share of the Local Government Pension Scheme deficit must also be reflected in the financial statements, and as this is not a conventional liability, it does not need to be deducted from spendable funds.

Plans for future periods

The school has identified the following 4 priorities for 2023/24 in our School Improvement Plan.

Priority 1: To improve the progress and attainment of writing to bring it in line with reading and maths. Continue the implementation of 'Talk for Writing' across the school as a tool to improve writing.

Priority 2: To further develop, embed and evaluate planning and assessment practices in foundation subjects, to enable teachers to accurately assess children's learning and address gaps in their knowledge, skills and vocabulary, so that pupils effectively build on and apply what they have learnt previously.

Evaluate: art, geography, history,

Embed: DT, science, PE, music,

Develop: PSHE, RE, MFL, computing

Priority 3: To introduce and embed Mastery Maths across EYFS and Year 1, and to develop planning and assessment practises in maths across the school to provide children with a strong foundation for maths learning.

Priority 4: To continue developing subject leaders to monitor and evaluate the strengths and areas for development within their subject/area and implement changes for improvement.

DAYS LANE PRIMARY SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Auditor

In so far as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 08 December 2023 and signed on its behalf by:

C Lancett
Co-Chair

DAYS LANE PRIMARY SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

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

The board of Trustees has delegated the day-to-day responsibility to the Head Teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Days Lane Primary School and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met 3 times during the year. All meetings were held on site. Attendance during the year at meetings of the board of Trustees was as follows:

| Trustees | Meetings attended | Out of possible |
|--|-------------------|-----------------|
| C Lancett (Co-Chair) | 3 | 3 |
| L Larkins (Co-Chair) | 3 | 3 |
| N Martin (Resigned 9 January 2023) | 1 | 1 |
| G Self | 3 | 3 |
| J Trusty (Accounting Officer) | 3 | 3 |
| J Ward | 3 | 3 |
| A Chibber (Trustee) (Appointed 20 February 2023) | 2 | 2 |
| C Marriott (Appointed 1 September 2023) | | |
| J O'Donnell (Appointed 1 September 2023) | | |
| F Akande (Appointed 1 September 2023) | | |

During the year there has been one appointment and one resignation, as detailed on page 1.

The Full Trust Board review the budget, management accounts and annual statutory accounts of the Academy and its responsibilities extend further to the oversight of the audit management letters, financial systems and controls, adherence to financial regulations and insurance. There is also a Finance, Audit & Risk committee who examine financial information in greater detail, reporting back to the Full Trust Board as required.

Data is often processed on behalf of the Trustees by key personnel in the Academy, including the Headteacher, Deputy Headteachers and School Business Manager. Along with source data, these personnel will offer Trustees succinct summaries, reviews and suggestions to assist with the strategic assessment, performance and direction of the Academy.

Trustees are due to meet formally at least three times a year, where all Trustees attend per the committee model of governance. The Finance, Audit & Risk committee also met 3 times a year.

The board of Trustees review the Boards strategy for the school annually. In July 2022 the format of the Board of Trustees was altered from the circle model of governance to the more traditional committee model. The full Trust board and committees for Audit, Finance and Risk and Curriculum met three times per year, this model has created a more streamlined approach. Trustees agreed that the Trust Board will no longer have staff governors as recommended in the Academy Trust Handbook and by the internal audit.

Conflicts of interest

Trustees are required to disclose any conflicts of interest that may exist. An annual declaration is provided to the school by the Trustees. This is reviewed at the start of every meeting held.

DAYS LANE PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Governance reviews

Trustees commissioned an external review of Governance in 2021-2022. The findings of which alongside a skills audit, completed in September 2022, identified areas for development within the Board. Recruitment of new Trustees during the 2022-2023 academic year focussed on addressing skills gaps within the Board.

Following the appointment of 4 new Trustees a further self-assessment will be undertaken during the 2023-2024 academic year.

The Finance, Audit and Risk Committee is a sub-committee of the main board of trustees. Its purpose is to ensure that these systems are robust, appropriate and effectively implemented and that such considerations can be demonstrated or evidenced.

Issues dealt with in 2022-23

During 2022-23, this committee reviewed the following areas: the school's risk register, the requirement for internal scrutiny and the appointment of an internal auditor, the school's management accounts and the planned expenditure to redevelop the school playgrounds. The committee considered the internal scrutiny 2022 – 2023 as set out on page 12.

