

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr P Collard Mrs A Williams Mr G Jones-Owen Rev Dr S Griffiths Mr C Hide Mr S Gilmore (appointed 11 November 2021)
Trustees	Mr S Berkkun (resigned 17 November 2021) Rev Dr S Griffiths Mr S Gilmore (resigned 9 December 2021) Mr G Jones-Owen, Chair of Governors Mrs H Ashley-Fraser Ms M Jeffrey Mr P Collard Mrs A Williams Mr C Lamb, Headteacher Mrs T Holloway Mrs V Thompson (resigned 9 September 2021) Mr C Hide, Responsible Officer Mr M Bowe Mr R Cathline Mrs E Underwood Mr D Willett Mr A Yilmaz Ms J Foxley (appointed 10 February 2022) Mr N Churcher (appointed 19 January 2022) Dr H Lovell (appointed 19 January 2022) Ms M Thomas (appointed 19 January 2022)
Company registered number	07697044
Company name	Enfield Grammar School
Registered and principal office	Market Place Enfield Middlesex, EN2 6LN
Company Secretary	Ms S Field
Chief Executive Officer	Mr C Lamb

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

**Senior Leadership
Team**

Mr C Lamb, Headteacher
Mr D Wragg, Acting Deputy head, Assistant Headteacher, Head of Sixth Form
Mrs D Burke (resigned 22 April 2022), Deputy Headteacher
Mr S Purrier, Deputy Headteacher
Ms J McCall, Deputy Headteacher
Mrs L Culora, School Business Leader
Mr M Pieri, Assistant Headteacher
Miss N Faverjon, Assistant Headteacher
Dr V Currie, Assistant Headteacher, Head of Lower School

Independent Auditors

Price Bailey LLP
Chartered Accountants
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

Bankers

Lloyds TSB
Silver Street
Enfield
Middlesex

ENFIELD GRAMMAR SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Enfield Grammar School ("the academy") for the year to 31 August 2022. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

The Trust operates an academy for pupils aged 11 to 16 serving a catchment area in north London. It has a pupil capacity of 1080 and had a roll of 1066 in the school census on 6 October 2022.

Structure, Governance and Management

Constitution

The Academy is a Charitable Company limited by guarantee and was set up by a Memorandum of Association on 7 July 2011. The Academy converted on 1 August 2011.

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents. The Trustees are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Enfield Grammar School (the School).

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

Members' Liability

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

Trustees' and Officers' Indemnities

The Trust has opted to be covered under the Government's Risk Protection Arrangements (RPA) scheme to protect Trustees, Governors and Officers, from claims arising from negligent acts, omissions or errors whilst performing Trust business.

Method of Recruitment and Appointment or Election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Headteacher is an ex officio member of the Board of Trustees. Parent Trustees and the staff Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for 7 Parents, 3 Staff, 3 Community, 5 Foundation and up to 3 Co-opted plus the Headteacher.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trust is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Trust provides internal training led by School staff and also links with a number of local training providers.

All new Trustees have an induction programme, according to their need, which includes introductory sessions, mentoring, formal training courses, and a tour of the School. This process will involve a meeting with the Chair of Trustees, selected students and staff. All Trustees are provided with a handbook plus copies of policies and procedures documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work that they will undertake.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Organisational Structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees, which meets on at least 4 occasions per year and each individual committee at least 3 times per year, is responsible for the strategic direction of the Trust. The Board reviews progress towards educational objectives and results; approves major expenditure requests; sets the budget for the following year; sets the organisational staffing structure; agrees the performance objectives of the Headteacher with the School Improvement Partner, and reviews them.

The Headteacher is the designated Accounting Officer and has overall responsibility for the day to day financial management of the Trust. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are responsible for managing their own departments within their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher manages the Trust on a daily basis supported by a Senior Leadership Team (SLT). The SLT meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Board of Trustees as required for approval. Each member of the SLT has specific responsibilities to assist the Headteacher to manage certain aspects of the Trust.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the school group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the appropriate sub-committee and ratified by the Board of Trustees.

