

Company Registration Number: 07718002 (England & Wales)

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**RICHARD CHALLONER SCHOOL**  
(A company limited by guarantee)

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**RICHARD CHALLONER SCHOOL**  
**(A company limited by guarantee)**

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**RICHARD CHALLONER SCHOOL**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

|                                   |  |
|-----------------------------------|--|
| <b>Members:</b>                   | Mr Mark Draper<br>Monsignor Matthew Dickens (Vicar General)<br>Mr Paul McCallum  |
| <b>Trustees:</b>                  | Mr Mark Draper, Chairman (resigned 16 August 2023)<br>Mr Francis Corrigan, Foundation Governor & Chairman (appointed 17 August 2023)<br>Mr John Sabourin, Foundation Governor & Chair of Finance Committee (resigned 16 August 2023)<br>Ms Veronica Bermingham, Foundation Governor & Vice Chair (appointed 17 August 2023)<br>Mrs Patricia O'Connell, Foundation Governor (resigned 16 August 2023)<br>Mr Franco D' Agostino, Foundation Governor<br>Father Ignatius Edet, Foundation Governor<br>Mrs Monica Guntrip, Foundation Governor<br>Mr Kevin Beatty, Foundation Governor<br>Mrs Nikki Cloudsdale, Co-Opted Governor (resigned 4 October 2022)<br>Mr Timothy Povey Co-Opted Governor (re-appointed 4 October 2022)<br>Mrs Fiona Marshall, Parent Governor (appointed 4 January 2023)<br>Mr Sean Maher, Head Teacher<br>Mrs Nickola Mason, Parent Governor<br>Mr Daren King, Local Representative Governor<br>Mrs Louise Fenner-Jiggins, Staff Governor<br>Mrs Nicola McDonald, Staff Governor |
| <b>Company registered number:</b> | 07718002   |
| <b>Company name:</b>              | Richard Challoner School   |
| <b>Registered office:</b>         | Manor Drive North<br>New Malden<br>Surrey<br>KT3 5PE   |
| <b>Company secretary:</b>         | Mr Reg Baker   |
| <b>Senior management team</b>     | Mr Sean Maher, Headteacher and Accounting Officer<br>Mr Neil Henderson, Deputy Headteacher<br>Mr Ian O'Brien, Deputy Headteacher<br>Mr Matt Webber, Deputy Headteacher<br>Mr David Steele, Senior Assistant Headteacher<br>Mrs Rose Costello, Assistant Headteacher<br>Mr Mark Cox, Assistant Headteacher<br>Mrs Stephanie Harvey, Bursar<br>Mrs Ailish Southall, Safeguarding Lead<br>Mrs Catherine Verdin, Assistant Headteacher   |
| <b>Independent auditors:</b>      | BKL Audit LLP<br>35 Ballards Lane<br>London<br>N3 1XW  |

**RICHARD CHALLONER SCHOOL**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

|                    |   |
|--------------------|---|
| <b>Bankers:</b>    | Lloyds TSB Bank plc<br>PO Box No 1000<br>BX1 1LT                              |
| <b>Solicitors:</b> | Winckworth Sherwood<br>Minerva House<br>5 Montague Close<br>London<br>SE1 9BB |



**RICHARD CHALLONER SCHOOL**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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

**Structure, governance and management**

**a. Constitution**

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Articles of Association is the primary governing document of the Academy.

The governors of Richard Challoner School are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Richard Challoner School.

Details of the governors who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

**b. 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.

**c. Trustees' indemnities**

Subject to the provision of Companies Act, every governor or other officer of the charitable company shall be indemnified out of the assets of the charitable company against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Charitable Company.

**d. Method of recruitment and appointment or election of Trustees**

The management of the Academy is the responsibility of the governors who are elected and co-opted under the terms of the Memorandum of Articles of Association.

**e. Policies adopted for the induction and training of Trustees**

During the period under review the governors held twice termly full governing body meetings. The training and induction provided for new governors will depend on their existing experience. Where necessary an induction will provide training on charity and educational legal and financial matters. All new governors are given a tour of the Academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees and directors of the Charitable Company.

**RICHARD CHALLONER SCHOOL**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Structure, governance and management (continued)**

**f. Organisational structure**

The Charitable Company has established a management structure to enable its efficient running. The structure consists of two levels: the Governors and the Executive who are the Senior Leadership Team.

The Governing Body has considered its role thoughtfully and decided that the role of the Governors is to approve the strategic direction and objectives of the Charitable Company and monitor its progress towards these objectives.

The Governing Body has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference.

Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Charitable Company by use of budgets and making major decisions about the direction of the Charitable Company, including capital expenditure and senior staff appointments.

**g. Arrangements for setting pay and remuneration of key management personnel**

Key Management personnel are paid in line with market standards and reviewed annually by the Personnel Committee.

**h. Trade union facility time**

Relevant union officials

Number of employees who were relevant union officials during the year 2

Full-time equivalent employee number 2

Percentage of time spent on facility time

**Percentage of time**

**Number of employees**

0%

1%-50%

51%-99%

100%

2

**Percentage of pay bill spent on facility time**

**£**

Total cost of facility time

Total pay bill

**7,490,703**

Percentage of total pay bill spent on facility time

1 %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours

1 %

**i. Related parties and other connected charities and organisations**

The Academy does not have related parties or other connected charities and organisations.

**RICHARD CHALLONER SCHOOL**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Objectives and activities**

**a. Objects and aims**

The principal object and activity of the Charitable Company is the operation of Richard Challoner School to provide Catholic education in New Malden for Catholic boys living in the South West London area.

In accordance with the articles of association the Charitable Company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

**b. Objectives, strategies and activities**

The main objectives of the Academy during the period ended 31 August 2023 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness
- to ensure students academic and pastoral recovery from the pandemic;

The Academy's vision is to create or offer:

- a strong ethos of achievement leading to continuously improving standards;
- personal confidence;
- appropriate thinking skills, problem solving skills and leadership

This is achieved through developing:

- a sense of personal identity;
- a sense of belonging and loyalty to the school community
- an emphasis on personal and community responsibility;
- a positive learning climate in terms of the nature of courses offered and teaching styles utilised;
- positive relationships with external partners.

**c. Public benefit**

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

**Strategic report**

**Achievements and performance**

**a. Key performance indicators**

- The school were inspected by Ofsted on the 22<sup>nd</sup> and 23<sup>rd</sup> of November 2022 and achieved outstanding in all five areas: quality of education, behavior and attitudes, personal development, leadership and management and Sixth-form provision. This bucked national trends where only 17% of schools previously graded outstanding kept their grade.

