

**Company registration number 07838151 (England and Wales)**

**THE MALCOLM SARGENT PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

# THE MALCOLM SARGENT PRIMARY SCHOOL

## CONTENTS

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	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 9
Governance statement	10 - 12
Statement on regularity, propriety and compliance	13
Statement of trustees' responsibilities	14
Independent auditor's report on the accounts	15 - 17
Independent reporting accountant's report on regularity	18 - 19
Statement of financial activities including income and expenditure account	20 - 21
Group balance sheet	22
Charity balance sheet	23
Statement of cash flows	24
Notes to the accounts including accounting policies	25 - 45

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# THE MALCOLM SARGENT PRIMARY SCHOOL

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

K E Swanson  
T M Harris  
S Stanier  
R Butler  
S R Gaunt

### Trustees

K E Swanson (Chair of Trustees)  
M Brewin  
T J Revell (Accounting Officer)  
A Cross (Resigned 21 July 2023)  
S Gaunt (Resigned 2 September 2023)  
J Shaw  
A Donaghie (Appointed 2 December 2022)  
G Brown (Appointed 21 April 2023)  
M Town (Resigned 26 June 2023)  
T Perkins (Resigned 18 October 2023)  
K Batkin (Resigned 5 January 2023)  
J Flint  
L Steele  
A Thomas  
J Williamson (Appointed 19 February 2023)  
P Collins (Appointed 1 September 2023)  
D Byford (Resigned 30 September 2022)  
R Amies (Appointed 2 October 2023)  
J Torrance (Appointed 2 October 2023)

### Senior management team

- Principal	T J Revell
- Vice Principal	T Cox
- Assistant Principal	H Ward
- Assistant Principal	K Perry
- Finance Director	S Saunderson
- Business Director	M Town
- Accounting Officer	T J Revell

### Company registration number

07838151 (England and Wales)

### Registered office

The Malcolm Sargent Primary School  
Empingham Road  
Stamford  
Lincolnshire  
PE9 2SR  
United Kingdom

### Independent auditor

Azets Audit Services  
Ruthlyn House  
90 Lincoln Road  
Peterborough  
Cambridgeshire  
PE1 2SP  
United Kingdom

# THE MALCOLM SARGENT PRIMARY SCHOOL

## REFERENCE AND ADMINISTRATIVE DETAILS

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### **Bankers**

Lloyds Bank plc  
65 High Street  
Stamford  
Lincolnshire  
PE9 2AT  
United Kingdom

# THE MALCOLM SARGENT PRIMARY SCHOOL

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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

The academy trust operates an academy for pupils aged 4 to 11 serving a catchment of west Stamford. It has a published admissions number (PAN) of 90 with an additional bulge class of 30 admitted to the school upon the request of the local authority. In October 2023 the number of pupils on roll was 648.

#### **Structure, governance and management**

##### Constitution

The academy is a company limited by guarantee, incorporated on 7 November 2011, and an exempt charity.

On 1 December 2011, the charitable company commenced the operation of an academy school following the conversion from a Local Authority controlled school. The charitable company's memorandum and articles of association are the primary governing documents of the academy.

##### Members' liability

Each member of the charitable company undertake 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.

The members of the charitable company are:

T M Harris  
K E Swanson  
S Stanier  
S R Gaunt  
R A Butler

The Trustees act as the trustees for the charitable activities of The Malcolm Sargent Primary School, and are also the directors for the purpose of company law. The charitable company is known as The Malcolm Sargent Primary School.

Details of the Trustees who served during the period were:

K E Swanson*	(Chair of Trustees)
M Brewin	
T J Revell*	(Principal and Accounting Officer)
S Gaunt*	(Resigned 2 September 2023)
A Cross*	(Vice Chair, Resigned 21 July 2023)
J Shaw*	
M Town	(Term of office ended 24 June 2023)
T Perkins	(Resigned 18 October 2023)
K Batkin	(Resigned 5 January 2023)
J Flint	
L Steele	
A Thomas	
A Donaghie	(Appointed 1 December 2022)
J Williamson	(Appointed 19 January 2023)
G Brown*	(Appointed 19 May 2023)
P Collins*	(Appointed 3 July 2023)
R Amies	(Appointed 2 October 2023)
J Torrance	(Appointed 2 October 2023)

\* Members of Finance and Stewardship

# THE MALCOLM SARGENT PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Trustees' indemnities

Staff Associate Trustees:  
H Ward

Senior Management Team:

- Principal
- Vice Principal
- Assistant Principal
- Assistant Principal
- Business Director
- Finance Director

### Method of recruitment and appointment or election of Trustees

Staff trustees are appointed by nomination and vote from all staff at the school. Parent trustees are elected by parents of registered pupils at the academy, by secret ballot. A parent trustee must be a parent of a pupil at the academy at the time when they are elected. Trustee trustees are nominated and appointed by the trustees via a recruitment and selection process and then a formal vote at a full Trustee Board meeting.

None of the Trustees have any beneficial interest in the company.

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

Trustees receive in house induction training from the Chair of Trustees and the Clerk to Trustees, they also receive a bespoke training manual, written for the academy. New and established trustees can attend a variety of training provided by Peterborough City Council specifically for trustees.

### Organisational structure

The Full Trustee Board meets 5 times per year, the Finance & Stewardship Committee meets 5 times a year, the Audit & Risk Committee meets 4 times a year; the Staffing Committee meets 3 times a year and Curriculum Committee meets 4 times a year. All committees provide a report of discussions at the next Full Trustee Board meeting. The Trustee Board delegates duties to the committees, including the approval of policies and procedures specific to that committee. The Trustee Board use a delegated decision planner to delegate tasks of daily management to the Principal and senior management team. The task of accounting officer has been delegated to the Principal. There are no related party transactions during this financial year.

The Trustees' are responsible for identifying risks faced by the charitable company, establishing procedures to mitigate these risks, and ensuring that employees are aware of these procedures and of the implications of failing to implement them. They are satisfied that these procedures are consistent with the guidelines issued by the Charity Commission.