The Finance, Audit and Risk Committee is a sub-committee of the main board of Trustees. Its purpose is to [Add purpose and particular issues dealt with in the year/period]

Attendance at meetings in the year was as follows:

| Trustees | Meetings attended | Out of possible |
|------------------------------------|--------------------------|------------------------|
| C Lancett (Co-Chair) | 2 | 3 |
| L Larkins (Co-Chair) | 3 | 3 |
| N Martin (Resigned 9 January 2023) | 1 | 1 |
| G Self | 3 | 3 |

Review of value for money

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

The accounting officer considers how the academy 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:

- The school reviews service level agreements for value for money and service regularly. The introduction of a new MIS in May 2022 has led to cost savings as processes have been streamlined and additional services are no longer required.
- Leaders reviewed external training requirements and purchased an inclusive subscription reducing the overall costs.
- Reduction in supply staff booking, utilising the assistant headteachers to support where required.
- Regular price monitoring is undertaken with suppliers throughout the year. Savings are made with bulk purchasing where possible.
- Ensuring that planned preventative maintenance is undertaken ensuring the school estate remains operationally efficient.

DAYS LANE PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Days Lane Primary School for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Trustees considered the need for specific internal audit functions for 2022-23 and employed Proactive Safeguarding and Safety Mark to undertake the following reviews;

- Safeguarding & Child protection
- Health and Safety

The internal auditors' work was shaped by the risk profile of the Academy, the maturity of financial and other systems and any concerns of the Finance, Audit and Risk Committee (FARC), as well as the findings of the scoping meeting. The internal auditor's role includes giving advice and performing a range of checks on the academy trust's internal control systems.

In particular the checks carried out in the current period included:

- Reviewing the schools safeguarding policy and procedures
- Reviewing pre appointment checks and record keeping for staff.
- Reviewing the schools health and safety policy and procedures
- Reviewing the school site and its condition specifically through the risk assessment policy and procedure.

The outcome of the internal scrutiny was that risks are being mitigated to an acceptable level, except for the weaknesses identified, and improvements are required to provide an adequate and effective control environment. Weaknesses in controls or processes identified are not considered to be significant but the recommended actions will result in improved processes and controls.

The internal auditors report to the Finance, Audit & Risk committee on the operation of the systems of control and on the discharge of the responsibilities by school staff. This committee in turn report to the Full Governing Body with their own conclusions.

DAYS LANE PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Review of effectiveness

As accounting officer the Head Teacher 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 work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the board of Trustees on 08 December 2023 and signed on its behalf by:

C Lancett
Co-Chair

J Trusty
Accounting Officer

DAYS LANE PRIMARY SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2023

As accounting officer of Days Lane Primary School, I have considered my responsibility to notify the academy trust board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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

J Trusty
Accounting Officer

08 December 2023

DAYS LANE PRIMARY SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees (who are also the directors of Days Lane Primary School for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 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 accounts for each financial year. Under company law, the Trustees must not approve the accounts 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 accounts, 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the board of Trustees on 08 December 2023 and signed on its behalf by:

C Lancett
Co-Chair

DAYS LANE PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAYS LANE PRIMARY SCHOOL

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the accounts of Days Lane Primary School 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 accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

DAYS LANE PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAYS LANE PRIMARY SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the Trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

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

DAYS LANE PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAYS LANE PRIMARY SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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

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

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

Use of our report

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

Michelle Wilkes FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

13 December 2023

Chartered Accountants
Statutory Auditor

First Floor
River House
1 Maidstone Road
Sidcup
Kent
United Kingdom
DA14 5RH

DAYS LANE PRIMARY SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 26 June 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 Days Lane Primary School during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Days Lane Primary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Days Lane Primary School's funding agreement with the Secretary of State for Education dated 20 March 2014 and the Academies Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

DAYS LANE PRIMARY SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2023

Conclusion

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

Reporting Accountant

Azets Audit Services
First Floor
River House
1 Maidstone Road
Sidcup
Kent
DA14 5RH
United Kingdom

Dated: 13 December 2023

DAYS LANE PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

| | Notes | Unrestricted funds £000 | Restricted funds: General £000 | Fixed asset £000 | Total 2023 £000 | Total 2022 £000 |
|--|-------|-------------------------------|--------------------------------------|---------------------|-----------------------|-----------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 3 | 68 | 6 | 35 | 109 | 81 |
| Charitable activities: | | | | | | |
| - Funding for educational operations | 4 | 48 | 3,339 | - | 3,387 | 3,172 |
| Other trading activities | 5 | 140 | - | - | 140 | 133 |
| Investments | 6 | 7 | - | - | 7 | - |
| Total | | <u>263</u> | <u>3,345</u> | <u>35</u> | <u>3,643</u> | <u>3,386</u> |
| Expenditure on: | | | | | | |
| Charitable activities: | | | | | | |
| - Educational operations | 8 | 49 | 3,570 | 143 | 3,762 | 3,521 |
| Total | 7 | <u>49</u> | <u>3,570</u> | <u>143</u> | <u>3,762</u> | <u>3,521</u> |
| Net income/(expenditure) | | 214 | (225) | (108) | (119) | (135) |
| Transfers between funds | 17 | (289) | 207 | 82 | - | - |
| Other recognised gains/(losses) | | | | | | |
| Actuarial gains on defined benefit pension schemes | 19 | - | 315 | - | 315 | 964 |
| Net movement in funds | | <u>(75)</u> | <u>297</u> | <u>(26)</u> | <u>196</u> | <u>829</u> |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | <u>667</u> | <u>(297)</u> | <u>6,055</u> | <u>6,425</u> | <u>5,595</u> |
| Total funds carried forward | | <u>592</u> | <u>-</u> | <u>6,029</u> | <u>6,621</u> | <u>6,424</u> |