Trade Union Facility Time

The Trust has no employees that are Trade Union Representatives.

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which a Trustee may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

The Trust did not cooperate with any related party during the academic year in pursuit of its charitable activities and does not have a formal sponsor.

Objectives and Activities

Objects and Aims

The principal object and aim of the Trust is the operation of the School to provide free education and care for pupils of different abilities between the ages of 11 and 18 to enable each child to realise his full academic, creative and physical potential and to develop positive social and moral values.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives, Strategies and Activities

During the year the Trust has worked towards these aims by:

- ensuring that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- raising the standard of educational achievement of all pupils;
- developing resilient, resourceful students;
- adapting and applying skills for flexible life-long learning;
- improving the effectiveness of the School by keeping the curriculum and organisational structure under continual review;
- providing value for money for the funds expended; and
- conducting the Academy's business in accordance with the highest standards of integrity

Our success in fulfilling our aims can be measured by:

- Our financial performance
- Outcomes for our students, particularly at sixth form.
- Destinations of students leaving the School at the end of KS4 and KS5.
- Our NEET figure which remains significantly below national average.

Public Benefit

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

Strategic Report

Achievements and Performance

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left the School.

Specific achievements were as follows:

- Delivery of curriculum with specialist teachers in all areas at KS4 and KS5.
- Excellent sporting success at county and national level.
- First class pastoral support for our students, including the development and implementation of our Trauma Informed Practice approach.

Key Performance Indicators (KPI)

The Trustees receive regular information at each committee meeting to enable them to monitor the performance of the Trust compared to aims, strategies and financial budgets.

The Resources and Management Committee also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately.

Non-Financial

The Standards and Achievement Committee rigorously monitors the educational outcomes of our students and receives regular reports on examination / key stage results, pupil attendance data and pupil recruitment data.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the 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.

Financial Review

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2022 the Trust received £8,982,699 of GAG and other income. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent a total of £9,103,940 including capital projects. The Trust brought forward from 20/21, £974,251 of unrestricted funds and £54,950 of restricted general funds. The carry forward for 21/22 is £3,851,730, of which £1,309,376 is unrestricted.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a pension fund balance of £Nil. The actuary has estimated the net pension position to be a £326,000 asset, however in accordance with the accounting framework, this has been capped to a nil position as this does not reliably result in a cash flow effect in the form of decreased employer contributions going forward.

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £1,309,376. This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2022 was £1,309,376.

The cash balance of the Trust has been very healthy all year, ending the year with a balance of £1,620,479. A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure.

Investment Policy

The aim of the investment policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise the Trust's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

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FOR THE YEAR ENDED 31 AUGUST 2022

Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Trust is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Committee meeting. The principal risks facing the Trust are outlined below; those facing the Trust at an operational level are addressed by its systems and by internal financial and other control.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- The Trust has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms in the medium to longer term. Unfunded salary increases for both Teaching & Support coupled with the spiralling Energy costs is putting increasing strain on budgets. Whilst there has been a small injection of additional funding this will not be enough to counteract the rise of teachers pensions contributions and any other additional costs that the Government may choose to introduce;
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- Reputational - the continuing success of the School is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed and that there is a clear marketing strategy in place;
- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- Staffing - the success of the School is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- Fraud and mismanagement of funds - the Trustees have appointed School Business Solutions Limited to carry out a programme of internal scrutiny which includes independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- Financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- Defined benefit pension scheme liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Trust is the annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Trust has continued to strengthen its risk management process throughout the year by improving the

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FOR THE YEAR ENDED 31 AUGUST 2022

process and ensuring staff awareness.

Fundraising

The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events. All fundraising undertaken during the year was monitored by the Trustees.

Funds Held as Custodian Trustee on Behalf of Others

The Trust acts as an agent in distributing 16-19 Bursary Funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. Where the funds have not been fully applied in the accounting period then an amount will be included as amounts due to the ESFA.