The Trustees' acknowledge they have overall responsibility for ensuring that the academy trust has an effective and appropriate system of controls, financial and otherwise. The Trustees are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the academy trust and enable them to ensure the financial statements comply with the Companies Act. The Trustees' also acknowledge responsibility for safeguarding the assets of the Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- The academy trust is operating efficiently and effectively
- its assets are safeguarded against unauthorised use or disposition,
- proper records are maintained and financial information used within the academy trust or for its publication is reliable and
- the academy trust complies with relevant laws and regulations.

# THE MALCOLM SARGENT PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Arrangements for setting pay and remuneration of key management personnel

The arrangements for setting pay and remuneration are detailed within the Whole School Pay Policy. It is determined and agreed post staff consultation by the Pay Review Committee (Trustees) on an annual basis. The Whole School Pay Policy provides the framework for making decisions regarding pay for all employees of the School (including Key Management Personnel), aligns to the STPC document and current legislation. The policy details pay determination on appointment, pay reviews, pay progression based on performance, determination of Leadership Group salaries, the staffing structure and salary scales.

The annual appraisal process continues to provide an essential vehicle to be used in determining pay, and final ratings offer the platform required for "fair, equal and consistent" pay determination. Under the current appraisal system, all staff are assessed during the academic year with a final performance rating being agreed towards the end of the Summer Term.

#### Risk management

The Trustees' continually monitor and review systems and procedures to ensure that major risks are identified and managed. Within the current period, which spans from 1 September 2022 to 31 August 2023, the Academy worked in line with policies, procedures and protocols having evaluated risk and management structure during the previous financial year. Estates Management is included within this as a key part of the process to ensure that the Academy estate is well managed, our activities are conducted appropriately; providing a safe and secure environment for all staff, pupils, and visitors. This included a risk management review to ensure high level risks have adequate controls in place. Key controls to manage risk include:

- Agendas for all committee meetings
- Committee charters for all committees
- Strategic planning, budgeting and management reporting
- Formal organisational structure for staffing
- Written policies and procedures, which follow a full review cycle
- Authorisation and approval levels
- Appointment of Audit committee
- DBS Checks and Single Central Record
- Management Planning and Risk Management Strategy
- Risk registers
- Risk assessments for fire, legionella, and asbestos
- Property plan for significant maintenance, capital works and repairs covering multiple years.

#### Trade union facility time

The school does not have any staff who are relevant trade union officials during the current year. The school contributes to the local authority's arrangements for trade union facility time.

#### Related parties and other connected charities and organisations

The related party transactions that occurred within the financial year were between Malcolm Sargent Primary School and Acorn Childcare Centre, its subsidiary company.

#### **Objectives and activities**

##### Objects and aims

The objective of the charitable company in the period under review was to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. To promote for the benefit of the inhabitants of Stamford and the surrounding area the provision of facilities for recreation or leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

##### Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charitable company's objectives and aims and in planning future activities for the year.

# THE MALCOLM SARGENT PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Strategic report

#### Achievements and performance

The main objective of the academy has been to ensure that the curriculum is broad and exciting which will challenge all of our children to achieve their full potential, through consistently high quality teaching. This has been achieved with very high progress & attainment outcomes as in previous years, placing the school in the top group of consistently high achieving schools nationally. The Trustees have focussed on further developing the effectiveness of their framework of policies & procedures- particularly the use of indicators & benchmark information to benefit risk management of the setting.

During this year the school development plan has had three core priorities which have been:

1. **Improving quality of independent Writing across school-** Improve the systematic teaching of pupils' writing, building upon pupils excellent teaching of GPaS into their independent work ..... so that outcomes more closely match those of Maths & Reading.
2. **Staff development:** Support new ECT framework, New staff, those who's training was hampered during the pandemic; & Middle leaders development, (e.g. subject coordination)
3. **Quality Assurance:** Implement the EEF tiered model as a template for school improvement- to coordinate work of broadened middle leadership team.

Approach to Priority #1: We worked to improve our approach to the teaching of writing- because as a subject pupil's achievement was disproportionately adversely affected by the pandemic relative to other areas of curriculum learning. Within this aim it has been necessary to particularly focus has been on the progress of the most disadvantaged & vulnerable learners.

Evaluation of Priority #1: Summer assessment period has shown significant improvement in writing outcomes. Y6 Writing moderation by LA assessment team- 87% EXS+ 17% GDS demonstrate results significantly above national averages, very significant progress from last year & ultimately the success of the programme. Furthermore, the professional development strand of this plan has increased the confidence of teachers modelling & supporting high quality writing at Age Related Expectations, (or above), throughout the school.

Approach to Priority #2: After a few years of staff stability during the pandemic we experienced significant staff turnover in September 2022- with six ECTs joining to replace staff leaving on a combination of maternity leave or relocations. These staff members also require additional support beginning their careers, as their training was disrupted by the pandemic.

Evaluation of Priority #2: All ECT staff are progressing well, meeting targets and accessing appropriate mentoring & support. They all report high levels of satisfaction with their level of support received. Middle leader support all actioned, including enrolment on National Professional Qualification training courses- which are ongoing over 18months.

Approach to Priority #3: Additionally significant changes in subject leaderships also required consequent coaching/ mentoring for this group of middle leaders' development. This subject leader team needs to be firmly focused on developing their quality assurance of pupils' learning in foundation subjects across the school.

Evaluation of Priority #3: All subject Deep Dives have been undertaken, each with Subject leader, member of SLT & independent Education Advisor. Outcomes were very positive- all subject areas delivering a quality of education that is of at least a "Good" standard for our pupils. Learning outcomes, lesson visits, staff & pupil feedback all demonstrated very positive impact of planned curriculum. Curriculum leadership has developed very well- confirmed by robust external evaluation/review by Education advisor (trained Ofsted inspector).

School Council: The school council continued to organise fund raising events across the year for charity, examples include through a talent show, non-uniform day, readathon and baking event. They have also raised funds to purchase playground equipment and more books for the school library. This year they plan to raise funds to buy similar items.



# THE MALCOLM SARGENT PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Key performance indicators

For benchmarking purposes, comparisons have been made between MSS school results & the latest national benchmark data available, (nb an \* has been applied where this year's data has not been released yet – and in this instance the last year's data has been used instead).

We are particularly pleased that pupils' achievements in Y6 Writing have improved substantially, (an area of learning significantly disrupted by the pandemic).