DAYS LANE PRIMARY SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2023

| Comparative year information Year ended 31 August 2022 | Notes | Unrestricted | Restricted funds: | | Total |
|---|-------|--------------|-------------------|--------------|--------------|
| | | funds | General | Fixed asset | 2022 |
| | | £000 | £000 | £000 | £000 |
| Income and endowments from: | | | | | |
| Donations and capital grants | 3 | 67 | 3 | 11 | 81 |
| Charitable activities: | | | | | |
| - Funding for educational operations | 4 | 36 | 3,136 | - | 3,172 |
| Other trading activities | 5 | 133 | - | - | 133 |
| Total | | <u>236</u> | <u>3,139</u> | <u>11</u> | <u>3,386</u> |
| Expenditure on: | | | | | |
| Charitable activities: | | | | | |
| - Educational operations | 8 | 47 | 3,337 | 137 | 3,521 |
| Total | 7 | <u>47</u> | <u>3,337</u> | <u>137</u> | <u>3,521</u> |
| Net income/(expenditure) | | 189 | (198) | (126) | (135) |
| Transfers between funds | 17 | - | (13) | 13 | - |
| Other recognised gains/(losses) | | | | | |
| Actuarial gains on defined benefit pension schemes | 19 | - | 964 | - | 964 |
| Net movement in funds | | 189 | 753 | (113) | 829 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 478 | (1,051) | 6,168 | 5,595 |
| Total funds carried forward | | <u>667</u> | <u>(298)</u> | <u>6,055</u> | <u>6,424</u> |

DAYS LANE PRIMARY SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2023

| | | 2023 | | 2022 | |
|---|-------|------------|--------------|--------------|--------------|
| | Notes | £000 | £000 | £000 | £000 |
| Fixed assets | | | | | |
| Tangible assets | 12 | | 6,029 | | 6,055 |
| Current assets | | | | | |
| Debtors | 13 | 76 | | 80 | |
| Cash at bank and in hand | | 847 | | 927 | |
| | | <u>923</u> | | <u>1,007</u> | |
| Current liabilities | | | | | |
| Creditors: amounts falling due within one year | 14 | (317) | | (287) | |
| Net current assets | | | 606 | | 720 |
| Total assets less current liabilities | | | 6,635 | | 6,775 |
| Creditors: amounts falling due after more than one year | 16 | | (14) | | (19) |
| Net assets excluding pension liability | | | 6,621 | | 6,756 |
| Defined benefit pension scheme liability | 19 | | - | | (332) |
| Total net assets | | | <u>6,621</u> | | <u>6,424</u> |
| Funds of the academy trust: | | | | | |
| Restricted funds | 17 | | | | |
| - Fixed asset funds | | | 6,029 | | 6,055 |
| - Restricted income funds | | | - | | 34 |
| - Pension reserve | | | - | | (332) |
| Total restricted funds | | | <u>6,029</u> | | <u>5,757</u> |
| Unrestricted income funds | 17 | | 592 | | 667 |
| Total funds | | | <u>6,621</u> | | <u>6,424</u> |

The accounts on pages 20 to 42 were approved by the Trustees and authorised for issue on 08 December 2023 and are signed on their behalf by:

C Lancett
Co-Chair

Company registration number 08916979 (England and Wales)

DAYS LANE PRIMARY SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

| | Notes | 2023 £000 | £000 | 2022 £000 | £000 |
|---|-------|--------------|------|--------------|------|
| Cash flows from operating activities | | | | | |
| Net cash provided by operating activities | 20 | | - | | 242 |
| Cash flows from investing activities | | | | | |
| Interest received | | 7 | | - | |
| Capital grants from DfE Group | | 35 | | 11 | |
| Purchase of tangible fixed assets | | (117) | | (24) | |
| Net cash used in investing activities | | | (75) | | (13) |
| Cash flows from financing activities | | | | | |
| Repayment of long term bank loan | | (5) | | (5) | |
| Net cash used in financing activities | | | (5) | | (5) |
| Net (decrease)/increase in cash and cash equivalents in the reporting period | | | (80) | | 224 |
| Cash and cash equivalents at beginning of the year | | | 927 | | 703 |
| Cash and cash equivalents at end of the year | | | 847 | | 927 |
| Relating to: | | | | | |
| Bank and cash balances | | | 489 | | 574 |
| Short term deposits | | | 358 | | 353 |

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

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

1.1 Basis of preparation

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

1.2 Changes in accounting policies

Previously leasehold land had not been depreciated, however as the Academy has the right to use over the course of the lease the Trustees have made the decision to depreciate the land over the 125 years of the lease.

