

St George's School Harpenden Academy Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements
For the year ended 31 August 2023

St George's School Harpenden Academy Trust

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St George's School Harpenden Academy Trust

Reference and Administrative Details

Trustees	Miss H Barton	(Headmistress)
	Mr J Featherby	(Chairman)
	Mrs E Cowan	
	Mr K G Barry	
	Mr T L Bull	
	Mr B R Dallas	
	Mr R F Finlay	
	Mr D McNally	
	Mr D Mackay	
	Mrs E L Millo	
	Mr B A Noakes	
	Mr O O Olusoga	
	Mrs C E Rudd	
	Mr N D Sellars	
	Mrs L M McCarney-Redford	
	Mrs E J Sabato	
	Miss HA Flowerdew	Resigned 1 May 2023

Senior Management Team:

Miss H Barton	Headmistress
Mr P Storrie	Deputy Head
Mr M Tookey	Deputy Head
Mrs L Howard	Assistant Head
Mrs K Robertson	Assistant Head
Mr J Day	Assistant Head
Mr D Ede	Assistant Head
Mr B Cullis	Assistant Head
Mrs C Ironton	Finance Manager

Principal and Registered Office

St George's School
Sun Lane
Harpenden
Hertfordshire
AL5 4TD

Company Registration Number

08092358 (England and Wales)

Independent Auditor

Moore Kingston Smith LLP
4 Victoria Square
St Albans
Hertfordshire
AL1 3TF

St George's School Harpenden Academy Trust
Reference and Administrative Details

Bankers

Barclays Bank Plc
22-24 Upper Marlborough Road
St Albans
Hertfordshire
AL1 3AL

Solicitors

Brown & Johnson LLP
44 Castle Gate
Nottingham
NG1 7BJ

**St George's School Harpenden
Trustees' Report
Year ended 31 August 2023**

The Trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the period from 1 September 2022 to 31 August 2023.

Structure, Governance and Management

Constitution

The Academy is a stand-alone single academy trust and is a company limited by guarantee and an exempt charity. The charitable Company's Articles of Association is the primary governing document of the Academy. The Trustees of St George's School, Harpenden Academy are also the directors of the charitable Company for the purposes of company law. The charitable Company is known as St George's School, Harpenden. The Trustees refer to themselves as Governors of St George's School, Harpenden and the Principal is referred to as the Headteacher.

Details of the Trustees/Governors who served during the period, and up to the date of this report, 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

Under the Companies Act 2006, the Trustees confirm that there are no qualifying indemnity provisions to be disclosed.

Method of Recruitment and Appointment or Election of Governors

The number of Governors shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the Headteacher. Subject to remaining eligible to be a particular type of Governor, any Governor may be reappointed or re-elected. The Members may appoint up to 1 Governor save that no more than one third of the total number of individuals appointed as Governors are employees of the Academy (including the Headteacher). Parent Governors may be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he or she is elected. The Foundation Governors may be appointed by the Foundation. The Community Governors may be appointed by the Governing Body provided that the person who is appointed as a Community Governor is a person who lives or works in the community served by the Academy, or a person who, in the opinion of the Governing Body, is committed to the government and success of the Academy.

The Governors may not appoint an employee of the Academy as a Community Governor if the number of Governors who are employed by the Academy (including the Headteacher) would thereby exceed one third of the total number of Governors.

Policies and Procedures Adopted for the Induction and Training of Governors

New Governors are inducted and trained by the existing Governors and members of the School staff as appropriate. External training is provided by Herts for Learning Governor Services and the NGA as required.

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Organisational Structure

The School is governed by the board of Governors which has met at least three times a year. The full board has met less than 6 times per year, but we believe that the following working pattern for Governors enables us to maintain effective oversight of funding and other statutory obligations the Academy has. The members of the board of Governors are divided into three sub committees. These include the Finance, Audit and Facilities Committee, the Staff and Students Committee and the Environment and Engagement Committee. The Governors also sit on a range of working parties and undertake a series of planned formal visits to school. The Governors are responsible for setting general policy, approving the strategic plan, adopting and approving the annual budget and making major decisions about the direction of the School including capital expenditure and the most senior staff appointments. The Chair of the Board wishes to make being part of the Governing Body as accessible for the widest range, and greatest diversity of people as possible. Our experience during the Pandemic years taught us that technology can help us do this. To that end we have retained a blended approach to our meeting structure meeting both at times in person, but also through virtual means when it is pertinent. The school has undertaken a review of its Governor recruitment strategy. This has ensured that a wide range of relevant skills are represented on the board and that its diversity is more representative of the stakeholders of the Academy.

The day-to-day operations of the School are delegated to the Senior Leadership Team, chaired by Miss H Barton, Headteacher and Accounting Officer. The Team controls the School at an executive level; implements the policies approved by the Governors and reports to Governors through the various sub-committees and at Full Governing Body meetings.

Connected Organisations

Owing to the nature of the Academy's operations and the composition of the board of Governors being drawn from public sector organisations, transactions may take place with organisations in which a Governor has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's regulations and normal procurement processes. St George's School (Harpenden) Ltd and its subsidiaries are no longer related parties. In previous years some shared Directors and Governors were present. All transactions are carried out at arm's length under normal commercial terms. Details are provided in the Notes to the Financial Statements.

Objectives and Activities

Objects and Aims

The Academy's objects ("the Objects") are specifically restricted to the following:

- to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy"); and
- to promote for the benefit of individuals living in Harpenden and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

Objectives, Strategies and Activities

The significant objectives for the School for the period under review are summarised below:

- to provide value for money for the funds expended
- to ensure the School is suitably staffed
- to comply with all statutory requirements
- to provide a broad and balanced curriculum that meets the needs of the pupils

St George's School Harpenden
Trustees' Report
Year ended 31 August 2023

- to develop and maintain links with local industry and the wider community, including working closely with other educational establishments.
- to conduct the School's business in accordance with the highest standards of integrity, probity and openness

To achieve our strategic aims and objectives, the Governors have the following stated priorities:

- to provide a first-class education which helps all pupils to achieve their full potential
- to encourage respect for moral and spiritual values which reflect the Christian ethos of the school's foundation.
- to help all pupils grow into mature, self-disciplined citizens and caring members of society, prepared for the challenges they will face.
- to create an environment which provides for equality of opportunity and promotes good relations between individuals within the school and in the wider community on the basis of mutual respect.
- to achieve these aims in partnership with parents and carers together with partner schools and groups in the community.