**RICHARD CHALLONER SCHOOL**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Achievements and performance (continued)**

**b. Key performance indicators (continued)**

- The school achieved outstanding academic results again this year putting Richard Challoner School in the top boys' comprehensive schools in the country. All indicators at KS4 show the school is performing well above average compared to national and local averages. Published data from SSAT demonstrates that Richard Challoner is performing very well compared to national benchmarks for attainment and progress particularly when compared to boys nationally.
- The number of applicants to the school remains strong and we are heavily oversubscribed with over five applicants for every place available. The school has maintained a stable staff despite the financial pressures on all schools.
- The school continued to offer a broad range of wider curriculum events including a musical, many drama productions, numerous music concerts and art exhibitions. On the sports field, the school continues to have significant success in a wide range of sports including rugby, football and basketball. We are still the only comprehensive school in Kingston to offer regular sport on Saturday mornings. A wide range of students participate and benefit from this fantastic wider curriculum offer.
- The school has achieved the World Class Schools Quality Mark and was the first all boys school in the country to be awarded this quality mark. Results should be in the top 10% of schools nationally. The in school gap between PPG and non PPG students remains much smaller than the national average and PPG students achieve considerably better than their peers nationally. We have consistently been in the top ten non selective boys' schools for progress nationally.
- The school is on course to meet all of its strategic development priorities and remains financially stable with significant income being generated through lettings.
- The school made a significant investment in improving facilities in the 2022/23 academic year including building a sports pavilion for use by students and alumni, refurbishing two science laboratories, updating staff toilets, and refurbishing the school medical room as well as more general site improvement works.
- The school remains a beacon for Catholic and boy's education. We have grown our mental health and wellbeing cluster and continue to support over 70 students in receipt of an EHCP in a mainstream setting.

**c. Going concern**

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies.

**Financial review**

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

The Academy also received grants for fixed assets from the E.S.F.A. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the Academy. It should be noted that this does not present the Academy with any current liquidity problem. The employer contributions have been assessed and they remain the same level as before the academy was established in order to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

**RICHARD CHALLONER SCHOOL**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Reserves policy**

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

'Reserves' are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the trustees' discretion in furtherance of any of the Academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (i.e. is 'free').

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The governors will keep this level of reserves under review at each Finance Committee meeting and aim to build and maintain the reserves level by entering into cost effective agreements as noted in Objectives and Activities above, whilst in keeping with the principal object of the Academy.

Total reserves at the 31 August 2023 amounted to a surplus of £1,179,796 (2022: surplus of £1,240,714). The income fund reserves at the year-end amounted to £4,098 surplus (2022: £150,100 surplus).

The amount of designations made in relation to the unrestricted reserves totals to £NIL.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Trust does not recognise a pension fund asset as at 31 August 2023 (2022: £241,000 deficit). In accordance with the FRS 102 pension report there was a pension asset of £571,000 as at 31 August 2023.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Academy Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Academy Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Academy Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Academy Trust due to the recognition of the deficit.

**Investment policy**

The Academy has an investment policy documented.

**Principal risks and uncertainties**

The Companies Act 2006 S417 (3b) requires disclosure of the principal risks and uncertainties facing a company.

The Academy is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Academy faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Principal risks and uncertainties (continued)**

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk.

Where significant financial risk still remains they have ensured they have adequate insurance cover.

The academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with health and safety of staff and pupils.

**Fundraising**

The academy engages in fundraising throughout the academic year, both for specific projects and to augment the annual education budget. There are a variety of fundraising events that we run during the academic year: Christmas Fair, Music Concerts, Rough Sleepers Initiative and a number of MUFTI days (pupils wear own clothes). The School PTA also run a number of fundraising events during the year including a school lotto. The income and expenditure pertaining to these events (including the allocation of funds) is independently reviewed by the Responsible Officer, who reports the findings directly to the board of governors as part of the overall financial review.

The board of governors also directly respond to any complaints that arise pertaining to fundraising events, with the Responsible Officer acting as an independent intermediary if deemed to be necessary.

**Plans for future periods**

Many of the school's strategic goals will roll forward into the new academic year and the main focus is responding to the challenges of the post pandemic world, ensuring our students and staff remain safe, their wellbeing is supported and they are able to work and learn effectively. Whilst continuing to do this, we are preparing to respond to the economic slowdown and the cost-of-living crisis.

The school had five strategic priorities for the 2022/23 academic year:

1. Oracy and Literacy across the curriculum (Year 3 of 3)
2. Diversity and Equality including Holocaust Beacon School (Year 2 of 3)
3. Preparing for Catholic School Inspection (Year 1)
4. Challoner Challenge – bespoke software launch (Year 1 of 2)
5. Bromcom implementation and development (Year 1 of 2)

Richard Challoner will seek to ensure that all current provision relating to wider curriculum opportunities, in class support, small class sizes and the broad curriculum offer will be maintained despite continued budget pressures particularly in relation to unfunded pay rises, the cost of living crises and high needs block funding.

The school will work with other stakeholders such as SSAT, World Class Schools, Teach SouthEast, etc. to continue to develop their strategic vision to ensure a world class education and be a beacon for good practice nationally.

The Head teacher will continue to work strategically with the Diocese and the Local Authority to help input and steer the future direction of Catholic schools, Kingston schools and education for children with SEND.

**Funds held as custodian on behalf of others**

The Academy Trust and Trustees did not act as Custodian Trustee during the current or previous period.

**RICHARD CHALLONER SCHOOL**  
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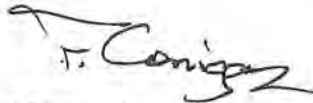
**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Auditor**

Insofar as the governors are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Governing Body, as the company directors, on 30 November 2023 and signed on its behalf by:



**Mr Francis Corrigan**  
Foundation Governor & Chairman



**RICHARD CHALLONER SCHOOL**  
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**GOVERNANCE STATEMENT**

**Scope of responsibility**

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

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

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

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 5 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

| <b>Trustee</b>   | <b>Meetings attended</b> | <b>Out of a possible</b> |
|--|--------------------------|--------------------------|
| Mr Mark Draper, Chairman   | 5                        | 5                        |
| Mrs Patricia O' Connell, Foundation Governor                       | 5                        | 5                        |
| Mrs Monica Guntrip, Foundation Governor                            | 4                        | 5                        |
| Mrs Louise Fenner-Jiggins, Staff Governor                          | 5                        | 5                        |
| Mrs Nicola McDonald, Staff Governor                                | 3                        | 5                        |
| Mrs Fiona Marshall, Parent Governor                                | 3                        | 3                        |
| Mr John Sabourin, Foundation Governor & Chair of Finance Committee | 5                        | 5                        |
| Mr Franco D' Agostino, Foundation Governor                         | 4                        | 5                        |
| Mr Francis Corrigan, Foundation Governor                           | 5                        | 5                        |
| Mr Daren King, Local Representative Governor                       | 5                        | 5                        |
| Father Ignatius Edet, Foundation Governor                          | 0                        | 5                        |
| Mr Kevin Beatty, Foundation Governor                               | 4                        | 5                        |
| Ms Veronica Bermingham, Foundation Governor                        | 5                        | 5                        |
| Mrs Nikki Cloudsdale, Co-Opted Governor                            | 0                        | 1                        |
| Mr Sean Maher, Head Teacher  | 5                        | 5                        |
| Mrs Nickola Mason, Parent Governor                                 | 4                        | 5                        |
| Mr Timothy Povey, Co-Opted Governor                                | 2                        | 5                        |
| Mr Daren King, Local Representative Governor                       | 5                        | 5                        |

The Finance, Premises and General Purposes Risk & Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to make sure that the academy is following ESFA's financial regulations.