Provision of Information to Auditors

In so far as the Trustees are aware there is no relevant audit information of which the Charitable Company's Auditors are unaware, and the Trustees have taken all the 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.

Auditors

The Auditors, Price Bailey LLP, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

Insofar as the trustees are aware:

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

The Trustees' Report, incorporating a Strategic Report was approved by the Board of Trustees and signed on its behalf by:

Mr G Jones-Owen
Chair of Trustees
Date: 19 December 2022

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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Enfield Grammar School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control. The Board of Trustees met fewer than six times during the year and is satisfied that through the use of sub-committees it maintains effective oversight of funds.

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 4 times during the year.

Attendance during the year at meetings of the Board of Trustees (excluding EGMs) was as follows:

Trustee	Meetings attended	Out of a possible
Mr S Berkkun	1	2
Rev Dr S Griffiths	1	4
Mr S Gilmore	1	1
Mr G Jones-Owen, Chair of Governors	3	4
Mr R Cathline	4	4
Ms H Ashley-Fraser	2	4
Mr P Collard	4	4
Mrs A Williams	4	4
Ms M Jeffrey	2	4
Mr C Lamb, Headteacher	4	4
Mrs T Holloway	4	4
Mr C Hide, Responsible Officer	0	4
Mr M Bowe	3	4
Mrs E Underwood	4	4
Mr D Willett	2	4
Mr A Yilmaz	4	4
Ms J Foxley	2	2
Mr N Churcher	2	2
Dr H Lovell	2	2
Ms M Thomas	2	2

There were a number of Trustee appointments and resignations during the 2021/22 academic year and a review of committee memberships and roles has taken place to ensure the effective deployment of Trustees based on their individual skills and areas of expertise.

The Trustees attended training courses and conferences to ensure that their knowledge is fully up to date.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The key challenges for the academic year 2021/22 were:

- To ensure that the School set and achieved a balanced budget with increasing financial pressures.
- To support the senior leadership team to emerge from the pandemic and return to normal ways of working following the Covid-19 pandemic.
- To work with SLT to review and improve the quality of education delivered at the School.
- To secure additional capital funding to ensure that the School's buildings are fit for purpose.

Conflicts of interest:

All trustees and members of the Senior Leadership Team are required to complete business interest declarations (including those interest of family members). This register is used to ensure that should conflicts of interests arise, they are managed as required.

Governance reviews:

The Board of Trustees has reviewed the skillsets of the Trustees to inform committee memberships to ensure that they are able to effectively question and hold the School to account in their areas of expertise. A review of the terms of reference for all committees was undertaken to make sure that all key strategic areas are monitored effectively. An external review of governance has been undertaken during the ESFAs School Resource Management Advisor visit and internal scrutiny. A review of the structure of the Board of Trustees (including Members and Trustees) has been undertaken and actions agreed in order to ensure that the Members are independent of the Trustees.

Committees

The Resources and Management Committee is a sub-committee of the Board of Trustees that meets 4 times per year. Its purpose is to:

During the year the following issues were dealt with by the committee:

- Annual budget setting and oversight
- Monitoring of capital projects
- Ensuring effective use of additional grants
- Monitoring and review of the catering provision
- Compliance with finance regulations
- Oversight of internal scrutiny
- Risk management
- Oversight of external audit

During the year the following changes to the committee took place:

The committee membership was reviewed; three appointments appointments and six resignations took place to ensure that the required skills were present amongst trustees.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr P Collard	4	4
Mr S Berkkun	1	2
Mrs A Williams	3	4
Mr A Yilmaz	2	4
Mr C Hide	1	2
Mr R Cathline	4	4
Mrs E Underwood	4	4
Mr C Lamb	4	4

Review of value for money

As Accounting Officer, the Headteacher has responsibility for ensuring that the 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 achieved in return for the taxpayer resources received.