Overall, it is clear that pupil achievement at our school is again significantly higher than that achieved nationally. The one exception to this was Maths achievement in Y6 SATs, with results broadly in line with national averages. This was a cohort specific issue, which was anomalous to the results in Maths of other other year groups at the end of the year- however we will continue to monitor this curriculum area carefully in 2023/24.

#### **Academic Year Data**

2022- 2023 Results taken from SAT tests & teacher Assessments end of Summer 2023

#### **Foundation Stage:**

Reaching a "Good level of Development" (% Scoring 2+ in Areas of Learning 1-5)

Malcolm Sargent Achievement 72% (Vs National Achievement 65.2%\*)

#### **Key Stage 1 Phonics Check:**

Y1: 90% working at/or above statutory screening check, (vs National 79%)

Y2: 94% working at/or above statutory screening check, (vs National 89%)

#### **Key Stage 1 SAT Teacher Assessment: (vs National average)**

Y2 Pupils:	Exceeding National Standard	Greater Depth Standard
Reading	81%(68%)	32% (19%)
Writing	77%(60%),	12% (8%)
Maths	80%(70%),	34% (16%)
Combined Reading, Writing and Maths	72%(57%),	8% (6%)

#### **Key Stage 2; Multiplication Tables Check:**

Y4 Pupils: 21.7 mean average (vs 19.8 National mean average)

#### **Key Stage 2 SAT Tests:**

Y6 Pupils:	Exceeding National Standard	Greater Depth Standard
Reading	79% (73%)	30%(29%)
Writing, Teacher Assessment	87% (71%)	17%(13%)
English Grammar, Punctuation & Spelling	81% (72%)	37% (30%)
Maths	74% (73%)	22% (24%)
Combined Reading, Writing and Maths	68% (59%)	9%(8%)

#### Going concern

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

During this financial year Malcolm Sargent's trading arm Acorn Childcare Centre Limited has continued to trade. This organisation operates under Directors appointed by the Trustees of the academy trust. Acorn Childcare Centre started trading from the 5th of September 2013, operating 51 weeks of the year. It has expanded in recent years with a new building being added to site, which now provides a nursery setting with capacity for 24 babies, 24 toddlers and 48 pre-school children. Acorn centre staff also operate the Breakfast, Afterschool and Holiday Club. The Acorn Childcare Centre operates under a separate Ofsted registration. The finances from this operation are consolidated within these accounts.

# THE MALCOLM SARGENT PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Financial review

#### Reserves policy

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 Trustees have reviewed the resources of the academy trust and recognise the need to build up sufficient reserves in future years to be able to protect against future funding decreases and for future refurbishment works required at the school to be able to adequately cater for pupils.

The Trustees have set a reserves policy whereby the ideal level of reserves is set at one month of expenditure. The Trustees have assessed the current level of available free reserves, which currently equates to around 44 days of expenditure, and are confident that there are sufficient levels to meet current operational needs.

#### Investment policy

The academy has not accumulated significant reserves, finances from the ESFA are utilised in year for the benefit of the children attending the academy and therefore there is no investment policy in place. The academy can hold cash balances and thereby technically can make investment decisions if they are appropriate. In the current economic climate the banks are unable to offer a significant return on the current cash balances.

#### Principal risks and uncertainties

Risks have been assessed by the governors and they confirm that there are no major risks at present. The Business Continuity and Risk Management Policy has just been reviewed and approved by the Governing Board. Principle risks faced by the academy include closure from fire or disaster, cuts in funding from the EFSA impacting on the whole school, which could seriously affect the viability or reputation of the academy. Systems and procedures are in place to minimize the risk. Internal controls are in place to reduce internal risks to the continuation of business, these are monitored and reviewed on a regular basis.

### Fundraising

The Academy is compliant with the recognised standards of fundraising set out in the Code of Fundraising Practice. The Malcolm Sargent Primary School does not use professional fundraisers and there have been no complaints received by the Academy about fund raising activities carried out by the Academy in the year.

### Plans for future periods

Trustees have already prepared the objectives for the school development plan (SDP) for the current financial year. This will be reviewed at the full Trustee Board meetings. We are mindful of the continuing legacy of the global pandemic impacting upon our pupils & incorporating mitigation for this as far as practicable within our plans.

Trustees plan to continue to improve the following core priorities:

1. **Curriculum Success for All Pupils:** Focus on further improving pupils' learning in every subject by ensuring that English/ Maths is not a barrier to their success, whatever their need (SEND/EAL/Dis).
2. **Even better Writing:** Continue to embed high quality teaching of writing- particularly improving opportunities for able pupils to apply what they've learnt independently.
3. **Even better Reading:** Refining the approach to the teaching of Reading- Particularly the teaching of comprehension skills.

Close Monitoring of Maths: the challenge is to at least maintain high Maths standards in each of our cohorts, (despite school development priorities in recent years being English based). Strategy is to provide refresher training for staff on the school approach to the teaching of Maths, (through Power Maths); disseminate teachers' demonstrating best practice; close monitoring of those teachers requiring support; follow-on TA training; and targeted intervention programme for identified pupils falling below expectations.

In addition, we are continuing to work towards ambitious targets for our most disadvantaged pupils, through our Pupil Premium strategy. This continues to be the group most disadvantaged by the educational disruption caused by the global pandemic

# THE MALCOLM SARGENT PRIMARY SCHOOL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Auditor**

In so far as the Trustees are aware:

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

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 05/12/2023 and signed on its behalf by:



.....  
K E Swanson

**Chair of Trustees**

# THE MALCOLM SARGENT PRIMARY SCHOOL

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Scope of responsibility

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

The Trustee Board has delegated the day-to-day responsibility to the Principal, as accounting officer, he is responsible 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 The Malcolm Sargent Primary School and the Secretary of State for Education. They are also responsible for reporting to the Trustee Board 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:

Trustees	Meetings attended	Out of possible
K E Swanson (Chair of Trustees)	4	5
M Brewin	3	5
T J Revell (Accounting Officer)	5	5
A Cross (Resigned 21 July 2023)	5	5
S Gaunt (Resigned 2 September 2023)	1	4
J Shaw	5	5
A Donaghie (Appointed 2 December 2022)	3	4
G Brown (Appointed 21 April 2023)	1	2
M Town (Resigned 26 June 2023)	3	3
T Perkins (Resigned 18 October 2023)	3	5
K Batkin (Resigned 5 January 2023)	0	2
J Flint	5	5
L Steele	2	5
A Thomas	4	5
J Williamson (Appointed 19 February 2023)	3	3
P Collins (Appointed 1 September 2023)	1	1
D Byford (Resigned 30 September 2022)	0	0
R Amies (Appointed 2 October 2023)	0	0
J Torrance (Appointed 2 October 2023)	0	0

The Finance and Stewardship Committee is a sub-committee of the main Governing Board. Its purpose is to approve and monitor the academy's budget share to achieve best value and to monitor and evaluate the implementation of the school development plan. Particular issues which have been discussed during the year revolve additional funding and income sources and staffing costs.