**RICHARD CHALLONER SCHOOL**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

Attendance during the year at meetings was as follows:

| Trustee                                      | Meetings attended | Out of a possible |
|--|-------------------|-------------------|
| Mr John Sabourin, Chair of Finance Committee | 5                 | 5                 |
| Mr Francis Corrigan                          | 5                 | 5                 |
| Mr Sean Maher                                | 4                 | 5                 |
| Mr Franco D'Agostino                         | 5                 | 5                 |
| Mr Mark Draper                               | 4                 | 5                 |
| Mrs Nikki Cloudsdale (resigned 04/10/22)     | 0                 | 1                 |
| Mrs Fiona Marshall                           | 2                 | 2                 |
| Mr Timothy Povey                             | 5                 | 5                 |
| Mrs Pat O'Connell                            | 5                 | 5                 |

**Review of value for money**

As accounting officer, the Head Teacher 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 Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy has delivered improved value for money during the year.

**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 Richard Challoner School for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

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

**The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes

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**GOVERNANCE STATEMENT (CONTINUED)**

**The risk and control framework (continued)**

- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The board of Trustees has delegated the above responsibilities to individual trustees based on their appropriate skill set, as identified within the self evaluation process undertaken annually.

The appointee's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a semi annual basis, the appointee reports to the board of trustees on the operation of the systems of control and on the discharge of the trustees' financial responsibilities.

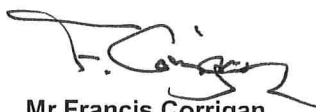
**Review of effectiveness**

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

- the work performed on the three internal scrutinies;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the 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 30 November 2023 and signed on their behalf by:



**Mr Francis Corrigan**  
**Foundation Governor and Chairman**



**Mr Sean Maher**  
**Accounting Officer**

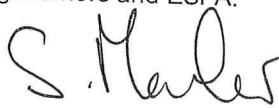
**RICHARD CHALLONER SCHOOL**  
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**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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



**Mr Sean Maher**  
**Accounting Officer**

Date: 30 November 2023

**RICHARD CHALLONER SCHOOL**  
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**STATEMENT OF GOVERNORS' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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

Company law requires the governors to prepare financial statements for each financial year. Under company law, the governors 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 governors are required to:

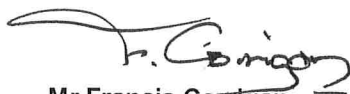
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

The 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 ESFA/DfE 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 30 November 2023 and signed on its behalf by:



**Mr Francis Corrigan**  
**Foundation Governor and Chairman**

**RICHARD CHALLONER SCHOOL**  
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
RICHARD CHALLONER SCHOOL**

**Opinion**

We have audited the financial statements of Richard Challoner School (the 'academy') for the year ended 31 August 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

**RICHARD CHALLONER SCHOOL**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
RICHARD CHALLONER SCHOOL (CONTINUED)**

**Other information**

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Governors' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' report and the Strategic report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report including the Strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' 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 governors' responsibilities, the governors (who are also the directors of the Academy 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 governors 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 governors are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

**RICHARD CHALLONER SCHOOL**  
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
RICHARD CHALLONER SCHOOL (CONTINUED)**

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

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

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also inquired about management's own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the academy operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and Charities SORP Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

The audit engagement team analysed the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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



**RICHARD CHALLONER SCHOOL**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
RICHARD CHALLONER SCHOOL (CONTINUED)**

**Use of our report**

This report is made solely to the Academy'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'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 anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Jake Lew (Senior statutory auditor)**

for and on behalf of

**BKL Audit LLP**

Chartered Accountants  
Statutory Auditors

35 Ballards Lane  
London  
N3 1XW

30 November 2023



**RICHARD CHALLONER SCHOOL**  
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RICHARD CHALLONER SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 31 October 2011 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Richard Challoner School during the year 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 Richard Challoner School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Richard Challoner School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Richard Challoner School and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Richard Challoner School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Richard Challoner School's funding agreement with the Secretary of State for Education dated 16 August 2011 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 year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

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

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

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

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

**RICHARD CHALLONER SCHOOL**  
**(A company limited by guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RICHARD CHALLONER SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

**Conclusion**

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

**Reporting Accountant**

**BKL Audit LLP**

Senior statutory auditor  
Statutory Auditors

35 Ballards Lane  
London  
N3 1XW

Date: 30 November 2023

**RICHARD CHALLONER SCHOOL**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2023**

|  | Note | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Restricted<br>fixed asset<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|--|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| <b>Income from:</b>  |      |                                    |                                  |   |                             |                             |
| Donations and capital grants                               | 3    | 274,305                            | -                                | 70,160  | 344,465                     | 308,451                     |
| Other trading activities                                   | 5    | 687,641                            | 319,424                          | -   | 1,007,065                   | 675,975                     |
| Investments  | 6    | 2,943                              | -                                | -   | 2,943                       | 106                         |
| Charitable activities                                      | 4    | -                                  | 7,947,491                        | -   | 7,947,491                   | 7,526,787                   |
| <b>Total income</b>  |      | <b>964,889</b>                     | <b>8,266,915</b>                 | <b>70,160</b>                                   | <b>9,301,964</b>            | <b>8,511,319</b>            |
| <b>Expenditure on:</b>                                     |      |                                    |                                  |   |                             |                             |
| Charitable activities                                      |      | 646,840                            | 8,878,966                        | 226,076   | 9,751,882                   | 9,215,664                   |
| <b>Total expenditure</b>                                   |      | <b>646,840</b>                     | <b>8,878,966</b>                 | <b>226,076</b>                                  | <b>9,751,882</b>            | <b>9,215,664</b>            |
| <b>Net movement in funds before other recognised gains</b> |      | <b>318,049</b>                     | <b>(612,051)</b>                 | <b>(155,916)</b>                                | <b>(449,918)</b>            | <b>(704,345)</b>            |
| <b>Other recognised gains:</b>                             |      |                                    |                                  |   |                             |                             |
| Actuarial gains on defined benefit pension schemes         | 23   | -                                  | 389,000                          | -   | 389,000                     | 3,445,000                   |
| <b>Net movement in funds</b>                               |      | <b>318,049</b>                     | <b>(223,051)</b>                 | <b>(155,916)</b>                                | <b>(60,918)</b>             | <b>2,740,655</b>            |
| <b>Reconciliation of funds:</b>                            |      |                                    |                                  |   |                             |                             |
| Total funds brought forward                                |      | 2,994,110                          | (3,085,010)                      | 1,331,614                                       | 1,240,714                   | (1,499,941)                 |
| Net movement in funds                                      |      | 318,049                            | (223,051)                        | (155,916)                                       | (60,918)                    | 2,740,655                   |
| <b>Total funds carried forward</b>                         |      | <b>3,312,159</b>                   | <b>(3,308,061)</b>               | <b>1,175,698</b>                                | <b>1,179,796</b>            | <b>1,240,714</b>            |

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 24 to 49 form part of these financial statements.