Public Benefit

The Governors have due regard to the Charity Commission guidance on public benefit in deciding what activities the School should undertake. The focus of the School remains the provision of secondary education including boarding.

The School is the only Faith secondary school in the Harpenden area, and places for both day and boarding are heavily in demand. It admits pupils irrespective of academic ability and seeks to help them achieve the very best results of which they are capable. It has a first-class Learning Support team, which helps increasing numbers of pupils with a wide variety of learning difficulties. It has also invested in pastoral support for its students and has employed staff for the specific purpose of providing pastoral support to its pupils.

The existence of the boarding houses at St George's can provide a valuable safe haven for children who for whatever reason have difficulties at home and who qualify for a boarding need as stated in the School's boarding admission criteria. In the past few years, several children from the day School have been accommodated at short notice because of changes in their circumstances, such as changes in contracts which result in moves abroad, or family bereavement, and this has enabled them to complete their studies at St George's. Without the boarding facility they might not have been able to remain at the School and their futures would have been more precarious.

As in all state-maintained schools, there are no fees for day places. Boarding fees are charged to pay for the dedicated facilities, and no charge is made to the boarding pupils' families for their education. In principle, boarding places are open to any child who by virtue of his or her right of abode in the United Kingdom is entitled to education in a maintained school, though boarding need and suitability for boarding have to be considered according to the admissions criteria.

The Governors confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commissions published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

Strategic Report

Achievements and Performance

The school continues to work hard to meet the needs of those of our community who are affected by the longer term impacts of the covid pandemic. Increased Social, Emotional and Mental Health issues (both in number of those suffering and complexity of need), and increased levels of absence

St George's School Harpenden
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(mirroring the national picture) have both been seen within school this year. Our strong Pastoral support systems continue to support pupils with the large range of needs that they experience. Sport, the creative arts, opportunities for school leadership and much more have ensured that pupils are able to engage with each other and to be recognized and appreciated within our school community. Student Services, the House staff and tutors have all played a part in ensuring that pupils feel a sense of belonging and value within our community. As Covid becomes more distant we need to remain cognisant that its impacts can be long lived and that as pupils process and develop new threats and difficulties with a root in the pandemic are still emerging.

Our positive commitment to our pupils has been rewarded by an amazing set of GCSE and A level results (as detailed below). In addition to these we saw success on the sports field; participated in Drama productions, created some amazing musical moments, continued to raise money for our chosen charities; and returned to a full complement of inter house competitions. Our Christian Foundation and Chapel gives us time to reflect on our faith; our actions that are rooted in it; and our attitude towards others.

We have continued to undertake and enact on our succession plans for the future; provide a diverse range of CPD opportunities for staff; create new structures within the support staff function of the school; and to develop our middle leaders by exposing them to and encouraging them to participate in whole school decision making. Our staff wellbeing survey continues to show improvement in many areas from our position last year.

Our newly recruited Governors are now 18 months into their role and are gaining valuable information and understanding of our complex school. We continue to draw on their broad range of valuable skills and experience, and this coupled with their increased knowledge of school is making them effective "critical friends". -

We have made additional major investments in boiler renewal, redeveloped a further 7 classrooms, improved our Old Library: and have renewed carpet in a range of areas within the school. We have also renewed a second suite of showers and toilets within our Keswick boarding house.

We have set aside money to contribute into a CIF bid for the replacement of windows (value £750k) should this be successful.

Value for Money:

Health and Safety investment:

Current budget allocations include:

Health And Safety (general repairs) £4,000

Health and safety Inspections £6,000

Capital investments over the last year in which non replacement could have had a serious impact on health and safety included new boilers and renewed carpet. We have a significant CIF bid in for the replacement of old sash windows.

The school has continued to invest in an enhanced knowledge of Health and Safety within the school. Our new Site Manager is NEBOSH trained and we have supported our Director of Estates and Income Generation to obtain the same qualification.

To help us manage and monitor health and safety more efficiently and effectively we have invested in SmartLog. This package helps us store evidence and records; provides prompts for management and compliance and offers a suite of training modules to help keep staff abreast of current thinking and changing H&S requirements.

St George's School Harpenden Trustees' Report Year ended 31 August 2023

Our Building conditions survey ensures that we have an accurate record of the state of our building which is graded to help the school consider the order of actions needed.

Key Performance Indicators

In 2023 the outcomes from the public examinations were adjusted this year at a national level to bring them back into line with pre covid outcomes.

St George's students excelled, maintaining our outstanding track record of success and are a Key Performance Indicator of which the Governors are rightly proud.

At A Level:

- The average point score per entry was 40.6
- 41% of the grades awarded were A* or A: 68% A*-B: 99% A*-E.
- 95% students went to their firm or insurance choice university, including 11 Oxbridge and 5 Medics,

At GCSE:

- Our provisional Progress 8 score for 2023 is 0.75 with an Attainment 8 score of 6.3.
- APS - 6.4
- 57% of grades were awarded as 7, 8 or 9 (historically A*/A).
- 91% of students passed English and Maths.

Key Financial Performance Indicators

Boarding numbers are buoyant, and recruitment is looking positive as we move forward. At the time of writing we have 112 boarders in residence, which exceeds our break even position of 100 and our budgeted number of 112. We continue to explore alternative boarding marketing options, including the UK prep school market and the use of a few selected recruitment agencies when the opportunity arises.

Income from boarding has returned to pre-pandemic level, and Boarding reserves have been replenished.

Going Concern

The school faces a variety of economic challenges felt by the broader economy as a whole, namely a inflation led cost of living crisis and volatile energy markets that are, in turn, creating a rise in market pricing for fuel contracts. There are also education wide challenges including a recruitment crisis. In combination, these challenges are creating budgetary pressures for all schools, including St George's.

After making appropriate enquiries the board of Governors has a reasonable expectation that the Academy has adequate resources to continue in operation for the next twelve months. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

At the end of the period under review the Academy showed a surplus of £750,087. This result includes an actuarial gain on the Academy's defined benefit pension scheme of £447,000 and a surplus on Boarding operations of £177,516.

The Governors are mindful that its unrestricted funds are not guaranteed and constantly scrutinise the financial performance of the Academy. The Governors also acknowledge that the Academy is at risk if the Government chooses not to fully fund the changes it makes to teachers pay and conditions and the Academy's pension arrangements.