1.3 Going concern

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

1.4 Income

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

Grants

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

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

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

Sponsorship income

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

Donations

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

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.5 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.6 Tangible fixed assets and depreciation

Assets costing £1,000 or more or groups of these assets amounting to £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

The property has been included at the valuation provided by the ESFA when completing their desktop valuation.

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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

| | |
|--------------------------------|----------------------------------|
| Buildings | 2% |
| Land | Over Length of Lease (125 years) |
| Leasehold improvements | 10% |
| Computer equipment | 33% |
| Fixtures, fittings & equipment | 20% |

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

1.7 Liabilities

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

1.8 Leased assets

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

1.9 Financial instruments

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

Financial assets

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

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

Financial liabilities

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

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

1.10 Taxation

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

1.11 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.

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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

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

1.12 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

2 Critical accounting estimates and areas of judgement

(Continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 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 pension value also includes an asset ceiling adjustment and the assumptions used to calculate this are:

- The scheme is open to new entrants;
- There is a minimum funding requirement in relation to the LGPS;
- There is the ability to recover a surplus through the ability to reduce future contributions (not refund)
- In calculating the surplus, the present value of current and past service costs is offset against the future contributions over the future period;
- The present value in the above calculations are calculated using an annuity representing participation into perpetuity.

Critical areas of judgement

Useful economic lives of tangible assets

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 reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

3 Donations and capital grants

| | Unrestricted funds £000 | Restricted funds £000 | Total 2023 £000 | Total 2022 £000 |
|-----------------|--|--------------------------------------|--------------------------------|--------------------------------|
| Capital grants | - | 35 | 35 | 11 |
| Other donations | 68 | 6 | 74 | 70 |
| | <u>68</u> | <u>41</u> | <u>109</u> | <u>81</u> |

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

4 Funding for the academy trust's educational operations

| | Unrestricted funds £000 | Restricted funds £000 | Total 2023 £000 | Total 2022 £000 |
|---------------------------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| DfE/ESFA grants | | | | |
| General annual grant (GAG) | - | 2,666 | 2,666 | 2,621 |
| Other DfE/ESFA grants: | | | | |
| - UIFSM | - | 89 | 89 | 88 |
| - Pupil premium | - | 88 | 88 | 80 |
| - PE and sports premium | - | 21 | 21 | 21 |
| - Supplementary grant | - | 77 | 77 | 32 |
| - Mainstream schools additional grant | - | 38 | 38 | - |
| - Others | - | 39 | 39 | 37 |
| | - | 3,018 | 3,018 | 2,879 |
| Other government grants | | | | |
| Local authority grants | - | 321 | 321 | 257 |
| Other incoming resources | 48 | - | 48 | 36 |
| Total funding | 48 | 3,339 | 3,387 | 3,172 |

5 Other trading activities

| | Unrestricted funds £000 | Restricted funds £000 | Total 2023 £000 | Total 2022 £000 |
|----------------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Hire of facilities | 3 | - | 3 | 1 |
| Extended school activities | 112 | - | 112 | 92 |
| Other income | 25 | - | 25 | 40 |
| | 140 | - | 140 | 133 |

6 Investment income

| | Unrestricted funds £000 | Restricted funds £000 | Total 2023 £000 | Total 2022 £000 |
|---------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Short term deposits | 7 | - | 7 | - |

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

7 Expenditure

| | Staff costs £000 | Non-pay expenditure | | Total 2023 £000 | Total 2022 £000 |
|----------------------------------|---------------------|---------------------|---------------|-----------------------|-----------------------|
| | | Premises £000 | Other £000 | | |
| Academy's educational operations | | | | | |
| - Direct costs | 2,427 | 114 | 256 | 2,797 | 2,438 |
| - Allocated support costs | 483 | 199 | 283 | 965 | 1,083 |
| | <u>2,910</u> | <u>313</u> | <u>539</u> | <u>3,762</u> | <u>3,521</u> |