**RICHARD CHALLONER SCHOOL**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07718002**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2023**

|   | Note | 2023<br>£               | 2022<br>£               |
|---|------|-------------------------|-------------------------|
| <b>Fixed assets</b>                                   |      |                         |                         |
| Tangible assets                                       | 13   | 1,175,587               | 1,331,614               |
|   |      | <u>1,175,587</u>        | <u>1,331,614</u>        |
| <b>Current assets</b>                                 |      |                         |                         |
| Stocks  | 14   | 8,145                   | 7,495                   |
| Debtors   | 15   | 211,799                 | 279,777                 |
| Cash at bank and in hand                              |      | 332,008                 | 455,469                 |
|   |      | <u>551,952</u>          | <u>742,741</u>          |
| Creditors: amounts falling due within one year        | 16   | (547,743)               | (592,641)               |
| <b>Net current assets</b>                             |      | <u>4,209</u>            | <u>150,100</u>          |
| <b>Total assets less current liabilities</b>          |      | <u>1,179,796</u>        | <u>1,481,714</u>        |
| <b>Net assets excluding pension asset / liability</b> |      | <u>1,179,796</u>        | <u>1,481,714</u>        |
| Defined benefit pension scheme asset / liability      | 23   | -                       | (241,000)               |
| <b>Total net assets</b>                               |      | <u><u>1,179,796</u></u> | <u><u>1,240,714</u></u> |
| <b>Funds of the Academy</b>                           |      |                         |                         |
| <b>Restricted funds:</b>                              |      |                         |                         |
| Fixed asset funds                                     | 17   | 1,175,698               | 1,331,614               |
| Restricted income funds                               | 17   | (3,308,061)             | (2,844,010)             |
| Restricted funds excluding pension asset              | 17   | <u>(2,132,363)</u>      | <u>(1,512,396)</u>      |
| Pension reserve                                       | 17   | -                       | (241,000)               |
| <b>Total restricted funds</b>                         | 17   | <u>(2,132,363)</u>      | <u>(1,753,396)</u>      |
| <b>Unrestricted income funds</b>                      | 17   | <u>3,312,159</u>        | <u>2,994,110</u>        |
| <b>Total funds</b>                                    |      | <u><u>1,179,796</u></u> | <u><u>1,240,714</u></u> |

The financial statements on pages 21 to 49 were approved by the governors, and authorised for issue on 30 November 2023 and are signed on their behalf, by:

**Mr Francis Corrigan**  
**Foundation Governor and Chairman**

The notes on pages 24 to 49 form part of these financial statements.

**RICHARD CHALLONER SCHOOL**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

|   | Note   | 2023<br>£             | 2022<br>£             |
|---|--------|-----------------------|-----------------------|
| <b>Cash flows from operating activities</b>             |        |                       |                       |
| Net cash (used in)/provided by operating activities     | 19     | (123,572)             | 361,858               |
| <b>Cash flows from investing activities</b>             | 20     | 111                   | (435,938)             |
| <b>Change in cash and cash equivalents in the year</b>  |        | (123,461)             | (74,080)              |
| Cash and cash equivalents at the beginning of the year  |        | 455,469               | 529,549               |
| <b>Cash and cash equivalents at the end of the year</b> | 21, 22 | <u><u>332,008</u></u> | <u><u>455,469</u></u> |

The notes on pages 24 to 49 form part of these financial statements

**RICHARD CHALLONER SCHOOL**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

**1.2 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 Academy 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern. The Trustees have therefore prepared the current year accounts on a going concern basis as it has a positive reserves figure of £4,098 in the Balance Sheet at 31 August 2023, a projected surplus of approximately £50,000 for the year ending 31 August 2024 year and the costs of the trust are being closely monitored on a regular basis.

**1.3 Income**

All incoming resources are recognised when the Academy 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 year is deducted from income and recognised as a liability.

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

• **Donations**

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

**RICHARD CHALLONER SCHOOL**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**1. Accounting policies (continued)**

**1.4 Expenditure**

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

▪ **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 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 these assets, less their estimated residual value, over their expected useful lives, on the following bases:

|   |   |
|---|---|
| Improvements to property held under licence | - Expected lives of individual projects |
| Furniture and fixtures                      | - 3- 10 years                           |
| Plant and equipment                         | - 5 years                               |
| Computer equipment                          | - 3 years                               |
| Motor vehicles                              | - 4 years                               |

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

**1.6 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**RICHARD CHALLONER SCHOOL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**1. Accounting policies (continued)**

**1.7 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.8 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.9 Liabilities**

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

**1.10 Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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.



**RICHARD CHALLONER SCHOOL**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**1. Accounting policies (continued)**

**1.11 Pensions**

Retirement benefits to employees of the Academy 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 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy 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.

**1.12 Fund accounting**

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

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**2. Critical accounting estimates and areas of judgment**

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

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

**3. Income from donations and capital grants**

|                | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>fixed asset<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ |
|----------------|------------------------------------|---|-----------------------------|
| Donations      | 274,305                            | 1,639   | 275,944                     |
| Capital Grants | -                                  | 68,521  | 68,521                      |
|                | <u>274,305</u>                     | <u>70,160</u>                                   | <u>344,465</u>              |
|                |                                    |   |                             |
|                | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>fixed asset<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ |
| Donations      | 274,644                            | 10,257  | 284,901                     |
| Capital Grants | -                                  | 23,550  | 23,550                      |
|                | <u>274,644</u>                     | <u>33,807</u>                                   | <u>308,451</u>              |

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**4. Funding for the Academy's charitable activities**

|   | Restricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ |
|---|----------------------------------|-----------------------------|
| <b>DfE/ESFA grants</b>  |                                  |                             |
| Government Annual Grant                                       | 6,508,800                        | 6,508,800                   |
| Other DfE/ESFA grants   |                                  |                             |
| Pupil Premium   | 104,250                          | 104,250                     |
| Others  | 313,260                          | 313,260                     |
|   | <hr/> 6,926,310                  | <hr/> 6,926,310             |
| <b>Other Government grants</b>                                |                                  |                             |
| Local Authority Grants  | 827,301                          | 827,301                     |
| Other Government Grants                                       | 17,665                           | 17,665                      |
|   | <hr/> 844,966                    | <hr/> 844,966               |
| <b>Other income from the Academy's educational activities</b> | 143,897                          | 143,897                     |
| <b>COVID-19 additional funding (DfE/ESFA)</b>                 |                                  |                             |
| Recovery Premium  | 32,318                           | 32,318                      |
|   | <hr/> 32,318                     | <hr/> 32,318                |
|   | <hr/> 7,947,491                  | <hr/> 7,947,491             |
|   | <hr/> <hr/> 7,947,491            | <hr/> <hr/> 7,947,491       |

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**4. Funding for the Academy's charitable activities (continued)**

|   | Restricted<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ |
|---|----------------------------------|-----------------------------|
| <b>DfE/ESFA grants</b>  |                                  |                             |
| Government Annual Grant (GAG)                                 | 6,217,948                        | 6,217,948                   |
| Other DfE/ESFA grants   |                                  |                             |
| Pupil Premium   | 94,107                           | 94,107                      |
| Others  | 214,781                          | 214,781                     |
|   | <hr/> 6,526,836                  | <hr/> 6,526,836             |
| <b>Other Government grants</b>                                |                                  |                             |
| Local Authority Grants  | 832,860                          | 832,860                     |
| Other Government Grants                                       | 29,467                           | 29,467                      |
|   | <hr/> 862,327                    | <hr/> 862,327               |
| <b>Other income from the Academy's educational activities</b> | 137,624                          | 137,624                     |
|   | <hr/> 7,526,787                  | <hr/> 7,526,787             |
|   | <hr/> <hr/> 7,526,787            | <hr/> <hr/> 7,526,787       |