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Reserves Policy

At the year-end there was a surplus in total funds of £4,017,245 (2022: £3,267,158). The overall surplus was split between a surplus in general restricted funds of £818,822 and a surplus on the fixed asset fund of £1,311,209 and a surplus on the unrestricted income funds of £1,887,214. Financial contingencies are preserved to meet costs not anticipated at the time the budget is set.

Investment Policy

The Governors aim to manage the cash balances of the Academy to provide for the day-to-day working capital requirements of its operations whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, they aim to invest surplus cash funds to optimise returns but ensuring the investment instruments are such that there is minimum risk of loss. The School's current policy is that where the cash flow identifies a base level of cash funds that will be surplus to requirements these may be invested only in interest bearing deposit accounts with our current banking providers, Barclays. Where robust financial monitoring indicates the availability for cash funds for investment, identified proportions of the surplus may be invested for periods of between 6 weeks and 3 years provided that funds can be withdrawn before the investment term, albeit with an interest penalty.

Principal Risks and Uncertainties

The major risks to which the Academy is exposed, as identified by the Governors, have been reviewed and systems or procedures have been established to manage those risks. The Risk Register is presented to and agreed by the Governors.

The risk register compiled by the school specifically contains reference to areas of health and safety compliance and estate safety. The risk register details the risk; level of risk and actions the school takes to mitigate that risk. The risk register is reviewed on an annually basis by both the leadership of the school and the Governing body, so that new and emerging threats can be considered and added.

The principal risks and uncertainties are identified below:

- Global Viral Pandemic
- Damage to buildings and/or fixtures by fire, flood or other
- Theft of property
- Loss of money
- Exposure to legal action and claims for damages
- Bodily accident or injury
- Safeguarding of staff, pupils and visitors from abuse or common assault
- Liability due to negligence
- Computer damage or loss of data due to viral or failure of equipment
- Strike action
- Brexit in particular as it relates to boarding places
- Inability to fill boarding places
- Cybersecurity
- risk associated with a site that is not well maintained and does not comply with relevant regulations.

Financial and Risk Management Objectives and Policies

The School operates using simple financial instruments: bank balances, cash and trade creditors, with limited trade (and other) debtors, all of which carry minimal risk or uncertainty.

St George's School Harpenden Trustees' Report Year ended 31 August 2023

Details of the School's defined benefit pension schemes are included in the Notes to the Financial Statements.

Fundraising has returned to pre-pandemic levels. The Parent Staff Association (PSA) runs a comprehensive programme of events, none of which took place due to social distancing requirements. The PSA regularly contributes the sum of £35k into school funds on an annual basis. The Cecil Grant Founder Trust (CGFT) relies on voluntary monthly contributions made by the parental body. There has been a reduced contribution this year, which may be attributed to the lack of personal contact between the Trust and particularly new parents due to the curtailment of events such as the New Parents evening. The CGFT have also indicated that the number of contributions that have been increased due to a second sibling joining the school has also reduced perhaps due to the uncertain financial future that families are facing.

Plans for Future Periods

We have already noted the increase in Social, Emotional and Mental Health needs and an increase in disclosure of historic sexual assault, which has occurred in the aftermath of the Pandemic. The employment of a counsellor through Catch up funding has helped the school provide support for a whole range of individuals who may have had to wait a significant amount of time for support within the wider community.

We have made great strides to return our letting income to its pre pandemic levels, and as a result we are seeing much progress in this area of our work. This remains a focus for the school as it seeks to maximise its income generation in light of possible further restrictions in public funding.

The school has been hit hard by a significant rise in its gas bill this year. This is making us more determined to find alternative sources of heating and/or energy generation that will help reduce our carbon footprint, but also make our energy consumption more financially sustainable in years to come.

We continue to enhance and develop our school buildings; with plans in place for the renewal of the Chapel roof; 7 classroom refurbishment; damp work in the sports hall; and the repair and enhancement of our "old library" after water damage occurred.

We continue to work hard on reducing workload by adopting new and more efficient ways of working.

However, St George's continues to look to the future and at strategies that ensure we will remain a leading provider of high-quality day and boarding education. To support us in doing this, the following are included as part of the School Action Plan.

- Continue to maintain and further develop a curriculum offer that meets the future needs of the pupils and society by using all our available resources efficiently and effectively allowing the greatest degree of choice to pupils to make their learning meaningful, enjoyable and relevant to their needs, talents and ambitions.
- Continue to develop a distributed style of leadership within the school, drawing on the expertise of those paid on the Teaching Leadership Spine or Support Management Spine that are not directly part of the core Leadership Team.
- Utilise data effectively to ensure that the interventions the school undertakes helps it to meet the needs of all learners
- As and when funds allow to undertake further capital projects that allow the school to continue to reduce energy consumption and improve environmental performance.
- Further develop boarding facilities and boarding welfare to provide a boarding environment fit for the 21st century

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Funds Held as Custodian Trustee on Behalf of Others

The School does not hold any funds as custodian trustee.

Auditor

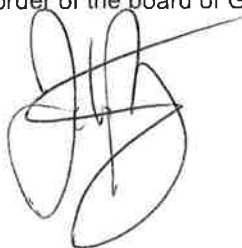
Insofar as the Governors are aware:

- there is no relevant audit information of which the charitable Company's auditor is unaware; and
- the Governors 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.

Moore Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act. It is proposed that they be re-appointed auditors for the ensuing year.

Approved by order of the board of Governors on 5 December and signed on its behalf by:

J Featherby
Chairman

A handwritten signature in black ink, consisting of a stylized 'J' followed by a series of loops and a long horizontal stroke extending to the right.

**St George's School Harpenden
Trustees' Report
Year ended 31 August 2023**

Governance statement

Scope of Responsibility

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

The board of Governors has delegated the day-to-day responsibility to the Headteacher as Accounting Officer, for ensuring that financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to the School in the funding agreement between St George's School, Harpenden Academy and the Secretary of State for Education. The Headteacher is also responsible for reporting to the board of Governors 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 Full Governing Body has met formally 4 times during the period from September 2022 - August 2023 attendance during that period at meetings of the board of Governors was as follows:

Trustee	Meetings Attended	Out of a Possible
Helen Barton	4	4
John Featherby (Chair)	4	4
Elizabeth Cowan (Vice-Chair)	3	4
Kyle Barry	4	4
Tim Bull	4	4
Bruce Dallas	3	4
Ross Finlay	3	4
Harriet Flowerdew (resigned May 2023)	0	3
Lynda McCarney-Redford	4	4
David McNally	3	4
David Mackay	4	4
Emma Millo	3	4
Benjamin Noake	4	4
Gboyega Olusoga	3	4
Clare Rudd	4	4
Emma Sabato	2	4

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Nigel Sellars	4	4
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In this year we have seen the resignation of 1 Governor (Harriet Flowerdew)

John Featherby (The current Chair) current term as a Parent Governor will come to an end on the 19th Nov 20213. He has been appointed as a Foundation Governor for a further 4 year term as of 20th November 2023.