# THE MALCOLM SARGENT PRIMARY SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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Attendance at the Finance & Stewardship meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
K E Swanson (Chair of Trustees)	5	5
T J Revell (Accounting Officer)	5	5
A Cross (Resigned 21 July 2023)	5	5
S Gaunt (Resigned 2 September 2023)	1	3
J Shaw	5	5
M Town (Resigned 26 June 2023)	3	3

#### Review of value for money

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The school's latest DfE financial benchmark report gives the top 10% rating for best value for money.

The accounting officer for the academy trust has delivered improved value for money during the year by:

- Ensuring excellent pupil outcomes; particularly in Y1 Phonics check; Y2 SAT Reading, Writing & Maths; Y6 SAT Grammar Punctuation Spelling & Writing (the latter significantly improved from 2022)
- Ensuring accelerated progress for the vulnerable pupil groups (SEND & Disadvantaged) in the subject areas of Reading & Writing as measured by Y6 SAT outcomes.
- Tarmac repairs to the KS1 playground which had rippled in areas and become unsafe for playground games identified in the Property Plan; funded from the additional Devolved Formula Capital (DFC) allocation to the Academy.

#### The purpose of the system of internal control

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

#### Capacity to handle risk

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

# THE MALCOLM SARGENT PRIMARY SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **The risk and control framework**

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

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

The Trustee Board has considered the need for a specific internal audit function and has decided to appoint an internal auditor.

Our trust can confirm that the firm of professional internal auditors Duncan & Topliss has delivered their schedule of work as planned, and results have been reported to the board. There are no material control issues arising as a result of the internal auditor's work.

### **Review of effectiveness**

As Accounting Officer, the Principal, T Revell has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- internal audit reports from governors;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the board of trustees on 05/12/2023 and signed on its behalf by:



K E Swanson  
Chair of Trustees



T J Revell  
Accounting Officer

# THE MALCOLM SARGENT PRIMARY SCHOOL

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

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

T J Revell  
Accounting Officer

5/12/23  
.....

A handwritten signature in black ink, appearing to read 'T J Revell', with a large, stylized initial 'T' and 'J'.

# THE MALCOLM SARGENT PRIMARY SCHOOL

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The trustees (who are also the directors of The Malcolm Sargent Primary School for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the Trustees are required to:

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

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

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

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

Approved by order of the members of the board of trustees on 05/12/2023 and signed on its behalf by:



K E Swanson  
**Chair of Trustees**



# THE MALCOLM SARGENT PRIMARY SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MALCOLM SARGENT PRIMARY SCHOOL

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Opinion

We have audited the accounts of The Malcolm Sargent Primary School (the 'charity') and its subsidiary for the year ended 31 August 2023 which comprise the Group statement of financial activities, the Group and Parent Charitable Company balance sheet, the Group statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

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

We have nothing to report in this regard.

# THE MALCOLM SARGENT PRIMARY SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MALCOLM SARGENT PRIMARY SCHOOL (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

### **Responsibilities of Trustees**

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

### **Auditor's responsibilities for the audit of the accounts**

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

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

# THE MALCOLM SARGENT PRIMARY SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MALCOLM SARGENT PRIMARY SCHOOL (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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

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

### Use of our report

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



**Tracey Richardson BSc (Hons) FCA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

*12/12/23*  
.....

**Chartered Accountants**  
**Statutory Auditor**

Ruthlyn House  
90 Lincoln Road  
Peterborough  
Cambridgeshire  
United Kingdom  
PE1 2SP

# THE MALCOLM SARGENT PRIMARY SCHOOL

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE MALCOLM SARGENT PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

**FOR THE YEAR ENDED 31 AUGUST 2023**

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In accordance with the terms of our engagement letter dated 15 August 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Malcolm Sargent Primary School during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of The Malcolm Sargent Primary School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Malcolm Sargent Primary School's funding agreement with the Secretary of State for Education dated 1 December 2011 and the Academies Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- a review of the activities of the academy, by reference to sources of income and other information available to us;
- sample testing of expenditure, including payroll;
- a review of minutes of Governors' meetings.

# THE MALCOLM SARGENT PRIMARY SCHOOL

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Conclusion**

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



### **Reporting Accountant**

Azets Audit Services

Ruthlyn House

90 Lincoln Road

Peterborough

Cambridgeshire

PE1 2SP

United Kingdom

Dated: 12/12/23

# THE MALCOLM SARGENT PRIMARY SCHOOL

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	-	34,075	34,075	18,089
Charitable activities:						
- Funding for educational operations	4	42,003	3,530,452	-	3,572,455	3,497,201
Other trading activities	5	961,633	55,991	-	1,017,624	932,354
Investments	6	40	-	-	40	41
<b>Total income and endowments</b>		<b>1,003,676</b>	<b>3,586,443</b>	<b>34,075</b>	<b>4,624,194</b>	<b>4,447,685</b>
<b>Expenditure on:</b>						
Raising funds	7	703,831	-	-	703,831	598,733
Charitable activities:						
- Educational operations	8	115,376	3,799,675	147,746	4,062,797	4,125,765
<b>Total expenditure</b>	<b>7</b>	<b>819,207</b>	<b>3,799,675</b>	<b>147,746</b>	<b>4,766,628</b>	<b>4,724,498</b>
<b>Net income/(expenditure)</b>		<b>184,469</b>	<b>(213,232)</b>	<b>(113,671)</b>	<b>(142,434)</b>	<b>(276,813)</b>
Transfers between funds		(232,646)	172,232	60,414	-	-
<b>Other recognised gains and losses</b>						
Actuarial gains/(losses) on defined benefit pension schemes	21	-	41,000	-	41,000	1,812,000
<b>Net movement in funds</b>		<b>(48,177)</b>	<b>-</b>	<b>(53,257)</b>	<b>(101,434)</b>	<b>1,535,187</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		490,400	-	3,286,021	3,776,421	2,241,234
Total funds carried forward		442,223	-	3,232,764	3,674,987	3,776,421