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

- Using government approved frameworks, as appropriate, for procurement of goods and services.
- Employing an in-house premises team with required skills to negate the need to engage external contractors.
- Conducting a review of the support staff structure.
- Monitoring the energy savings achieved from the recent installation of LED lighting throughout the School and the replacement of old gas boilers at the Lower School with energy efficient new ones.

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 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 Enfield Grammar School for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the Annual Report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the 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 Trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

Internal Scrutiny/Audit

The Board of Trustees has decided to buy-in an internal audit service from School Business Solutions Limited. This option has been chosen because of the level of expertise that they provide.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular, the checks carried out in the current period included:

- Cyber Security
- Governance
- Financial Management

The Internal Auditor reported to the Board of Trustees, through the Resources and Management Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The Internal Auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of their work.

Review of effectiveness

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

- the work of the Internal Auditor
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the members of staff within the Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external Auditors;

Approved by the Board of Trustees and signed on their behalf by:

Mr G Jones Owen
Chair of Trustees
Date: 19 December 2022

Mr C Lamb
Accounting Officer
Date: 19 December 2022

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Enfield Grammar School I have considered my responsibility to notify the Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Trust Handbook 2021.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Trust Handbook 2021.

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.

Mr C Lamb
Accounting Officer
Date: 19 December 2022

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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by the Board of Trustees on 19 December 2022 and signed on its behalf by:

Mr G Jones-Owen
Chair of Trustees

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ENFIELD GRAMMAR SCHOOL**

Opinion

We have audited the financial statements of Enfield Grammar School (the 'Academy') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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'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.

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 Trustees' Responsibilities Statement, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

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

Auditors' responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the Academy and the sector in which it operates and considered the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations. This included those regulations directly related to the financial statements, including financial reporting and tax legislation and academy sector regulations including GDPR, employment law, health and safety and safeguarding.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of any large or unusual transactions to determine whether they were significant to our assessment.
- We reviewed key controls, authorisation procedures and decision making processes for any unusual or one-off transactions.
- We reviewed minutes of Trustee Board meetings and other relevant sub-committees of the Board such as the Finance Committee and agreed the financial statement disclosures to underlying supporting documentation.
- We have made enquiries of the Accounting Officer and senior management team to identify laws and regulations applicable to the Academy. We assessed details of any breaches where applicable in order to assess the impact upon the Academy.
- We reviewed the risk management processes and procedures in place including a review of the Risk Register and Board Assurance Reporting and the Internal Scrutiny Reports.
- We have reviewed any correspondence with the ESFA/ DfE and the procedures in place for the reporting of incidents to the Trustees including reporting of any serious incidents to the Regulator if necessary.

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

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

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

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

Use of our Report

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

Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP
Chartered Accountants

Statutory Auditors
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

21 December 2022

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ENFIELD GRAMMAR SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 6 July 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Enfield Grammar School during the year 1 September 2021 to 31 August 2022 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 Enfield Grammar School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Enfield Grammar 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 Enfield Grammar School and ESFA, for our work, for this Report, or for the conclusion we have formed.

Respective responsibilities of Enfield Grammar School's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Enfield Grammar School's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Academy complies with the framework of authorities.
- Evaluation of the general control environment of the Academy, extending the procedures required for financial statements to include regularity, propriety and compliance
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant
Price Bailey LLP
Chartered Accountants
Chartered Accountants