We have not recruited any new Governors this year as we have continued to train and embed the new board and governance structure.

We have undertaken our annual skills audit review and have identified the following skills shortages: Buildings and Estates, and HR

As a board we are confident that the board has appropriate level of skills and knowledge to undertake the roles and responsibilities that have been delegated to it, and that it is able to assess the impact that they have

Review of Value for Money

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

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

- Recruiting an increasingly flexible workforce to ensure that the changing needs of the school can be meet within its budgetary framework
- Continuing a moratorium on automatic staff replacement so that following the resignation of any staff member a review is undertaken to evaluate not only what is required but if services and provision can be reduced to enable efficiency savings to be made by using other available resources.
- Monitoring of utilities usage and to continue assessment of utilities contracts, including a review of the Academy's water supply following deregulation.

Health and safety value for money

We recognise that investment in our buildings is paramount if we are to maintain a safe environment for those who work and learn within it. The school seeks to provide a healthy and safe environment for its staff and pupils by providing a) Training b) undertaking regular Health and safety testing c) capital investment (through either repair or renewal).

Key Management Remuneration

None of the Governors receive remuneration for the services they provide to the Academy.

The pay and remuneration of the Academy's key management personnel (being the staff who are the senior management personnel responsible for the day to day running of the Academy) is set using appropriate scales of remuneration as recommended by the School Teacher's Review Body and published in the 2022 School Teachers Pay and Conditions Document. The School operates a comprehensive performance appraisal and review scheme which informs the Headteacher and

**St George's School Harpenden
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the Staff and Students Committee with regard to assessing at which point on a pay spine personnel are remunerated.

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 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 St George's School, Harpenden Academy for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Plans and Strategies for Managing Risk

The board of Governors has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Governors is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy's significant risks that have 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 financial statements. The principal strategies for managing those risks are by regularly reviewing them and planning for the eventuality of a risk occurring and using the principle of insuring against the most likely risks. This process is regularly reviewed by the board of Governors.

The Risk and Control Framework

The Academy'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 Governors;
- regular reviews by the Full Governing Body of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of Governors considered the need for a specific internal audit function and has appointed Shared Internal Audit Service to assist in this matter

Review of Effectiveness


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

- the work of the Shared Internal Audit Service
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of Governors on 5 December 2023 and signed on its behalf by:



Mr J Featherby

Chair of Governors



Miss H Barton

Accounting Officer

**St George's School Harpenden
Trustees' Report
Year ended 31 August 2023**

Statement of regularity, propriety and compliance

As Accounting Officer of St George's School, Harpenden Academy, I have considered my responsibility to notify the Academy board of Governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and noncompliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy and the Secretary of State. 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 board of Governors are able to identify any material irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies 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 Governors and EFA.



Miss H Barton

Accounting Officer

Date: 5 December 2023

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Year ended 31 August 2023**

Statement of trustees' responsibilities

The Trustees (who act as Governors of St George's School, Harpenden Academy and are also the Directors of the charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the board of Governors on 5 December 2023 and signed on its behalf by:



Mr J Featherby
Chair of Governors

Independent Auditor's Report on the Financial Statements to the Members of St George's School Harpenden Academy Trust

Opinion

We have audited the financial statements of St George's School Harpenden Academy Trust ('the academy trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

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 financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRS'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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Independent Auditor's Report on the Financial Statements to the Members of St George's School Harpenden Academy Trust (continued)

Opinion on other matter 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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 strategic report or the trustees' annual report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report on the Financial Statements to the Members of St George's School Harpenden Academy Trust (continued)

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- 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. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit any significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent 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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Independent Auditor's Report on the Financial Statements to the Members of
St George's School Harpenden Academy Trust
(continued)

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of this report

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

Moore Kingston Smith LLP

Date: 13 December 2023

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP

4 Victoria Square
St Albans
Hertfordshire
AL1 3TF

Independent Reporting Accountant's Assurance Report on Regularity to St George's School Harpenden Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 13 June 2022 and further to the requirements of the Education Funding and Skills 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 St George's School Harpenden Academy Trust 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 St George's School Harpenden Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St George's School Harpenden Academy Trust 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 St George's School Harpenden Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St George's School Harpenden Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St George's School Harpenden Academy Trust's funding agreement with the Secretary of State for Education dated 1 January 2000 and the Academy 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 Academies Accounts Direction 2022 to 2023 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.

Independent Reporting Accountant's Assurance Report on Regularity to St George's School Harpenden Academy Trust and the Education and Skills Funding Agency

The work undertaken to draw to our conclusion includes:

- review of financial records for unusual transactions
- sample testing expenditure transactions were reasonable, appropriate and appropriately authorised in accordance with the trust's procurement policy
- review the minutes of the Board meetings
- review the processes and controls to identify related party transactions and potential conflicts
- obtaining formal representations from the Board and the accounting officer
- reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regulatory report.

Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 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.

Matter 1

The following requirement has not been complied with:

Management accounts are shared with the chair of trustees monthly, with other trustees six times a year and considered by the board when it meets.