Net income/(expenditure) for the year includes:

| | 2023 £000 | 2022 £000 |
|---|--------------|--------------|
| Operating lease rentals | 10 | 5 |
| Depreciation of tangible fixed assets | 143 | 137 |
| Fees payable to auditor for: | | |
| - Audit | 11 | 10 |
| - Other services | 2 | 2 |
| Net interest on defined benefit pension liability | 9 | 18 |
| | <u>185</u> | <u>172</u> |

8 Charitable activities

| | Unrestricted funds £000 | Restricted funds £000 | Total 2023 £000 | Total 2022 £000 |
|------------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Direct costs | | | | |
| Educational operations | - | 2,797 | 2,797 | 2,438 |
| Support costs | | | | |
| Educational operations | 49 | 916 | 965 | 1,083 |
| | <u>49</u> | <u>3,713</u> | <u>3,762</u> | <u>3,521</u> |

Analysis of support costs

| | 2023 £000 | 2022 £000 |
|---------------------|--------------|--------------|
| Support staff costs | 486 | 596 |
| Depreciation | 29 | 29 |
| Technology costs | 53 | 52 |
| Premises costs | 170 | 133 |
| Other support costs | 207 | 257 |
| Governance costs | 20 | 16 |
| | <u>965</u> | <u>1,083</u> |

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

9 Staff

Staff costs

Staff costs during the year were:

| | 2023 | 2022 |
|---|-------------------|-------------------|
| | £000 | £000 |
| Wages and salaries | 2,123 | 1,904 |
| Social security costs | 202 | 180 |
| Pension costs | 511 | 575 |
| | <u> </u> | <u> </u> |
| Staff costs - employees | 2,836 | 2,659 |
| Agency staff costs | 74 | 41 |
| | <u> </u> | <u> </u> |
| | 2,910 | 2,700 |
| Staff development and other staff costs | 23 | 23 |
| | <u> </u> | <u> </u> |
| Total staff expenditure | <u>2,933</u> | <u>2,723</u> |

Staff numbers

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

| | 2023 | 2022 |
|----------------------------|-------------------|-------------------|
| | Number | Number |
| Teachers | 29 | 23 |
| Administration and support | 52 | 57 |
| Management | 6 | 6 |
| | <u> </u> | <u> </u> |
| | 87 | 86 |
| | <u> </u> | <u> </u> |

Higher paid staff

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

| | 2023 | 2022 |
|--------------------|-------------------|-------------------|
| | Number | Number |
| £60,001 - £70,000 | 2 | 1 |
| £70,001 - £80,000 | 2 | 1 |
| £90,001 - £100,000 | 1 | - |
| | <u> </u> | <u> </u> |

Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £614k (2022: £549k).

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

10 Trustees' remuneration and expenses

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

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

J Trusty (Head Teacher) (inclusive of statutory leave taken during 2022-2023 academic year)

- Remuneration £90,001 - £95,000 (2022: £55,001 - £60,000)
- Employer's pension contributions £20,001 - £25,000 (2022: £10,001 - £15,000)

R Lang (Acting Head Teacher):

- Remuneration £nil (2022: £75,001 - £80,000)
- Employer's pension contributions £nil (2022: £15,001 - £20,000)

L Jobson (staff) (To 1 April 2022):

- Remuneration £nil (2022: £20,001 - £25,000)
- Employer's pension contributions £nil (2022: £5,001 - £10,000)

H Lee (staff) (To 31 August 2022):

- Remuneration £nil (2022: £30,001 - £35,000)
- Employer's pension contributions £nil (2022: £5,001 - £10,000)

Trustees' expenses

During the year there were no re-imburement of Trustee expenses (2022: £nil).

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

11 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2023 was within the ESFA Risk Protection Arrangement. The cost of this insurance is included in the total insurance cost.

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

12 Tangible fixed assets

| | Land and buildings | Leasehold improvements | Computer equipment | Fixtures, fittings & equipment | Total |
|-----------------------|-----------------------|---------------------------|-----------------------|--------------------------------------|-------|
| | £000 | £000 | £000 | £000 | £000 |
| Cost | | | | | |
| At 1 September 2022 | 6,879 | - | 196 | 25 | 7,100 |
| Additions | - | 110 | 7 | - | 117 |
| At 31 August 2023 | 6,879 | 110 | 203 | 25 | 7,217 |
| Depreciation | | | | | |
| At 1 September 2022 | 877 | - | 154 | 14 | 1,045 |
| Charge for the year | 108 | 5 | 28 | 2 | 143 |
| At 31 August 2023 | 985 | 5 | 182 | 16 | 1,188 |
| Net book value | | | | | |
| At 31 August 2023 | 5,894 | 105 | 21 | 9 | 6,029 |
| At 31 August 2022 | 6,002 | - | 42 | 11 | 6,055 |