**5. Income from other trading activities**

|                 | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ |
|-----------------|------------------------------------|----------------------------------|-----------------------------|
| Trips           | -                                  | 319,424                          | 319,424                     |
| Other Income    | 12,902                             | -                                | 12,902                      |
| Catering Income | 361,211                            | -                                | 361,211                     |
| Lettings Income | 313,528                            | -                                | 313,528                     |
|                 | <hr/> 687,641                      | <hr/> 319,424                    | <hr/> 1,007,065             |
|                 | <hr/> <hr/> 687,641                | <hr/> <hr/> 319,424              | <hr/> <hr/> 1,007,065       |

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**5. Income from other trading activities (continued)**

|                 | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ |
|-----------------|------------------------------------|----------------------------------|-----------------------------|
| Trips           | -                                  | 75,636                           | 75,636                      |
| Other Income    | 7,343                              | -                                | 7,343                       |
| Catering Income | 334,330                            | -                                | 334,330                     |
| Lettings Income | 258,666                            | -                                | 258,666                     |
|                 | <u>600,339</u>                     | <u>75,636</u>                    | <u>675,975</u>              |

**6. Investment income**

|                   | Unrestricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ |
|-------------------|------------------------------------|-----------------------------|
| Investment Income | 2,943                              | 2,943                       |
|                   | <u>2,943</u>                       | <u>2,943</u>                |

|                   | Unrestricted<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ |
|-------------------|------------------------------------|-----------------------------|
| Investment Income | 106                                | 106                         |
|                   | <u>106</u>                         | <u>106</u>                  |

**7. Expenditure**

|                         | Staff Costs<br>2023<br>£ | Premises<br>2023<br>£ | Other<br>2023<br>£ | Total<br>2023<br>£ |
|-------------------------|--------------------------|-----------------------|--------------------|--------------------|
| Educational Activities: |                          |                       |                    |                    |
| Direct costs            | 5,274,402                | -                     | 1,067,308          | 6,341,710          |
| Allocated support costs | 2,414,771                | 448,321               | 547,080            | 3,410,172          |
|                         | <u>7,689,173</u>         | <u>448,321</u>        | <u>1,614,388</u>   | <u>9,751,882</u>   |

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**7. Expenditure (continued)**

|                         | Staff Costs<br>2022<br>£ | Premises<br>2022<br>£ | Other<br>2022<br>£ | Total<br>2022<br>£ |
|-------------------------|--------------------------|-----------------------|--------------------|--------------------|
| Educational Activities: |                          |                       |                    |                    |
| Direct costs            | 4,980,493                | -                     | 925,640            | 5,906,133          |
| Allocated support costs | 2,481,324                | 329,973               | 498,234            | 3,309,531          |
|                         | <u>7,461,817</u>         | <u>329,973</u>        | <u>1,423,874</u>   | <u>9,215,664</u>   |

**8. Analysis of expenditure by activities**

|                        | Activities<br>undertaken<br>directly<br>2023<br>£ | Support<br>costs<br>2023<br>£ | Total<br>funds<br>2023<br>£ |
|------------------------|---|-------------------------------|-----------------------------|
| Educational Activities | <u>6,341,710</u>                                  | <u>3,410,172</u>              | <u>9,751,882</u>            |

|                        | Activities<br>undertaken<br>directly<br>2022<br>£ | Support<br>costs<br>2022<br>£ | Total<br>funds<br>2022<br>£ |
|------------------------|---|-------------------------------|-----------------------------|
| Educational Activities | <u>5,906,133</u>                                  | <u>3,309,531</u>              | <u>9,215,664</u>            |

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**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

|                       | <b>Educational<br/>Activities<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2023<br/>£</b> |
|-----------------------|--|---------------------------------------|
| Staff costs           |  |                                       |
| Depreciation          | 5,258,224  | 5,258,224                             |
| Examination fees      | 226,076  | 226,076                               |
| Educational supplies  | 131,591  | 131,591                               |
| Staff development     | 125,103  | 125,103                               |
| Other direct costs    | 15,104   | 15,104                                |
| Technology costs      | 453,131  | 453,131                               |
| Teaching supply costs | 116,303  | 116,303                               |
|                       | 16,178   | 16,178                                |
|                       | <u>6,341,710</u>                                 | <u>6,341,710</u>                      |
|                       | <u><u>6,341,710</u></u>                          | <u><u>6,341,710</u></u>               |
|                       |  |                                       |
|                       | <b>Educational<br/>Activities<br/>2022<br/>£</b> | <b>Total<br/>funds<br/>2022<br/>£</b> |
| Staff costs           |  |                                       |
| Depreciation          | 4,966,367  | 4,966,367                             |
| Examination fees      | 305,614  | 305,614                               |
| Educational supplies  | 126,913  | 126,913                               |
| Staff development     | 106,010  | 106,010                               |
| Other direct costs    | 16,243   | 16,243                                |
| Technology costs      | 270,131  | 270,131                               |
| Other expenses        | 100,729  | 100,729                               |
|                       | 14,126   | 14,126                                |
|                       | <u>5,906,133</u>                                 | <u>5,906,133</u>                      |
|                       | <u><u>5,906,133</u></u>                          | <u><u>5,906,133</u></u>               |

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**NOTES TO THE FINANCIAL STATEMENTS  
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**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

|   | <b>Educational<br/>Activities<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2023<br/>£</b> |
|---|--|---------------------------------------|
| Pension finance costs                   | 13,000   | 13,000                                |
| Staff costs                             | 2,254,845  | 2,254,845                             |
| Maintenance of premises and development | 122,076  | 122,076                               |
| Energy costs                            | 184,095  | 184,095                               |
| Insurance                               | 32,492   | 32,492                                |
| Rent and rates                          | 75,715   | 75,715                                |
| Recruitment and support                 | 17,645   | 17,645                                |
| Other staff costs                       | 20,045   | 20,045                                |
| Cleaning                                | 34,490   | 34,490                                |
| Staff restructuring costs               | 24,926   | 24,926                                |
| Non cash pension costs                  | 135,000  | 135,000                               |
| Catering                                | 322,807  | 322,807                               |
| Other support costs                     | 122,553  | 122,553                               |
| Governance costs                        | 50,483   | 50,483                                |
|   | <u>3,410,172</u>                                 | <u>3,410,172</u>                      |



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**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs (continued)**

|                                       | Educational<br>Activities<br>2022<br>£ | Total<br>funds<br>2022<br>£ |
|---------------------------------------|--|-----------------------------|
| Pension finance costs                 | 55,000                                 | 55,000                      |
| Staff costs                           | 1,895,324                              | 1,895,324                   |
| Maintenance of premises and equipment | 103,137                                | 103,137                     |
| Energy costs                          | 115,590                                | 115,590                     |
| Insurance                             | 29,584                                 | 29,584                      |
| Rent and rates                        | 74,420                                 | 74,420                      |
| Recruitment and support               | 8,035                                  | 8,035                       |
| Other staff costs                     | 17,126                                 | 17,126                      |
| Cleaning                              | 28,628                                 | 28,628                      |
| Non cash pension costs                | 586,000                                | 586,000                     |
| Catering                              | 271,252                                | 271,252                     |
| Other support costs                   | 88,234                                 | 88,234                      |
| Governance costs                      | 37,201                                 | 37,201                      |
|                                       | <u>3,309,531</u>                       | <u>3,309,531</u>            |