Moore Kingston Smith LLP

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP

Date: 13 December 2023

4 Victoria Square
St Albans
Hertfordshire
AL1 3TF

St George's School Harpenden Academy Trust

Statement of Financial Activities for the year ended 31 August 2023

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2023 £	Total 2022 £
Income and endowments from:						
Donations and capital grants	2	67,881	146,961	499,086	713,928	613,642
Charitable activities:						
Funding for the academy trust's educational operations	3	1,188,623	8,510,590	-	9,699,213	9,363,319
Provision of boarding activities	27	1,695,872	-	-	1,695,872	1,678,215
Other trading activities	4	21,664	-	-	21,664	12,850
Investments	5	111,331	-	-	111,331	6,444
Total		3,085,371	8,657,551	499,086	12,242,008	11,674,470
Expenditure on:						
Raising funds	6	-	1,423,461	-	1,423,461	1,456,232
Grants	7	-	-	-	-	-
Charitable activities:						
Academy trust educational operations	6, 7	864,306	7,641,476	491,322	8,997,104	8,959,188
Provision of boarding activities	27	1,518,356	-	-	1,518,356	1,442,214
Total		2,382,662	9,064,937	491,322	11,938,921	11,857,634
Net income/(expenditure)		702,709	(407,386)	7,764	303,087	(183,164)
Transfers between funds	16	55,804	-	(55,804)	-	-
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	16, 25	-	447,000	-	447,000	5,091,000
Net movement in funds		758,513	39,614	(48,040)	750,087	4,907,836
Reconciliation of funds						
Total funds brought forward		1,128,701	779,208	1,359,249	3,267,158	(1,640,678)
Total funds carried forward		1,887,214	818,822	1,311,209	4,017,245	3,267,158

All of the academy's activities derive from continuing operations during the above two financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

The detailed comparative information for the Statement of Financial Activities is included in note 28.

St George's School Harpenden Academy Trust
Balance Sheet as at 31 August 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	11		1,050,209		1,141,749
			1,050,209		1,141,749
Current assets					
Stock	13	35,869		28,308	
Debtors	14	866,705		742,729	
Cash at bank and in hand		4,045,190		3,466,566	
		4,947,764		4,237,603	
Liabilities					
Creditors : Amounts falling due within one year	15	(1,980,728)		(1,777,194)	
Net current assets/(liabilities)			2,967,036		2,460,409
Total assets less current liabilities			4,017,245		3,602,158
Defined benefit pension scheme liability	25		-		(335,000)
Total net assets			4,017,245		3,267,158
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	16	1,311,209		1,359,249	
General fund	16	818,822		1,114,208	
Pension reserve	16	-		(335,000)	
Total restricted funds			2,130,031		2,138,457
Unrestricted income funds	16		1,887,214		1,128,701
Total funds			4,017,245		3,267,158

The financial statements on pages 23 - 41 were approved by the trustees, and authorised for issue on 5 December 2023 and are signed on their behalf by:



John Featherby
Chair of Trustees

Company Registration Number: 08092358 (England and Wales)

St George's School Harpenden Academy Trust
Statement of Cash Flow for the year ended 31 August 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	575	283,003
Cash flows from financing activities	20	-	-
Cash flows from investing activities	21	578,049	94,954
Change in cash and cash equivalents in the reporting period		578,624	377,957
Cash and cash equivalents at 1 September 2022		3,466,566	3,088,609
Cash and cash equivalents at 31 August 2023		4,045,190	3,466,566

1 Statement of Accounting Policies

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

Company information

St George's School Harpenden Academy Trust is a private company limited by guarantee, domiciled and incorporated in England and Wales. The registered office and principal place of business is St George's School, Sun Lane, Harpenden, Hertfordshire, AL5 4TD.

Basis of Preparation

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

St George's School Harpenden Academy Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

Going Concern

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

Income

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

• Grants

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

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

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

• 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 the amount can be reliably measured.

• Donations

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

• Other Income

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

• Donated goods, facilities and services

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 to the value of low value items they are not recognised in the financial statements until they are sold. This income is recognised within "Income from other trading activities".

1 Statement of Accounting Policies (continued)

• Donated fixed assets

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

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 a 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 the support costs involved in undertaking each activity. Direct costs attributable to a single activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

• Expenditure on Raising Funds

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

• Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Plant and equipment	20% straight line basis
Leasehold improvements	over 20 years

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

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

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 the 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 and services it must provide.

Provisions

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

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

Leased Assets

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

St George's School Harpenden Academy Trust
Notes to the Financial Statements for the year ended 31 August 2023 (continued)

1 Statement of Accounting Policies (continued)

Stock

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

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:

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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.

Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

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

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

Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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.

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

1 Statement of Accounting Policies (continued)

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

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

Fund Accounting

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

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

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

Critical accounting estimates and areas of judgment

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.

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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 2022 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 ultimate responsibility for setting the assumptions is that of the academy trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The academy trust has, in practice with most employers, adopted the recommended actuarial assumptions.

One of the key assumptions is the discount rate, which is the estimated rate of long-term investment returns. This year the discount rate of 5.2% is higher than the rate of 4.25% used in the prior year as the bond yield at 31 August 2023 is higher at all terms than at 31 August 2022. Since a higher discount rate means the present value of liabilities is lower, this results in lower overall net liabilities.

Demographic assumptions have been adopted in line with those used in the most recent actuarial valuation as at 31 March 2022, with the exception of an update of the CMI 'Continuous Mortality Investigation' projection model, which has been based on the more recently published updated standard mortality projections model 'CMI_2022', which has been used as the basis for mortality assumptions. Updating the future improvements model to the CMI 2022 model has reduced assumed life expectancies which results in an improve to the balance sheet position.

2 Donations and capital grants

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2023 £
Capital Grants	-	-	144,329	144,329
Other donations	67,881	146,961	354,757	569,599
2022/23 Total	67,881	146,961	499,086	713,928
2021/22 Total	89,753	155,237	368,652	613,642

3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
DfE / ESFA revenue grants				
General Annual Grant (GAG)	-	7,505,576	7,505,576	7,314,525
Other DfE/ESFA grants:				
Pupil Premium	-	72,113	72,113	73,710
Others	-	393,126	393,126	155,442
	-	7,970,815	7,970,815	7,543,677
Other Government grants				
Special educational projects	-	129,341	129,341	65,303
	-	129,341	129,341	65,303
COVID-19 Additional Funding (non-DfE/ESFA)				
Coronavirus exceptional support	-	-	-	20,299
	-	-	-	20,299
Other income from the academy trust's educational operations				
Trip income	-	410,434	410,434	579,794
Catering income	867,112	-	867,112	849,342
Sundry income	321,511	-	321,511	304,904
	1,188,623	410,434	1,599,057	1,734,040
2022/23 Total	1,188,623	8,510,590	9,699,213	9,363,319
2021/22 Total	1,154,246	8,209,074		9,363,320

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

4 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
External catering	21,664	-	21,664	12,850
2022/23 Total	21,664	-	21,664	12,850
2021/22 Total	12,850	-		12,850

5 Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Short term deposits	111,331	-	111,331	6,444
2022/23 Total	111,331	-	111,331	6,444
2021/22 Total	6,444	-		6,444