# THE MALCOLM SARGENT PRIMARY SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2022		Funds	General	Fixed asset	2022
	Notes	£	£	£	£
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	-	18,089	18,089
Charitable activities:					
- Funding for educational operations	4	45,587	3,451,614	-	3,497,201
Other trading activities	5	924,407	7,947	-	932,354
Investments	6	41	-	-	41
<b>Total income and endowments</b>		<b>970,035</b>	<b>3,459,561</b>	<b>18,089</b>	<b>4,447,685</b>
<b>Expenditure on:</b>					
Raising funds	7	598,733	-	-	598,733
Charitable activities:					
- Educational operations	8	94,584	3,902,784	128,397	4,125,765
<b>Total expenditure</b>	<b>7</b>	<b>693,317</b>	<b>3,902,784</b>	<b>128,397</b>	<b>4,724,498</b>
<b>Net income/(expenditure)</b>		<b>276,718</b>	<b>(443,223)</b>	<b>(110,308)</b>	<b>(276,813)</b>
Transfers between funds		(146,071)	(27,153)	173,224	-
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes	21	-	1,812,000	-	1,812,000
<b>Net movement in funds</b>		<b>130,647</b>	<b>1,341,624</b>	<b>62,916</b>	<b>1,535,187</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		359,753	(1,341,624)	3,223,105	2,241,234
Total funds carried forward		490,400	-	3,286,021	3,776,421

# THE MALCOLM SARGENT PRIMARY SCHOOL

## CONSOLIDATED BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Intangible assets	13		526		1,916
Tangible assets	14		3,232,238		3,284,105
			<u>3,232,764</u>		<u>3,286,021</u>
<b>Current assets</b>					
Debtors	17	195,520		197,573	
Cash at bank and in hand		600,883		777,377	
		<u>796,403</u>		<u>974,950</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	18	(354,180)		(484,550)	
<b>Net current assets</b>			<u>442,223</u>		<u>490,400</u>
<b>Net assets</b>			<u>3,674,987</u>		<u>3,776,421</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	20				
- Fixed asset funds			<u>3,232,764</u>		<u>3,286,021</u>
<b>Total restricted funds</b>			<u>3,232,764</u>		<u>3,286,021</u>
<b>Unrestricted income funds</b>	20		<u>442,223</u>		<u>490,400</u>
<b>Total funds</b>			<u>3,674,987</u>		<u>3,776,421</u>

The accounts on pages 20 to 45 were approved by the Trustees and authorised for issue on 05/12/2023 and are signed on their behalf by:



K E Swanson

Chair of Trustees

Company Number 07838151



# THE MALCOLM SARGENT PRIMARY SCHOOL

## BALANCE SHEET - CHARITY ONLY

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Intangible assets	13		526		1,916
Tangible assets	14		3,224,848		3,276,849
Investments	16		10		10
			<u>3,225,384</u>		<u>3,278,775</u>
<b>Current assets</b>					
Debtors	17	326,214		381,064	
Cash at bank and in hand		384,302		496,712	
		<u>710,516</u>		<u>877,776</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	18	(265,760)		(383,493)	
<b>Net current assets</b>			<u>444,756</u>		<u>494,283</u>
<b>Net assets</b>			<u>3,670,140</u>		<u>3,773,058</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	20				
- Fixed asset funds			<u>3,225,374</u>		<u>3,278,765</u>
<b>Total restricted funds</b>			<u>3,225,374</u>		<u>3,278,765</u>
<b>Unrestricted income funds</b>	20		<u>444,766</u>		<u>494,293</u>
<b>Total funds</b>			<u>3,670,140</u>		<u>3,773,058</u>

The accounts on pages 20 to 45 were approved by the Trustees and authorised for issue on 05/12/2023 and are signed on their behalf by:



.....  
K E Swanson  
Chair of Trustees  
Company Number 07838151

# THE MALCOLM SARGENT PRIMARY SCHOOL

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Net cash (used in)/provided by operating activities	23		(116,120)		438,732
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		40		41	
Capital grants from DfE and other capital income		34,075		18,089	
Purchase of tangible fixed assets		(94,489)		(191,313)	
<b>Net cash used in investing activities</b>			(60,374)		(173,183)
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>			(176,494)		265,549
Cash and cash equivalents at beginning of the year			777,377		511,828
<b>Cash and cash equivalents at end of the year</b>			600,883		777,377

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1 Accounting policies

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

##### 1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Malcolm Sargent Primary School meets the definition of a public benefit entity under FRS 102.

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

##### 1.2 Going concern

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

##### 1.3 Income

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

###### Grants

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

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

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

###### Donations

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

###### Other income

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

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1 Accounting policies

(Continued)

##### Donated goods, facilities and services

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

##### Donated fixed assets

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

#### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

##### Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.

#### 1.5 Intangible fixed assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Purchased computer software	3 years straight line
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# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 1 Accounting policies

(Continued)

##### 1.6 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Freehold buildings	50, 25 or 5 years straight line
Leasehold property	Over the lease term
IT equipment	3 or 5 years straight line
Fixtures, fittings & equipment	5 years straight line

No depreciation is provided in respect of freehold land.

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

##### 1.7 Liabilities

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

##### 1.8 Leased assets

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

##### 1.9 Financial instruments

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

###### Financial assets

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

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

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 1 Accounting policies

(Continued)

##### Financial liabilities

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

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

##### 1.10 Taxation

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

##### 1.11 Pensions benefits

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

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

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

##### 1.12 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency/Department for Education where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency/Department for Education.

Designated funds are where the governors have ring fenced unrestricted income for specific projects.