**9. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

|                                       | 2023<br>£     | 2022<br>£      |
|---------------------------------------|---------------|----------------|
| Operating lease rentals               | 68,886        | 91,888         |
| Depreciation of tangible fixed assets | 226,076       | 305,614        |
| Fees paid to auditors for:            |               |                |
| - audit                               | 6,000         | 6,055          |
| - other services                      | 3,100         | 1,615          |
|                                       | <u>68,886</u> | <u>305,614</u> |

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**NOTES TO THE FINANCIAL STATEMENTS  
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**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

|   | 2023<br>£        | 2022<br>£        |
|---|------------------|------------------|
| Wages and salaries                      | 5,726,382        | 5,253,324        |
| Social security costs                   | 596,652          | 538,243          |
| Pension costs                           | 1,151,491        | 1,070,124        |
|   | <u>7,474,525</u> | <u>6,861,691</u> |
| Staff restructuring- wages and salaries | 24,926           | -                |
| Staff restructuring- pension costs      | 38,544           | -                |
| Supply teaching costs                   | 16,178           | 14,126           |
| Non cash pension costs                  | 135,000          | 586,000          |
|   | <u>7,689,173</u> | <u>7,461,817</u> |

Staff restructuring costs comprise:

|                     | 2023<br>£     | 2022<br>£ |
|---------------------|---------------|-----------|
| Redundancy payments | 63,470        | -         |
|                     | <u>63,470</u> | <u>-</u>  |

**b. Staff numbers**

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

|               | 2023<br>No. | 2022<br>No. |
|---------------|-------------|-------------|
| Management    | 9           | 8           |
| Teachers      | 73          | 75          |
| Support Staff | 98          | 93          |
|               | <u>180</u>  | <u>176</u>  |

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**10. Staff (continued)**

**c. Higher paid staff**

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

|                                 | 2023<br>No. | 2022<br>No. |
|---------------------------------|-------------|-------------|
| In the band £60,001 - £70,000   | 10          | 3           |
| In the band £70,001 - £80,000   | 1           | 2           |
| In the band £80,001 - £90,000   | 3           | 2           |
| In the band £100,001 - £110,000 | 1           | 1           |

**d. Key management personnel**

The key management personnel of the Academy comprise the governors and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £960,286 (2022 - £838,024).

**11. Governors' remuneration and expenses**

One or more governors has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of governors' remuneration and other benefits was as follows:

|   |                            | 2023<br>£           | 2022<br>£           |
|---|----------------------------|---------------------|---------------------|
| Mr Sean Maher, Head Teacher               | Remuneration               | 105,000 -           | 100,000 -           |
|   | Pension contributions paid | 110,000<br>25,000 - | 105,000<br>20,000 - |
| Mrs Nicola McDonald, Staff Governor       | Remuneration               | 30,000<br>45,000 -  | 25,000<br>NIL       |
|   | Pension contributions paid | 50,000<br>10,000 -  | NIL                 |
| Mrs Louise Fenner Jiggins, Staff Governor | Remuneration               | 15,000<br>20,000 -  | 15,000 -            |
|   | Pension contributions paid | 25,000<br>0 - 5,000 | 20,000<br>0 - 5,000 |

During the year ended 31 August 2023, no governor expenses have been incurred (2022 - £NIL).

**12. Governors' and Officers' insurance**

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

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**13. Tangible fixed assets**

|                          | Improvements<br>to property<br>held under<br>licence<br>£ | Furniture<br>and<br>fixtures<br>£ | Plant and<br>machinery<br>£ | Computer<br>equipment<br>£ | Motor<br>vehicles<br>£ | Total<br>£       |
|--------------------------|---|-----------------------------------|-----------------------------|----------------------------|------------------------|------------------|
| <b>Cost or valuation</b> |   |                                   |                             |                            |                        |                  |
| At 1 September 2022      | 3,247,948   | 588,537                           | 45,593                      | 137,222                    | 37,785                 | 4,057,085        |
| Additions                | 18,090  | 13,855                            | -                           | 38,104                     | -                      | 70,049           |
| At 31 August 2023        | <u>3,266,038</u>  | <u>602,392</u>                    | <u>45,593</u>               | <u>175,326</u>             | <u>37,785</u>          | <u>4,127,134</u> |
| <b>Depreciation</b>      |   |                                   |                             |                            |                        |                  |
| At 1 September 2022      | 2,253,790   | 372,682                           | 4,150                       | 71,858                     | 22,991                 | 2,725,471        |
| Charge for the year      | 117,840   | 59,668                            | 9,119                       | 34,087                     | 5,362                  | 226,076          |
| At 31 August 2023        | <u>2,371,630</u>  | <u>432,350</u>                    | <u>13,269</u>               | <u>105,945</u>             | <u>28,353</u>          | <u>2,951,547</u> |
| <b>Net book value</b>    |   |                                   |                             |                            |                        |                  |
| At 31 August 2023        | <u>894,408</u>  | <u>170,042</u>                    | <u>32,324</u>               | <u>69,381</u>              | <u>9,432</u>           | <u>1,175,587</u> |
| At 31 August 2022        | <u>994,158</u>  | <u>215,855</u>                    | <u>41,443</u>               | <u>65,364</u>              | <u>14,794</u>          | <u>1,331,614</u> |

The academy trust company occupies land (including buildings) which are owned by its Trustees who are Diocese of Southwark. The Trustees are the providers of the academy on the same basis as when the academy was a maintained school. The academy trust company occupies the land (and buildings) under a mere licence. This continuing permission of their Trustees is pursuant to, and subject to, the Trustees' charitable objects, and is part of the Catholic Church's contribution since 1847 to provide State funded education in partnership with the State. The licence delegates aspects of the management of the land (and buildings) to the academy trust company for the time being, but does not vest any rights over the land in the academy trust company. The Trustees have given an undertaking to the Secretary of State that they will not give the academy trust company less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the academy trust company is occupying the land (and buildings) the directors have concluded that the value of the land and buildings occupied by the academy trust company will not be recognised on the balance sheet of the company.

**14. Stocks**

|                                  | 2023<br>£    | 2022<br>£    |
|----------------------------------|--------------|--------------|
| Catering stock/cleaning products | <u>8,145</u> | <u>7,495</u> |

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**15. Debtors**

|                                | 2023<br>£      | 2022<br>£      |
|--------------------------------|----------------|----------------|
| <b>Due within one year</b>     |                |                |
| Trade debtors                  | 47,632         | 16,706         |
| Other debtors                  | 45,774         | 102,356        |
| Prepayments and accrued income | 118,393        | 160,715        |
|                                | <u>211,799</u> | <u>279,777</u> |

**16. Creditors: Amounts falling due within one year**

|                                    | 2023<br>£      | 2022<br>£      |
|------------------------------------|----------------|----------------|
| Trade creditors                    | 61,635         | 86,541         |
| Other taxation and social security | 140,144        | 139,029        |
| Other creditors                    | 103,270        | 127,810        |
| Accruals and deferred income       | 242,694        | 239,261        |
|                                    | <u>547,743</u> | <u>592,641</u> |

|  | 2023<br>£     | 2022<br>£      |
|--|---------------|----------------|
| Deferred income at 1 September 2022    | 124,533       | 81,556         |
| Resources deferred during the year     | 70,791        | 124,533        |
| Amounts released from previous periods | (124,533)     | (81,556)       |
|  | <u>70,791</u> | <u>124,533</u> |

At the balance sheet date the academy was holding funds received in advance for lettings income of £5,022, catering income of £8,646, trips income of £17,943 and other income of £39,180.