13 Debtors

| | 2023 £000 | 2022 £000 |
|--------------------------------|--------------|--------------|
| Trade debtors | 1 | 4 |
| VAT recoverable | 7 | 16 |
| Prepayments and accrued income | 68 | 60 |
| | 76 | 80 |

14 Creditors: amounts falling due within one year

| | 2023 £000 | 2022 £000 |
|------------------------------------|--------------|--------------|
| Salix loans | 5 | 5 |
| Trade creditors | 50 | 103 |
| Other taxation and social security | 43 | 40 |
| Other creditors | 52 | 47 |
| Accruals and deferred income | 167 | 92 |
| | 317 | 287 |

The Salix loan is provided interest free and is repayable in equal half year instalments. The last repayment is due in September 2026

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

15 Deferred income

| | 2023 | 2022 |
|-------------------------------------|-------------------|-------------------|
| | £000 | £000 |
| Deferred income is included within: | | |
| Creditors due within one year | 132 | 60 |
| | <u> </u> | <u> </u> |
| Deferred income at 1 September 2022 | 60 | 74 |
| Released from previous years | (60) | (74) |
| Resources deferred in the year | 132 | 60 |
| | <u> </u> | <u> </u> |
| Deferred income at 31 August 2023 | 132 | 60 |
| | <u> </u> | <u> </u> |

At the balance sheet date the Academy was holding funds received in advance for free school meals, and Mayor of London meal grant.

16 Creditors: amounts falling due after more than one year

| | 2023 | 2022 |
|---|-------------------|-------------------|
| | £000 | £000 |
| Salix loans | 14 | 19 |
| | <u> </u> | <u> </u> |
| Analysis of loans | | |
| Wholly repayable within five years | 19 | 24 |
| Less: included in current liabilities | (5) | (5) |
| | <u> </u> | <u> </u> |
| Amounts included above | 14 | 19 |
| | <u> </u> | <u> </u> |
| Loan maturity | | |
| Debt due in one year or less | 5 | 5 |
| Due in more than one year but not more than two years | 5 | 5 |
| Due in more than two years but not more than five years | 9 | 14 |
| | <u> </u> | <u> </u> |
| | 19 | 24 |
| | <u> </u> | <u> </u> |

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Funds

| | Balance at 1 September 2022 £000 | Income £000 | Expenditure £000 | Gains, losses and transfers £000 | Balance at 31 August 2023 £000 |
|-------------------------------------|---|----------------|---------------------|---|---|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 19 | 2,666 | (2,896) | 211 | - |
| UIFSM | - | 89 | (89) | - | - |
| Pupil premium | 8 | 88 | (96) | - | - |
| Catch-up premium | 8 | - | (8) | - | - |
| Other DfE/ESFA grants | - | 175 | (175) | - | - |
| Other government grants | - | 321 | (321) | - | - |
| Other restricted funds | - | 6 | (2) | (4) | - |
| Pension reserve | (332) | - | 17 | 315 | - |
| | <u>(297)</u> | <u>3,345</u> | <u>(3,570)</u> | <u>522</u> | <u>-</u> |
| Restricted fixed asset funds | | | | | |
| DfE group capital grants | - | 35 | - | (35) | - |
| General fixed assets | 6,055 | - | (143) | 117 | 6,029 |
| | <u>6,055</u> | <u>35</u> | <u>(143)</u> | <u>82</u> | <u>6,029</u> |
| Total restricted funds | <u>5,758</u> | <u>3,380</u> | <u>(3,713)</u> | <u>604</u> | <u>6,029</u> |
| Unrestricted funds | | | | | |
| General funds | <u>667</u> | <u>263</u> | <u>(49)</u> | <u>(289)</u> | <u>592</u> |
| Total funds | <u>6,425</u> | <u>3,643</u> | <u>(3,762)</u> | <u>315</u> | <u>6,621</u> |

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

- General Annual Grant: Income received from the ESFA to cover the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.
- Income received from the ESFA as follows: UIFSM and Pupil Premium .
- Other DFE/ESFA grants: This includes the supplementary grant, rates grant, PE & Sports premium, Teachers Pension Grant, Teachers Pay Grant, Recovery Premium, National Tutoring, Mainstream Schools Additional Grant, ECT and Mentor time off timetable, mentor backfill and mental health grants.
- Other government grants: other grants: This includes SEN funding, matrix funding and sports funding received from the Local Authority.
- DfE / ESFA capital grants: This includes the Devolved Formula Capital grant.

The transfer of funds relates to the purchase of fixed assets during the period and the use of devolved formula capital for repairs and maintenance.