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 2 Critical accounting estimates and areas of judgement

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

##### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donated fixed assets	-	-	-	6,900
Capital grants	-	34,075	34,075	11,189
	<u>-</u>	<u>34,075</u>	<u>34,075</u>	<u>18,089</u>

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	2,746,660	2,746,660	2,679,380
Other DfE / ESFA grants:				
UFSM	-	93,412	93,412	83,052
Pupil premium	-	136,506	136,506	112,580
PE and sports premium	-	21,570	21,570	21,580
Supplementary grant	-	110,726	110,726	30,289
Others	1,500	43,076	44,576	43,416
	1,500	3,151,950	3,153,450	2,970,297
<b>Other government grants</b>				
Local authority grants	-	357,066	357,066	455,604
Other incoming resources	40,503	21,436	61,939	71,300
<b>Total funding</b>	42,003	3,530,452	3,572,455	3,497,201

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Lettings	-	-	-	56
Catering income	4,609	-	4,609	20,245
Income from trading subsidiary	957,024	-	957,024	904,106
Other income	-	55,991	55,991	7,947
	961,633	55,991	1,017,624	932,354

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	40	-	40	41



# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2023 £	Total 2022 £
Expenditure on raising funds					
- Direct costs	-	-	703,831	703,831	598,733
Academy's educational operations					
- Direct costs	1,509,657	-	246,801	1,756,458	1,659,723
- Allocated support costs	1,746,379	367,268	192,692	2,306,339	2,466,042
	<u>3,256,036</u>	<u>367,268</u>	<u>1,143,324</u>	<u>4,766,628</u>	<u>4,724,498</u>

Net expenditure for the year includes:

	2023 £	2022 £
Fees payable to auditor for audit services	9,075	7,800
Depreciation of tangible fixed assets	147,746	128,397
Net interest on defined benefit pension liability	(15,000)	21,000

### 8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>Direct costs</b>				
Educational operations	65,595	1,690,863	1,756,458	1,659,723
<b>Support costs</b>				
Educational operations	49,781	2,256,558	2,306,339	2,466,042
	<u>115,376</u>	<u>3,947,421</u>	<u>4,062,797</u>	<u>4,125,765</u>

Analysis of costs

	2023 £	2022 £
<b>Direct costs</b>		
Teaching costs	1,509,657	1,421,120
Staff development	16,703	17,570
Technology costs	37,199	38,297
Educational supplies and services	82,677	108,882
Other direct costs	110,222	73,854
	<u>1,756,458</u>	<u>1,659,723</u>

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

<b>8 Charitable activities</b>	<b>(Continued)</b>	
<b>Support costs</b>		
Support staff costs	1,751,421	1,902,488
Depreciation	147,746	128,397
Maintenance of premises and equipment	85,184	110,026
Rent, rates and other occupancy costs	104,636	87,168
Insurance	29,702	26,824
Catering	127,763	122,239
Finance costs	(15,000)	21,000
Legal costs	13,478	6,925
Other support costs	51,334	52,725
Governance costs	10,075	8,250
	<u>2,306,339</u>	<u>2,466,042</u>
<b>9 Governance costs</b>		
	<b>Total</b>	<b>Total</b>
<b>All from restricted funds:</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Amounts included in support costs</b>		
Legal costs	13,478	6,925
Auditor's remuneration		
- Audit of financial statements	9,075	7,800
- Other audit costs	1,000	450
	<u>23,553</u>	<u>15,175</u>
<b>10 Staff</b>		
<b>Staff costs</b>		
Staff costs during the year were:		
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,402,942	2,244,544
Social security costs	211,782	178,522
Pension costs	612,973	869,062
Staff costs - employees	<u>3,227,697</u>	<u>3,292,128</u>
Agency staff costs	28,339	30,431
	<u>3,256,036</u>	<u>3,322,559</u>
Staff development and other staff costs	21,745	18,619
Total staff expenditure	<u>3,277,781</u>	<u>3,341,178</u>

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 10 Staff

(Continued)

##### Staff numbers

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

	2023 Number	2022 Number
Teachers	30	27
Administration and support	72	79
Management	6	7
	<u>108</u>	<u>113</u>

##### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	1	1
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
	<u>1</u>	<u>1</u>

##### Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £445,370 (2022: £416,873).

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 11 Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as Trustees.

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

T Revell (principal and governor)

Remuneration £100,000 - £105,000 (2022: £90,000 - £95,000)

Employer's pension contributions £20,000 - £25,000 (2022: £20,000 - £25,000)

M Town (staff governor) - Resigned 26 June 2023

Remuneration £35,000 - £40,000 (2022: £35,000 - £40,000)

Employer's pension contributions £5,000 - £10,000 (2022: £5,000 - £10,000)

During the year ended 31 August 2023, expenses totalling £Nil were reimbursed to staff governors in relation to their role as governor (2022: £Nil).

#### 12 Trustees' and officers' insurance

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

#### 13 Intangible fixed assets

	Computer software £
<b>Cost</b>	
At 1 September 2022 and at 31 August 2023	3,712
<b>Amortisation</b>	
At 1 September 2022	1,796
Charge for year	1,390
At 31 August 2023	3,186
<b>Carrying amount</b>	
At 31 August 2023	526
At 31 August 2022	1,916

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 14 Tangible fixed assets

Group	Freehold buildings	Leasehold property	IT equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 September 2022	3,638,054	69,316	134,609	233,781	4,075,760
Additions	35,546	-	14,209	44,734	94,489
At 31 August 2023	3,673,600	69,316	148,818	278,515	4,170,249
<b>Depreciation</b>					
At 1 September 2022	568,568	69,316	68,089	85,682	791,655
Charge for the year	78,290	-	22,602	45,464	146,356
At 31 August 2023	646,858	69,316	90,691	131,146	938,011
<b>Net book value</b>					
At 31 August 2023	3,026,742	-	58,127	147,369	3,232,238
At 31 August 2022	3,069,486	-	66,520	148,099	3,284,105
<b>Charity</b>					
	Freehold buildings	Leasehold property	IT equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 September 2022	3,638,054	69,316	129,938	221,928	4,059,236
Additions	35,546	-	12,850	44,734	93,130
At 31 August 2023	3,673,600	69,316	142,788	266,662	4,152,366
<b>Depreciation</b>					
At 1 September 2022	568,568	69,316	66,291	78,212	782,387
Charge for the year	78,290	-	22,074	44,767	145,131
At 31 August 2023	646,858	69,316	88,365	122,979	927,518
<b>Net book value</b>					
At 31 August 2023	3,026,742	-	54,423	143,683	3,224,848
At 31 August 2022	3,069,486	-	63,647	143,716	3,276,849