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**17. Statement of funds**

|   | Balance at 1<br>September<br>2022<br>£ | Income<br>£ | Expenditure<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2023<br>£ |
|---|--|-------------|------------------|-------------------------|--------------------------------------|
| <b>Unrestricted funds</b>                   |  |             |                  |                         |                                      |
| General Funds - all funds                   | 2,994,110                              | 964,889     | (646,840)        | -                       | 3,312,159                            |
| <b>Restricted general funds</b>             |  |             |                  |                         |                                      |
| GAG   | (2,844,010)                            | 6,508,800   | (6,972,851)      | -                       | (3,308,061)                          |
| Pupil premium                               | -                                      | 104,250     | (104,250)        | -                       | -                                    |
| Other ESFA funding                          | -                                      | 313,260     | (313,260)        | -                       | -                                    |
| SEN funding (LA)                            | -                                      | 827,301     | (827,301)        | -                       | -                                    |
| Other government grants                     | -                                      | 17,665      | (17,665)         | -                       | -                                    |
| Recovery premium                            | -                                      | 32,318      | (32,318)         | -                       | -                                    |
| General funds                               | -                                      | 463,321     | (463,321)        | -                       | -                                    |
| Pension reserve                             | (241,000)                              | -           | (148,000)        | 389,000                 | -                                    |
|   | (3,085,010)                            | 8,266,915   | (8,878,966)      | 389,000                 | (3,308,061)                          |
| <b>Restricted fixed asset funds</b>         |  |             |                  |                         |                                      |
| Restricted Fixed Asset Funds -<br>All Funds | 1,331,614                              | 70,160      | (226,076)        | -                       | 1,175,698                            |
| <b>Total Restricted funds</b>               | (1,753,396)                            | 8,337,075   | (9,105,042)      | 389,000                 | (2,132,363)                          |
| <b>Total funds</b>                          | 1,240,714                              | 9,301,964   | (9,751,882)      | 389,000                 | 1,179,796                            |

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 objects of the Academy at the discretion of the Governors.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes.

Restricted general funds are resources for educational purposes.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

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**17. Statement of funds (continued)**

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

|  | Balance at 1<br>September<br>2021<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2022<br>£ |
|--|--|-------------|------------------|--------------------------|-------------------------|--------------------------------------|
| <b>Unrestricted funds</b>                |  |             |                  |                          |                         |                                      |
| General Funds - all funds                | 2,472,747                              | 875,089     | (353,726)        | -                        | -                       | 2,994,110                            |
| <b>Restricted general funds</b>          |  |             |                  |                          |                         |                                      |
| GAG                                      | (2,095,171)                            | 6,217,948   | (6,530,849)      | (435,938)                | -                       | (2,844,010)                          |
| Pupil premium                            | -                                      | 94,107      | (94,107)         | -                        | -                       | -                                    |
| Other ESFA funding                       | -                                      | 214,781     | (214,781)        | -                        | -                       | -                                    |
| SEN funding (LA)                         | -                                      | 832,860     | (832,860)        | -                        | -                       | -                                    |
| Other government grants                  | -                                      | 29,467      | (29,467)         | -                        | -                       | -                                    |
| General funds                            | -                                      | 213,260     | (213,260)        | -                        | -                       | -                                    |
| Pension reserve                          | (3,045,000)                            | -           | (641,000)        | -                        | 3,445,000               | (241,000)                            |
|  | (5,140,171)                            | 7,602,423   | (8,556,324)      | (435,938)                | 3,445,000               | (3,085,010)                          |
| <b>Restricted fixed asset funds</b>      |  |             |                  |                          |                         |                                      |
| Restricted Fixed Asset Funds - All Funds | 1,167,483                              | 33,807      | (305,614)        | 435,938                  | -                       | 1,331,614                            |
| <b>Total Restricted funds</b>            | (3,972,688)                            | 7,636,230   | (8,861,938)      | -                        | 3,445,000               | (1,753,396)                          |
| <b>Total funds</b>                       | (1,499,941)                            | 8,511,319   | (9,215,664)      | -                        | 3,445,000               | 1,240,714                            |

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**18. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

|                               | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Restricted<br>fixed asset<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ |
|-------------------------------|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets         | -                                  | -                                | 1,175,587                                       | 1,175,587                   |
| Current assets                | 3,312,159                          | (2,760,318)                      | 111   | 551,952                     |
| Creditors due within one year | -                                  | (547,743)                        | -   | (547,743)                   |
| <b>Total</b>                  | <b>3,312,159</b>                   | <b>(3,308,061)</b>               | <b>1,175,698</b>                                | <b>1,179,796</b>            |

**Analysis of net assets between funds - prior year**

|  | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Restricted<br>fixed asset<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets                  | -                                  | -                                | 1,331,614                                       | 1,331,614                   |
| Current assets                         | 2,994,110                          | (2,251,369)                      | -   | 742,741                     |
| Creditors due within one year          | -                                  | (592,641)                        | -   | (592,641)                   |
| Provisions for liabilities and charges | -                                  | (241,000)                        | -   | (241,000)                   |
| <b>Total</b>                           | <b>2,994,110</b>                   | <b>(3,085,010)</b>               | <b>1,331,614</b>                                | <b>1,240,714</b>            |



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**19. Reconciliation of net expenditure to net cash flow from operating activities**

|   | 2023<br>£        | 2022<br>£      |
|---|------------------|----------------|
| Net expenditure for the year (as per Statement of financial activities) | (449,918)        | (704,345)      |
| <b>Adjustments for:</b>   |                  |                |
| Depreciation  | 226,076          | 305,614        |
| Capital grants from DfE and other capital income                        | (70,160)         | (33,807)       |
| Defined benefit pension scheme cost less contributions payable          | 135,000          | 586,000        |
| Defined benefit pension scheme finance cost                             | 13,000           | 55,000         |
| (Increase)/decrease in stocks   | (650)            | 268            |
| Decrease in debtors   | 71,807           | 31,188         |
| (Decrease)/increase in creditors  | (48,727)         | 121,940        |
| <b>Net cash (used in)/provided by operating activities</b>              | <b>(123,572)</b> | <b>361,858</b> |

**20. Cash flows from investing activities**

|  | 2023<br>£  | 2022<br>£        |
|--|------------|------------------|
| Purchase of tangible fixed assets                          | (70,049)   | (469,745)        |
| Capital grants from DfE Group                              | 70,160     | 33,807           |
| <b>Net cash provided by/(used in) investing activities</b> | <b>111</b> | <b>(435,938)</b> |

**21. Analysis of cash and cash equivalents**

|  | 2023<br>£      | 2022<br>£      |
|--|----------------|----------------|
| Cash in hand and at bank               | 332,008        | 455,469        |
| <b>Total cash and cash equivalents</b> | <b>332,008</b> | <b>455,469</b> |

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**22. Analysis of changes in net debt**

|                          | At 1<br>September<br>2022<br>£ | Cash flows<br>£  | At 31<br>August 2023<br>£ |
|--------------------------|--------------------------------|------------------|---------------------------|
| Cash at bank and in hand | 455,469                        | (123,461)        | 332,008                   |
|                          | <u>455,469</u>                 | <u>(123,461)</u> | <u>332,008</u>            |

**23. Pension commitments**

The Academy'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 Royal Borough of Kingston Upon Thames. Both are multi-employer defined benefit schemes.