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Funds

(Continued)

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

| | Balance at 1 September 2021 £000 | Income £000 | Expenditure £000 | Gains, losses and transfers £000 | Balance at 31 August 2022 £000 |
|-------------------------------------|---|----------------|---------------------|---|---|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 2,621 | (2,589) | (13) | 19 |
| UIFSM | - | 88 | (88) | - | - |
| Pupil premium | 10 | 80 | (82) | - | 8 |
| Catch-up premium | 40 | - | (32) | - | 8 |
| Other DfE/ESFA grants | 19 | 91 | (110) | - | - |
| Other government grants | - | 257 | (257) | - | - |
| Other restricted funds | - | 3 | (3) | - | - |
| Pension reserve | (1,120) | - | (176) | 964 | (332) |
| | <u>(1,051)</u> | <u>3,140</u> | <u>(3,337)</u> | <u>951</u> | <u>(297)</u> |
| Restricted fixed asset funds | | | | | |
| DfE group capital grants | - | 11 | - | (11) | - |
| General fixed assets | 6,168 | - | (137) | 24 | 6,055 |
| | <u>6,168</u> | <u>11</u> | <u>(137)</u> | <u>13</u> | <u>6,055</u> |
| Total restricted funds | <u>5,117</u> | <u>3,151</u> | <u>(3,474)</u> | <u>964</u> | <u>5,758</u> |
| Unrestricted funds | | | | | |
| General funds | 478 | 236 | (47) | - | 667 |
| | <u>478</u> | <u>236</u> | <u>(47)</u> | <u>-</u> | <u>667</u> |
| Total funds | <u>5,595</u> | <u>3,387</u> | <u>(3,521)</u> | <u>964</u> | <u>6,425</u> |

18 Analysis of net assets between funds

| | Unrestricted Funds £000 | Restricted funds: General £000 | Fixed asset £000 | Total Funds £000 |
|--|-------------------------------|--------------------------------------|---------------------|------------------------|
| Fund balances at 31 August 2023 are represented by: | | | | |
| Tangible fixed assets | - | - | 6,029 | 6,029 |
| Current assets | 923 | - | - | 923 |
| Current liabilities | (317) | - | - | (317) |
| Non-current liabilities | (14) | - | - | (14) |
| | <u>592</u> | <u>-</u> | <u>6,029</u> | <u>6,621</u> |
| Total net assets | <u>592</u> | <u>-</u> | <u>6,029</u> | <u>6,621</u> |

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

18 Analysis of net assets between funds

(Continued)

| | Unrestricted Funds £000 | Restricted funds: General £000 | Fixed asset £000 | Total Funds £000 |
|--|-------------------------------|--------------------------------------|---------------------|------------------------|
| Fund balances at 31 August 2022 are represented by: | | | | |
| Tangible fixed assets | - | - | 6,055 | 6,055 |
| Current assets | 667 | 340 | - | 1,007 |
| Current liabilities | - | (287) | - | (287) |
| Non-current liabilities | - | (19) | - | (19) |
| Pension scheme liability | - | (332) | - | (332) |
| Total net assets | <u>667</u> | <u>(298)</u> | <u>6,055</u> | <u>6,424</u> |

19 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 London Borough of Bexley. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £47k were payable to the schemes at 31 August 2023 (2022: £45k) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

19 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £271k (2022: £261k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are % for employers and % for employees. The estimated value of employer contributions for the forthcoming year is £164k.

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.

| Total contributions made | 2023 | 2022 |
|--|-------------|-------------|
| | £000 | £000 |
| Employer's contributions | 214 | 142 |
| Employees' contributions | 49 | 40 |
| | <hr/> | <hr/> |
| Total contributions | 263 | 182 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Principal actuarial assumptions | 2023 | 2022 |
| | % | % |
| Rate of increase in salaries | 4.3 | 4.4 |
| Rate of increase for pensions in payment/inflation | 2.9 | 3.0 |
| Discount rate for scheme liabilities | 5.4 | 4.3 |
| Inflation assumption (CPI) | 2.8 | 2.9 |
| | <hr/> <hr/> | <hr/> <hr/> |

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

19 Pension and similar obligations

(Continued)

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

| | 2023 | 2022 |
|----------------------|-------------------|-------------------|
| | Years | Years |
| Retiring today | | |
| - Males | 21.4 | 22.3 |
| - Females | 23.6 | 25.1 |
| Retiring in 20 years | | |
| - Males | 22.3 | 23.9 |
| - Females | 25.4 | 27.1 |
| | <u> </u> | <u> </u> |