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 15 Financial instruments

	2023 £ Group	2023 £ Charity	2022 £ Group	2022 £ Charity
<b>Carrying amount of financial assets</b>				
Trade debtors	5,098	-	10,471	-
Other debtors	557	557	513	513
Bank and cash	600,883	384,303	777,377	496,712
	<u>606,538</u>	<u>384,860</u>	<u>788,361</u>	<u>497,225</u>
<b>Carrying amount of financial liabilities</b>				
Trade creditors	44,260	36,256	170,194	162,114
Other creditors	4,644	176	60,243	56,388
Accruals	136,071	116,527	83,759	61,150
	<u>184,975</u>	<u>152,959</u>	<u>314,196</u>	<u>279,652</u>

### 16 Fixed asset investments

#### Charity

	Total £
Historical cost:	
At 31 August 2023	<u>10</u>
At 31 August 2022	<u>10</u>

On 23 April 2013, Acorn Childcare Centre Limited was incorporated and became a wholly owned subsidiary of the academy. The company commenced trading as Acorn Nursery on 5 September 2013, the principal activity being the provision of childcare.

17 Debtors	2023 £ Group	2023 £ Charity	2022 £ Group	2022 £ Charity
Trade debtors	5,098	-	10,471	-
Amounts owed by group undertakings	-	182,000	-	256,000
VAT recoverable	23,162	23,162	38,654	38,654
Other debtors	557	557	513	513
Prepayments and accrued income	166,703	120,495	147,935	85,897
	<u>195,520</u>	<u>326,214</u>	<u>197,573</u>	<u>381,064</u>

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Creditors: amounts falling due within one year

	2023 £ Group	2023 £ Charity	2022 £ Group	2022 £ Charity
Trade creditors	44,260	36,256	170,194	162,114
Other taxation and social security	51,854	43,769	48,200	43,578
Other creditors	4,644	176	60,243	56,388
Accruals and deferred income	253,422	185,559	205,913	121,413
	<u>354,180</u>	<u>265,760</u>	<u>484,550</u>	<u>383,493</u>

### 19 Deferred income Group

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	<u>117,351</u>	<u>122,154</u>
Deferred income at 1 September 2022	122,154	100,841
Released from previous years	(122,154)	(100,841)
Amounts deferred in the year	<u>117,351</u>	<u>122,154</u>
<b>Deferred income at 31 August 2023</b>	<u><b>117,351</b></u>	<u><b>122,154</b></u>

### Charity

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	<u>117,351</u>	<u>60,263</u>
Deferred income at 1 September 2022	60,263	86,958
Released from previous years	(60,263)	(86,958)
Amounts deferred in the year	<u>117,351</u>	<u>60,263</u>
<b>Deferred income at 31 August 2023</b>	<u><b>117,351</b></u>	<u><b>60,263</b></u>

Deferred income relates to funds received in advance for school trips taking place after the balance sheet date and grant funding for the following academic year.

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	2,746,660	(2,918,892)	172,232	-
UIFSM	-	93,412	(93,412)	-	-
Pupil premium	-	136,506	(136,506)	-	-
Supplementary grant	-	110,726	(110,726)	-	-
Other DfE/ESFA grants	-	64,646	(64,646)	-	-
Other government grants	-	357,066	(357,066)	-	-
Other restricted funds	-	77,427	(77,427)	-	-
Pension reserve	-	-	(41,000)	41,000	-
	-	3,586,443	(3,799,675)	213,232	-
<b>Restricted fixed asset funds</b>					
DfE group capital grants	-	34,075	-	(34,075)	-
Capital expenditure from GAG	3,278,765	-	(146,521)	93,130	3,225,374
Subsidiary company assets	7,256	-	(1,225)	1,359	7,390
	3,286,021	34,075	(147,746)	60,414	3,232,764
<b>Total restricted funds</b>	3,286,021	3,620,518	(3,947,421)	273,646	3,232,764
<b>Unrestricted funds</b>					
General funds	494,293	45,152	(115,376)	20,697	444,766
Acorn nursery	(3,893)	958,524	(703,831)	(253,343)	(2,543)
	490,400	1,003,676	(819,207)	(232,646)	442,223
<b>Total funds</b>	3,776,421	4,624,194	(4,766,628)	41,000	3,674,987

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

#### Fixed asset funds

The fixed asset fund represents the book value of fixed assets held by the academy, which are attributable to the core educational operations of the academy.

#### Restricted general funds

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.

#### Designated funds

The funds are designated for the specific activities undertaken by Acorn Nursery.



# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 20 Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	63,376	2,679,380	(2,715,603)	(27,153)	-
UIFSM	-	83,052	(83,052)	-	-
Pupil premium	-	112,580	(112,580)	-	-
Other DfE/ESFA grants	-	89,285	(89,285)	-	-
Other government grants	-	455,604	(455,604)	-	-
Other restricted funds	-	39,660	(39,660)	-	-
Pension reserve	(1,405,000)	-	(407,000)	1,812,000	-
	<u>(1,341,624)</u>	<u>3,459,561</u>	<u>(3,902,784)</u>	<u>1,784,847</u>	<u>-</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	-	11,189	-	(11,189)	-
Capital expenditure from GAG	3,214,569	-	(128,397)	191,313	3,277,485
Assets donated to Academy	-	6,900	-	(6,900)	-
Subsidiary company assets	8,536	-	-	-	8,536
	<u>3,223,105</u>	<u>18,089</u>	<u>(128,397)</u>	<u>173,224</u>	<u>3,286,021</u>
<b>Total restricted funds</b>	<u>1,881,481</u>	<u>3,477,650</u>	<u>(4,031,181)</u>	<u>1,958,071</u>	<u>3,286,021</u>
<b>Unrestricted funds</b>					
General funds	343,475	59,929	(94,584)	185,473	494,293
School fund	23,374	-	-	(23,374)	-
School council	434	-	-	(434)	-
Acorn nursery	(7,530)	910,106	(598,733)	(307,736)	(3,893)
	<u>359,753</u>	<u>970,035</u>	<u>(693,317)</u>	<u>(146,071)</u>	<u>490,400</u>
<b>Total funds</b>	<u>2,241,234</u>	<u>4,447,685</u>	<u>(4,724,498)</u>	<u>1,812,000</u>	<u>3,776,421</u>

#### 21 Pension and similar obligations

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

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

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

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 21 Pension and similar obligations

(Continued)

##### Teachers' Pension Scheme

###### Introduction

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

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

###### Valuation of the Teachers' Pension Scheme

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

The 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019. The key elements of the valuation and subsequent consultation were:

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

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £286,887 (2022 - £258,278).