St George's School Harpenden Academy Trust

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

6 Expenditure

	Staff Costs £	Non Pay Premises £	Expenditure Other £	Total 2023 £	Total 2022 £
Expenditure on raising funds:					
Direct costs	367,355	-	1,056,106	1,423,461	1,456,232
Academy's educational operations:					
Direct costs	5,934,652	156,368	711,708	6,802,728	6,201,774
Allocated support costs	913,135	356,531	924,710	2,194,376	2,757,414
Boarding activities:					
Direct costs	-	-	377,120	377,120	345,612
Allocated support costs	739,742	339,650	61,844	1,141,236	1,096,602
2022/23 Total	7,954,884	852,549	3,131,488	11,938,921	11,857,634
2021/22 Total	8,014,637	725,200	3,117,797		11,857,634

Net income/(expenditure) for the period includes:

	2023 £	2022 £
Operating leases rentals	57,428	47,198
Depreciation	123,908	103,678
Fees payable to auditor for:		
Audit	14,025	12,500
Other services	6,165	9,903

7 Charitable Activities

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2023 £	Total 2022 £
Direct costs - educational operations	-	6,670,778	131,950	6,802,728	6,201,774
Direct costs - boarding	377,120	-	-	377,120	345,612
Support costs - educational operations	864,306	970,698	359,372	2,194,376	2,757,414
Support costs - boarding	1,141,236	-	-	1,141,236	1,096,602
2022/23 Total	2,382,662	7,641,476	491,322	10,515,460	10,401,402
2021/22 Total	2,852,267	7,050,632	498,503		10,401,402

Analysis of support costs

	Boarding £	Educational operations £	Total 2023 £	Total 2022 £
Support staff costs	739,742	913,135	1,652,877	2,080,422
Depreciation	-	123,908	123,908	103,678
Technology costs	-	4,581	4,581	3,810
Premises costs	339,650	232,622	572,272	558,028
Other support costs	61,844	903,284	965,128	1,085,675
Governance costs	-	16,846	16,846	22,403
Total support costs	1,141,236	2,194,376	3,335,612	3,854,016

St George's School Harpenden Academy Trust

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

8 Staff

a. Staff costs

Staff costs during the period were:

	2023 £	2022 £
Wages and salaries	5,910,965	5,484,933
Social security costs	552,620	517,819
Operating costs of defined benefit pension scheme	1,426,261	1,934,002
Apprenticeship levy	14,390	12,520
	7,904,236	7,949,274
Staff training	-	-
Supply staff costs	50,648	56,537
Staff restructuring costs	-	8,826
	7,954,884	8,014,637
Staff restructuring costs comprise:		
Redundancy payment	-	8,826
	-	8,826

b. Non statutory/non-contractual severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2022: £8,826). Individually, the payment was: £Nil (2022: £8,826).

c. Staff numbers

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

	2023 No.	2022 No.
Teachers	80	88
Administration and support	102	108
Management	7	10
	189	206

The full time equivalent number of persons employed by the trust during the period was as follows:

	2023 No.	2022 No.
Teachers	65	77
Administration and support	72	69
Management	7	10
	144	156

d. Higher paid staff

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

	2023 No.	2022 No.
£60,001 - £70,000	-	1
£70,001 - £80,000	5	3
£80,001 - £90,000	1	1
£90,001 - £100,000	1	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £917,846 (2022: £689,158).

9 Related Party Transactions - Trustees' Remuneration and Expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

H Barton (principal and trustee):

Remuneration £120,000 - £130,000 (2022: £110,000 - £120,000)

Employer's pension contributions £25,000 - £30,000 (2022: £25,000 - £30,000)

E Sabato (staff trustee):

Remuneration £40,000 - £50,000 (2022: not a staff trustee)

Employer's pension contributions £5,000 - £10,000 (2022: not a staff trustee)

L McCarney-Redford (staff trustee):

Remuneration £20,000 - £30,000 (2022: not a staff trustee)

Employer's pension contributions £5,000 - £10,000 (2022: not a staff trustee)

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

10 Trustees and officers insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim.

11 Tangible fixed assets

	Assets Under Construction £	Leasehold Improvements £	Plant and Machinery £	Total £
Cost				
At 1 September 2022	447,483	637,856	692,773	1,778,112
Additions	-	24,358	8,010	32,368
Disposals/transfer of class	(447,483)	447,483	-	-
At 31 August 2023	-	1,109,697	700,783	1,810,480
Depreciation				
At 1 September 2022	-	90,461	545,902	636,363
Charged in year	-	54,254	69,654	123,908
At 31 August 2023	-	144,715	615,556	760,271
Net book values				
At 31 August 2023	-	964,982	85,227	1,050,209
At 31 August 2022	447,483	547,395	146,871	1,141,749

12 Financial instruments

	2023 £	2022 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	521,572	573,072
	<u>521,572</u>	<u>573,072</u>
Carrying amount of financial liabilities		
Measured at amortised cost	1,068,311	1,076,087

13 Stock

	2023 £	2022 £
General Stock	35,869	28,309
	<u>35,869</u>	<u>28,309</u>

14 Debtors

	2023 £	2022 £
Trade debtors	380,732	409,531
VAT recoverable	86,917	84,648
Other debtors	175,393	78,893
Prepayments and accrued income	223,663	169,657
	<u>866,705</u>	<u>742,729</u>

St George's School Harpenden Academy Trust

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

15 Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	132,936	145,459
Other taxation and social security	137,837	130,881
Other creditors	693,523	639,583
Accruals and deferred income	1,016,432	861,271
	1,980,728	1,777,194

Deferred income

	2023 £	2022 £
Deferred income as at 1 September 2022	701,107	827,322
Resources deferred in the year	912,417	701,107
Amounts released from previous years	(701,107)	(827,322)
Deferred income as at 31 August 2023	912,417	701,107

At the balance sheet date the academy trust was holding funds received in advance for catering, trips and boarding income relating to 2022/23.