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

| | 2023 | 2022 |
|-------------------------------|-------------------|-------------------|
| | £'000 | £'000 |
| Discount rate + 0.1% | -33 | (41) |
| Discount rate - 0.1% | 34 | 42 |
| Mortality assumption + 1 year | 39 | 41 |
| Mortality assumption - 1 year | -38 | -40 |
| CPI rate + 0.1% | 34 | 42 |
| CPI rate - 0.1% | -33 | -41 |
| | <u> </u> | <u> </u> |

| Defined benefit pension scheme net asset/(liability) | 2023 | 2022 |
|---|-------------------|-------------------|
| | £000 | £000 |
| Scheme assets | 1,959 | 1,713 |
| Scheme obligations | (1,959) | (2,045) |
| | <u> </u> | <u> </u> |
| Net asset/(liability) | - | (332) |
| | <u> </u> | <u> </u> |

| The academy trust's share of the assets in the scheme | 2023 | 2022 |
|--|-------------------|-------------------|
| | Fair value | Fair value |
| | £000 | £000 |
| Equities | 652 | 598 |
| Government bonds | 195 | 202 |
| Other bonds | 256 | 219 |
| Cash | 274 | 115 |
| Property | 37 | 278 |
| Other assets | 555 | 301 |
| Asset ceiling adjustment (cumulative) | (10) | - |
| | <u> </u> | <u> </u> |
| Total market value of assets | 1,959 | 1,713 |
| | <u> </u> | <u> </u> |

The actual return on scheme assets was £(47,000) (2022: £(96,000)).

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

| 19 Pension and similar obligations | (Continued) | |
|--|--------------------|--------------|
| Amount recognised in the statement of financial activities | 2023 | 2022 |
| | £000 | £000 |
| Current service cost | 188 | 300 |
| Interest income | (80) | (30) |
| Interest cost | 89 | 48 |
| | <u>197</u> | <u>318</u> |
| Changes in the present value of defined benefit obligations | 2023 | 2022 |
| | £000 | £000 |
| At 1 September 2022 | 2,045 | 2,789 |
| Current service cost | 188 | 300 |
| Interest cost | 89 | 48 |
| Employee contributions | 49 | 40 |
| Actuarial gain | (452) | (1,090) |
| Benefits paid | 40 | (42) |
| | <u>1,959</u> | <u>2,045</u> |
| At 31 August 2023 | <u>1,959</u> | <u>2,045</u> |
| Changes in the fair value of the academy trust's share of scheme assets | 2023 | 2022 |
| | £000 | £000 |
| At 1 September 2022 | 1,713 | 1,669 |
| Interest income | 80 | 30 |
| Actuarial loss | (127) | (126) |
| Employer contributions | 214 | 142 |
| Employee contributions | 49 | 40 |
| Benefits paid | 40 | (42) |
| Asset ceiling adjustment | (10) | - |
| | <u>1,959</u> | <u>1,713</u> |
| At 31 August 2023 | <u>1,959</u> | <u>1,713</u> |

Included within the pension assets above is an “asset ceiling adjustment”. The asset ceiling is the present value of the economic benefits that the employer can recover from the plan, such as reduced contributions or cash refunds. It is deemed for the Trust that the future costs expected for the employers contributions will outweigh the future service costs and therefore there is no economic benefit to the Trust and therefore the asset value is reduced to zero.

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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

| | Notes | 2023 £000 | 2022 £000 |
|---|-------|--------------|--------------|
| Net expenditure for the reporting period (as per the statement of financial activities) | | (119) | (135) |
| Adjusted for: | | | |
| Capital grants from DfE and other capital income | | (35) | (11) |
| Investment income receivable | 6 | (7) | - |
| Defined benefit pension costs less contributions payable | 19 | (26) | 158 |
| Defined benefit pension scheme finance cost | 19 | 9 | 18 |
| Depreciation of tangible fixed assets | | 143 | 137 |
| Decrease in debtors | | 5 | 7 |
| Increase in creditors | | 30 | 68 |
| Net cash provided by operating activities | | <u>-</u> | <u>242</u> |

21 Analysis of changes in net funds

| | 1 September 2022 £000 | Cash flows £000 | 31 August 2023 £000 |
|--|-----------------------------|--------------------|---------------------------|
| Cash | 574 | (85) | 489 |
| Cash equivalents | 353 | 5 | 358 |
| | <u>927</u> | <u>(80)</u> | <u>847</u> |
| Loans falling due within one year | (5) | - | (5) |
| Loans falling due after more than one year | (19) | 5 | (14) |
| | <u>903</u> | <u>(75)</u> | <u>828</u> |

22 Long-term commitments

Operating leases

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

| | 2023 £000 | 2022 £000 |
|-----------------------------|--------------|--------------|
| Amounts due within one year | <u>-</u> | <u>3</u> |

DAYS LANE PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

23 Related party transactions

Owing to the nature of the Academy's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account.

Income related party transactions

L Larkins, Governor, is the Treasurer of the Days Lane Parents Association. During the year the Parents Association donated £6k (2022: £3k) to the Academy.

24 Members' liability

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