The latest valuation of the TPS related to the period ended 31 March 2020 and the latest triennial valuation for LGPS related to the period ended 31 March 2022. The Trust has received an actuarial report relating to the valuation of the LGPS as at 31 August 2023.

Contributions amounting to £99,195 were payable to the schemes at 31 August 2023 (2022 - £124,073) and are included within creditors.

**Teachers' Pension Scheme**

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

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

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**23. Pension commitments (continued)**

**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 impacting these financial statements was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year amounted to £861,597 (2022 - £827,003).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £368,000 (2022 - £324,000), of which employer's contributions totalled £276,000 (2022 - £243,000) and employees' contributions totalled £92,000 (2022 - £81,000). The agreed contribution rates for future years are 5.5 per cent for employers and 8.5 per cent for employees.

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

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**23. Pension commitments (continued)**

**Principal actuarial assumptions**

Royal Borough of Kingston Upon Thames Pension Fund

|  | 2023 | 2022 |
|--|------|------|
|  | %    | %    |
| Rate of increase in salaries                       | 3.45 | 3.45 |
| Rate of increase for pensions in payment/inflation | 2.95 | 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  |
|----------------------|-------|-------|
|                      | Years | Years |
| Retiring today       |       |       |
| Males                | 21.9  | 21.7  |
| Females              | 24.6  | 24.1  |
| Retiring in 20 years |       |       |
| Males                | 22.8  | 22.8  |
| Females              | 25.9  | 26.0  |

**Share of scheme assets**

The Academy's share of the assets in the scheme was:

|                                     | At 31<br>August 2023 | At 31 August<br>2022 |
|-------------------------------------|----------------------|----------------------|
|                                     | £                    | £                    |
| Equities                            | 2,273,000            | 2,452,000            |
| Property                            | 494,000              | 374,000              |
| Cash and other liquid assets        | 296,000              | 166,000              |
| Debt instrument                     | 1,878,000            | 1,164,000            |
| <b>Total market value of assets</b> | <b>4,941,000</b>     | <b>4,156,000</b>     |

The actual return/(losses) on scheme assets was £(176,000) (2022 - £393,000).

The amounts recognised in the Statement of financial activities are as follows:

|   | 2023             | 2022             |
|---|------------------|------------------|
|   | £                | £                |
| Current service cost  | (411,000)        | (829,000)        |
| Interest income   | 183,000          | 72,000           |
| Interest cost   | (196,000)        | (127,000)        |
| <b>Total amount recognised in the Statement of financial activities</b> | <b>(424,000)</b> | <b>(884,000)</b> |

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**23. Pension commitments (continued)**

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

|                        | 2023<br>£        | 2022<br>£        |
|------------------------|------------------|------------------|
| <b>At 1 September</b>  |                  |                  |
| Current service cost   | 4,397,000        | 7,247,000        |
| Interest cost          | 411,000          | 829,000          |
| Employee contributions | 196,000          | 127,000          |
| Actuarial gains        | 92,000           | 81,000           |
| Benefits paid          | (97,000)         | (3,838,000)      |
|                        | (58,000)         | (49,000)         |
| <b>At 31 August</b>    | <u>4,941,000</u> | <u>4,397,000</u> |

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

|                          | 2023<br>£        | 2022<br>£        |
|--------------------------|------------------|------------------|
| <b>At 1 September</b>    |                  |                  |
| Interest income          | 4,156,000        | 4,202,000        |
| Actuarial gains/(losses) | 183,000          | 72,000           |
| Employer contributions   | 292,000          | (393,000)        |
| Employee contributions   | 276,000          | 243,000          |
| Benefits paid            | 92,000           | 81,000           |
|                          | (58,000)         | (49,000)         |
| <b>At 31 August</b>      | <u>4,941,000</u> | <u>4,156,000</u> |

**24. Contingent asset**

As at 31 August 2023, the actuarial valuation of the Local Government Pension Scheme was calculated as a surplus of £571,000 (2022: £241,000 deficit). As this valuation does not give rise to a virtually certain economic benefit for the trust, either in the form of a reduction in future contributions or a cash settlement, any surplus arising on the valuation is recognised solely as a contingent asset.

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**25. Operating lease commitments**

At 31 August 2023 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

|  | 2023<br>£      | 2022<br>£      |
|--|----------------|----------------|
| Not later than 1 year                        | 68,886         | 91,888         |
| Later than 1 year and not later than 5 years | 53,900         | 33,845         |
|  | <u>122,786</u> | <u>125,733</u> |

**26. Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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.

**27. Related party transactions**

Owing to the nature of the Academy and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the governors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

The academy trust company occupies land (including buildings) which are owned by its Trustees who are Diocese of Southwark. The Trustees are the providers of the academy on the same basis as when the academy was a maintained school. The academy trust company occupies the land (and buildings) under a mere licence. This continuing permission of their Trustees is pursuant to, and subject to, the Trustees' charitable objects, and is part of the Catholic Church's contribution since 1847 to provide State funded education in partnership with the State. The licence delegates aspects of the management of the land (and buildings) to the academy trust company for the time being, but does not vest any rights over the and in the academy trust company. The Trustees have given an undertaking to the Secretary of State that they will not give the academy trust company less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the academy trust company is occupying the land (and buildings) the directors have concluded that the value of the land and buildings occupied by the academy trust company will not be recognised on the balance sheet of the company. There were no further transactions during the period between the academy and the Diocese of Southwark (2022: £NIL). There were no balances owing to/from the Diocese of Southwark at 31 August 2023 (2022: £NIL).

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**27 Related party transactions (continued)**

The following individuals are related parties by virtue of their personal relationships with Trustees, but all individuals are remunerated in line with their peers and other staff members performing a similar role or function.

Mrs Catriona Maher (Teacher in the School) - Wife of Head Teacher. Mr Sean Maher earned £32,051 gross remuneration in the current year. Mrs Angela Maher (6th form Cafe Manager) - Mother of Head Teacher Mr Sean Maher earned £1,990 gross remuneration in the current year.

**28. Post balance sheet event**

The supreme court ruling on Harpur vs Brazel (2022) has upheld the ruling impacting holiday pay for part time workers. Employers will now be required to revisit their historical holiday calculations to retrospectively apply this ruling. Whilst this will create a liability for the trust, the government are yet to produce guidance as to the specifics of the calculation required, and hence no accurate provision can currently be made.