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

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

##### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 20.8% for employers and 5.5 to 6.5% for employees.

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 21 Pension and similar obligations

(Continued)

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.

The actuarial valuation prepared under FRS102 in respect of the Local Government Pension Scheme indicated that the Trust's share of the scheme was in surplus as at the year end to the value of £758,000. The actuaries have undertaken an asset ceiling calculation which, on the basis that a minimum funding requirement does exist, indicates that none of that surplus is likely to result in either a refund of contributions or a reduction in contributions in the future.

Total contributions made	2023 £	2022 £
Employer's contributions	263,000	227,000
Employees' contributions	68,000	62,000
Total contributions	331,000	289,000

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.9	3.2
Rate of increase for pensions in payment/inflation	2.9	2.9
Discount rate for scheme liabilities	5.3	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 Years	2022 Years
Retiring today		
- Males	19.5	21.6
- Females	22.6	23.9
Retiring in 20 years		
- Males	20.8	22.6
- Females	24.0	25.3

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

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 21 Pension and similar obligations

(Continued)

#### The academy trust's share of the assets in the scheme

	2023 Fair value £	2022 Fair value £
Equities	1,957,000	1,992,000
Bonds	416,000	322,000
Cash	108,000	64,000
Property	235,000	345,000
Asset not recognised	(758,000)	(238,000)
Other assets	452,000	-
Total market value of assets	2,410,000	2,485,000

The actual return on scheme assets was £(394,000) (2022: £(233,000)).

#### Amount recognised in the statement of financial activities

	2023 £	2022 £
Current service cost	316,000	611,000
Interest income	(122,000)	(43,000)
Interest cost	107,000	64,000
Administration expenses	3,000	2,000
Total operating charge	304,000	634,000

#### Changes in the present value of defined benefit obligations

	2023 £	2022 £
At 1 September 2022	2,485,000	3,855,000
Current service cost	316,000	611,000
Interest cost	107,000	64,000
Employee contributions	68,000	62,000
Actuarial gain	(557,000)	(2,088,000)
Benefits paid	(9,000)	(19,000)
At 31 August 2023	2,410,000	2,485,000

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

## (Continued)

	2023 £	2022 £
At 1 September 2022	2,485,000	2,450,000
Administration expenses	(3,000)	(2,000)
Interest income	122,000	43,000
Actuarial (gain)/loss	4,000	(38,000)
Employer contributions	263,000	227,000
Employee contributions	68,000	62,000
Benefits paid	(9,000)	(19,000)
Asset not recognised	(520,000)	(238,000)
At 31 August 2023	2,410,000	2,485,000

Group	<b>Unrestricted Funds £</b>	<b>Restricted funds: General      Fixed asset £                  £</b>		<b>Total 2023 £</b>
<b>Fund balances at 31 August 2023 are represented by:</b>				
Intangible fixed assets	-	-	526	526
Tangible fixed assets	-	-	3,232,238	3,232,238
Current assets	530,643	265,760	-	796,403
Creditors falling due within one year	(88,420)	(265,760)	-	(354,180)
	442,223	-	3,232,764	3,674,987
	442,223	-	3,232,764	3,674,987
	<b>Unrestricted Funds £</b>	<b>Restricted funds: General      Fixed asset £                  £</b>		<b>Total 2022 £</b>
<b>Fund balances at 31 August 2022 are represented by:</b>				
Intangible fixed assets	-	-	1,916	1,916
Tangible fixed assets	-	-	3,284,105	3,284,105
Current assets	591,457	383,493	-	974,950
Creditors falling due within one year	(101,057)	(383,493)	-	(484,550)
	490,400	-	3,286,021	3,776,421
	490,400	-	3,286,021	3,776,421

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 23 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2023 £	2022 £
Net expenditure for the reporting period (as per the statement of financial activities)		(142,434)	(276,813)
Adjusted for:			
Capital grants from DfE and other capital income		(34,075)	(18,089)
Investment income receivable	6	(40)	(41)
Defined benefit pension costs less contributions payable	21	56,000	386,000
Defined benefit pension scheme finance (income)/cost	21	(15,000)	21,000
Depreciation of tangible fixed assets		147,746	128,397
Decrease/(increase) in debtors		2,053	(35,963)
(Decrease)/increase in creditors		(130,370)	234,241
<b>Net cash (used in)/provided by operating activities</b>		<b>(116,120)</b>	<b>438,732</b>

#### 24 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	777,377	(176,494)	600,883

#### 25 Long-term commitments

##### Operating leases

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

	2023 £	2022 £
Amounts due within one year	7,432	5,588
Amounts due in two and five years	4,198	6,985
	<b>11,630</b>	<b>12,573</b>

# THE MALCOLM SARGENT PRIMARY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **26 Related party transactions**

#### **Charity**

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. There have been no transactions during the year.

Some of the governors have children who are pupils at the academy, consequently there will be transactions between those governors and the academy in respect of their children's education. These are on the same basis as other pupils at the academy.

Included within the charity income is £69,984 (2022: £51,736) recharged to the subsidiary company, Acorn Childcare Centre Limited.

There has been a £182,000 (2022: £256,000) donation from Acorn Childcare Centre Limited during the year.

At the year end, £182,000 (2022: £256,000) is included within debtors due from Acorn Childcare Centre Limited.

### **27 Members' liability**

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