16 Funds

	Balance at 1 September 2022 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	1,042,862	7,505,576	(7,793,303)	-	755,135
SEN Grants	-	129,341	(129,341)	-	-
Cecil Grant Founders Trust	57,602	140,000	(175,523)	-	22,079
Pupil Premium	-	72,113	(72,113)	-	-
Other grants	-	393,126	(377,086)	(16,040)	-
Other DfE/ESFA COVID-19 funding	13,744	-	-	16,040	29,784
Other donations	-	6,961	(6,961)	-	-
Pension reserve	(335,000)	-	(112,000)	447,000	-
School trips	-	410,434	(398,610)	-	11,824
Other restricted funds	-	-	-	-	-
	779,208	8,657,551	(9,064,937)	447,000	818,822
Restricted fixed asset funds					
Capital assets	1,141,749	238,086	(273,822)	(55,804)	1,050,209
Unspent funds - Local Authority	217,500	261,000	(217,500)	-	261,000
	1,359,249	499,086	(491,322)	(55,804)	1,311,209
Total restricted funds	2,138,457	9,156,637	(9,556,259)	391,196	2,130,031
Total unrestricted funds	1,128,701	3,085,371	(2,382,662)	55,804	1,887,214
Total funds	3,267,158	12,242,008	(11,938,921)	447,000	4,017,245

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

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objectives of the free school 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.

Under the funding agreement with the Secretary of State, the free school was not subject to limits on the amount of GAG that it could carry forward at 31 August 2023.

Special Educational Needs (SEN) Grant - Grant awarded on case by case basis which assists the academy in helping children with special educational needs.

The Cecil Grant Founders Trust ('CGFT') was established by the School's Founder and now raises funds annually to support fixed asset and general fund expenditure of the School. The Trustees are extremely grateful for the income that the CGFT provides each year.

St George's School Harpenden Academy Trust

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

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

	Balance at 1 September 2021 £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	342,369	7,314,525	(6,614,032)	-	1,042,862
SEN Grants	-	65,303	(65,303)	-	-
Other DfE/ESFA grants	21,072	155,442	(176,514)	-	-
Cecil Grant Founders Trust	77,602	135,000	(155,000)	-	57,602
Pupil Premium	-	73,710	(73,710)	-	-
Other DfE/ESFA COVID-19 funding	59,625	20,299	(66,180)	-	13,744
School trips	12,937	579,794	(592,731)	-	-
Pension reserve	(4,716,000)	-	(710,000)	5,091,000	(335,000)
Other donations	33,157	20,237	(53,394)	-	-
	(4,169,238)	8,364,310	(8,506,864)	5,091,000	779,208
Restricted fixed asset funds					
Capital assets	771,435	151,152	(498,503)	717,665	1,141,749
Unspent funds - Local Authority	-	217,500	-	-	217,500
	771,435	368,652	(498,503)	717,665	1,359,249
Total restricted funds	(3,397,803)	8,732,962	(9,005,367)	5,808,665	2,138,457
Total unrestricted funds	1,757,125	2,941,508	(2,852,267)	(717,665)	1,128,701
Total funds	(1,640,678)	11,674,470	(11,857,634)	5,091,000	3,267,158

17 Analysis of net assets between Funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	1,050,209	1,050,209
Current assets	1,887,214	2,799,550	261,000	4,947,764
Current liabilities	-	(1,980,728)	-	(1,980,728)
Pension scheme liability	-	-	-	-
Total net assets	1,887,214	818,822	1,311,209	4,017,245

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	1,141,749	1,141,749
Current assets	1,128,701	2,891,402	217,500	4,237,603
Current liabilities	-	(1,777,194)	-	(1,777,194)
Pension scheme liability	-	(335,000)	-	(335,000)
Total net assets	1,128,701	779,208	1,359,249	3,267,158

St George's School Harpenden Academy Trust
Notes to the Financial Statements for the year ended 31 August 2023 (continued)

18 Commitments under operating leases

a) Operating Leases

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

	2023 £	2022 £
Amounts due within one year	57,428	46,893
Amounts due between two and five years	208,678	166,146
Amounts due after five years	35,708	74,413
	<u>301,814</u>	<u>287,452</u>

Expenses incurred during the year relating to non-cancellable operating leases were £46,893 (2022: £47,198).

19 Reconciliation of Net Income/(expenditure) to Net Cash Inflow from Operating Activities

	2023 £	2022 £
Net income/(expenditure) for the reporting period	303,087	(183,164)
Adjusted for:		
Depreciation	123,908	103,678
Capital grants from DfE/ESFA and other capital income	(499,086)	(368,652)
Interest receivable	(111,331)	(6,444)
Defined benefit pension scheme cost less contributions payable	112,000	710,000
(Increase)/decrease in stocks	(7,561)	8,955
(Increase)/decrease in debtors	(123,976)	(33,581)
Increase/(decrease) in creditors	203,534	52,211
Net Cash provided by / (used in) Operating Activities	<u>575</u>	<u>283,003</u>

20 Cash flows from financing activities

	2023 £	2022 £
Repayments of borrowing	-	-
Net cash provided by / (used in) financing activities	<u>-</u>	<u>-</u>

21 Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	111,331	6,444
Purchase of tangible fixed assets	(32,368)	(280,142)
Capital grants from DfE Group	499,086	368,652
Net Cash provided by / (used in) investing Activities	<u>578,049</u>	<u>94,954</u>

22 Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	4,045,190	3,466,566
Total cash and cash equivalents	<u>4,045,190</u>	<u>3,466,566</u>

23 Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	Acquisition/ disposal of subsidiaries £	New finance leases £	Other non- cash changes £	At 31 August 2023 £
Cash	3,466,566	578,624	-	-	-	4,045,190
Cash equivalents	-	-	-	-	-	-
Overdraft facility repayable on demand	-	-	-	-	-	-
	<u>3,466,566</u>	<u>578,624</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,045,190</u>
Total	<u>3,466,566</u>	<u>578,624</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,045,190</u>

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/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

25 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 Hertfordshire County Council. Both are multi-employer defined-benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £149,864 were payable to the schemes at 31 August 2023 (2022: £137,772) and are included within creditors.

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £877,053 (2022: £827,609) and at the year-end £103,377 (2022 - £98,179) was accrued in respect of contributions to this scheme.

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in 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 affecting contributions during the year was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% employer administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39,800 million
- the SCAPE (Superannuation Contributions Adjusted for Past Experience) rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is based on OBR's forecast for long-term GDP growth. The current SCAPE rate is 1.7% above the rate of CPI.

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

25 Pension and Similar Obligations (continued)**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £560,000 (2022: £515,000), of which employer's contributions totalled £439,000 (2022: £407,000) and employees' contributions totalled £121,000 (2022: £108,000).

Additional disclosure should be made where the scheme is in deficit and the entity has entered into an agreement with the trustees to make additional contributions in addition to normal funding levels, including the number of years over which it is anticipated that the additional contributions will be paid.

Principal Actuarial Assumptions

	2023	2022
Rate of increase in salaries	3.50%	3.45%
Rate of increase for pensions in payment/inflation	3.00%	3.05%
Discount rate for scheme liabilities	5.20%	4.25%

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

	2023	2022
<i>Retiring today</i>		
Males	21.20	21.90
Females	24.90	24.40
<i>Retiring in 20 years</i>		
Males	22.20	22.90
Females	24.90	26.00

Sensitivity analysis

	2023 £	2022 £
Discount rate -0.1%	163,000	170,000
Salary increase rate +0.1%	8,000	8,000
Pension increase rate +0.1%	158,000	164,000

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

	2023 £	2022 £
Equity instruments	4,092,240	3,675,000
Corporate bonds	1,925,760	1,690,500
Property	1,123,360	1,102,500
Cash and other liquid assets	882,640	882,000
Total market value of assets	8,024,000	7,350,000

Amounts recognised in the statement of financial activities:

	2023 £	2022 £
Current service cost	535,000	1,034,000
Interest income	(321,000)	(126,000)
Interest cost	337,000	209,000
Total amount recognised in the SOFA	551,000	1,117,000

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

	2023 £	2022 £
At 1 September	(7,685,000)	(12,143,000)
Current service cost	(535,000)	(1,034,000)
Interest cost	(337,000)	(209,000)
Employee contributions	(121,000)	(108,000)
Actuarial (gain)/loss	581,000	5,703,000
Benefits paid	156,000	106,000
At 31 August	(7,941,000)	(7,685,000)

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

	2023 £	2022 £
At 1 September	7,350,000	7,427,000
Interest income	321,000	126,000
Actuarial gain/(loss)	(51,000)	(612,000)
Employer contributions	439,000	407,000
Employee contributions	121,000	108,000
Benefits paid	(156,000)	(106,000)
At 31 August	8,024,000	7,350,000

Net pension asset/(liability)	83,000	(335,000)
Asset not recognised *	(83,000)	

* The surplus (asset) indicated by the difference between the value of the Scheme assets and liabilities has not been recognised on the Balance Sheet in accordance with FRS102 Section 28.22. The employer does not have a right to a refund of the surplus.

26 Related party transactions

Owing to the nature of the School's operations and the composition of the Governing Board being drawn from local public and private sector organisations, transactions may take place with organisations in which a member of the Board has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the School's financial regulations and normal procurement procedures. There were no transactions during the year ended 31 August 2023, other than those disclosed in note 9.

27 Academy boarding trading account

	Unrestricted Funds £	Restricted General Fund £	Restricted Fixed Asset Funds £	Total 2023 £	Total 2022 £
Income					
Fee income	1,650,012	-	-	1,650,012	1,635,313
Disbursements income	22,007	-	-	22,007	17,376
Other income	23,853	-	-	23,853	25,526
	<u>1,695,872</u>	<u>-</u>	<u>-</u>	<u>1,695,872</u>	<u>1,678,215</u>
Expenditure					
<u>Direct costs</u>					
Goods and services	352,809	-	-	352,809	344,358
Other direct costs	-	-	-	-	-
Bad debt write offs	24,310	-	-	24,310	1,254
	<u>377,119</u>	<u>-</u>	<u>-</u>	<u>377,119</u>	<u>345,612</u>
<u>Indirect costs</u>					
Staff costs	739,742	-	-	739,742	698,999
Utilities	60,230	-	-	60,230	52,151
Rent and rates	130,093	-	-	130,093	91,056
Insurance	6,021	-	-	6,021	5,589
Security	1,347	-	-	1,347	8,648
Buildings maintenance	141,557	-	-	141,557	178,740
Depreciation	-	-	-	-	-
Other indirect costs	62,247	-	-	62,247	61,419
	<u>1,141,237</u>	<u>-</u>	<u>-</u>	<u>1,141,237</u>	<u>1,096,602</u>
Total operating costs	<u>1,518,356</u>	<u>-</u>	<u>-</u>	<u>1,518,356</u>	<u>1,442,214</u>
Surplus/(deficit) on boarding	<u>177,516</u>	<u>-</u>	<u>-</u>	<u>177,516</u>	<u>236,001</u>
Surplus/(deficit) brought forward	271,107	-	-	271,107	35,106
Transfer to restricted funds	-	-	-	-	-
Transfer from general unrestricted funds	-	-	-	-	-
Surplus/(deficit) carried forward	<u>448,623</u>	<u>-</u>	<u>-</u>	<u>448,623</u>	<u>271,107</u>

28 Comparative Statement of Financial Activities

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2022 £
Income and endowments from:				
Donations and capital grants	89,753	155,237	368,652	613,642
Transfer from Local Authority on conversion	-	-	-	-
Charitable activities:				
Funding for the academy trust's educational operations	1,154,246	8,209,073	-	9,363,319
Provision of boarding activities	1,678,215	-	-	1,678,215
Teaching schools	-	-	-	-
Other trading activities	12,850	-	-	12,850
Investments	6,444	-	-	6,444
Total	2,941,508	8,364,310	368,652	11,674,470
Expenditure on:				
Raising funds	-	1,456,232	-	1,456,232
Charitable activities:				
Academy trust educational operations	1,410,053	7,050,632	498,503	8,959,188
Provision of boarding activities	1,442,214	-	-	1,442,214
Teaching schools	-	-	-	-
Other	-	-	-	-
Total	2,852,267	8,506,864	498,503	11,857,634
Net income / (expenditure)	89,241	(142,554)	(129,851)	(183,164)
Transfers between funds	(717,665)	-	717,665	-
Other recognised gains/(losses):				
Actuarial (losses) / gains on defined benefit pension schemes	-	5,091,000	-	5,091,000
Net movement in funds	(628,424)	4,948,446	587,814	4,907,836
Reconciliation of funds				
Total funds brought forward	1,757,125	(4,169,238)	771,435	(1,640,678)
Total funds carried forward	1,128,701	779,208	1,359,249	3,267,158

29 Investments

Since 2013 individual schools in Hertfordshire had an opportunity to buy a share in Herts For Learning, a company providing products and services to schools. The cost of investment was £25 and St George's School Harpenden Academy Trust purchased one share. The investment is not included in the financial statements on the grounds of materiality and we believe the transactions with Herts For Learning do not constitute related party transactions.