Date: 21 December 2022

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	24,751	796,110	345,888	1,166,749	877,370
Other trading activities	5	250,424	-	-	250,424	160,262
Investments	6	410	-	-	410	314
Charitable activities	8	228,128	7,336,988	-	7,565,116	7,346,138
Total income		503,713	8,133,098	345,888	8,982,699	8,384,084
Expenditure on:						
Charitable activities	8	168,588	8,528,881	406,471	9,103,940	8,384,831
Total expenditure		168,588	8,528,881	406,471	9,103,940	8,384,831
Net income/ (expenditure)		335,125	(395,783)	(60,583)	(121,241)	(747)
Transfers between funds	17	-	(52,167)	52,167	-	-
Net movement in funds before other recognised gains		335,125	(447,950)	(8,416)	(121,241)	(747)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	23	-	2,325,000	-	2,325,000	205,000
Net movement in funds	17	335,125	1,877,050	(8,416)	2,203,759	204,253
Reconciliation of funds:						
Total funds brought forward		974,251	(1,877,050)	2,224,770	1,321,971	1,117,718
Net movement in funds		335,125	1,877,050	(8,416)	2,203,759	204,253
Total funds carried forward		1,309,376	-	2,216,354	3,525,730	1,321,971

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 25 to 49 form part of these financial statements.

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07697044

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	2,216,354	2,224,770
		2,216,354	2,224,770
Current assets			
Debtors	14	2,523,393	2,457,761
Cash at bank and in hand		1,620,479	1,306,378
		4,143,872	3,764,139
Creditors: amounts falling due within one year	15	(1,314,496)	(1,214,938)
Net current assets		2,829,376	2,549,201
Total assets less current liabilities		5,045,730	4,773,971
Creditors: amounts falling due after more than one year	16	(1,520,000)	(1,520,000)
Net assets excluding pension asset / liability		3,525,730	3,253,971
Defined benefit pension scheme asset / liability	23	-	(1,932,000)
Total net assets		3,525,730	1,321,971

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07697044

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

	Note		2022 £		2021 £
Funds of the Academy					
Restricted funds:					
Fixed asset funds	17	2,216,354		2,224,770	
Restricted income funds	17	-		54,950	
Pension reserve	17	-		(1,932,000)	
Total restricted funds	17	2,216,354		347,720	
Unrestricted income funds	17		1,309,376		974,251
Total funds			3,525,730		1,321,971

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

Mr G Jones-Owen
Chair of Trustees

Date: 19 December 2022

The notes on pages 25 to 49 form part of these financial statements.

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	19	736,442	478,112
Cash flows from investing activities	20	(422,341)	(120,409)
Change in cash and cash equivalents in the year		314,101	357,703
Cash and cash equivalents at the beginning of the year		1,306,378	948,675
Cash and cash equivalents at the end of the year	21, 22	<u>1,620,479</u>	<u>1,306,378</u>

The notes on pages 25 to 49 form part of these financial statements

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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.

The Trust is a company limited by guarantee. The Members of the Company are named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £10 per Member. The Trust's registered office is Market Place, Enfield, Middlesex, EN3 6LN.

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Enfield Grammar School meets the definition of a public benefit entity under FRS 102.

The functional and presentational currency is Pounds Sterling.

1.2 Going concern

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

The Academy derives the majority of its income from local and national Government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Academy can continue operating for a period of at least 12 months following the date of this Report. The financial statements do not contain any adjustments that would be required if the Academy were not able to continue as a going concern.

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

1.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.7 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Buildings and Land	- 50 years
Computer Equipment	- 5 years
Furniture and equipment	- 10 years
Motor vehicles	- 10 years

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.13 Pensions

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

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

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.13 Pensions (continued)

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

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

1.14 Agency arrangements

The Academy acts as an agent in distributing 16-19 Bursary Funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities incorporating Income and Expenditure Account, as the Academy does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities incorporating Income and Expenditure Account. Where the funds have not been fully applied in the accounting period then an amount will be included as amounts due to the ESFA.

1.15 Fund accounting

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

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

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

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

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	24,751	36,110	-	60,861	93,967
Notional Rent	-	760,000	-	760,000	760,000
Government grants	-	-	345,888	345,888	23,403
Total 2022	<u>24,751</u>	<u>796,110</u>	<u>345,888</u>	<u>1,166,749</u>	<u>877,370</u>
Total 2021	<u>45,578</u>	<u>808,389</u>	<u>23,403</u>	<u>877,370</u>	

In 2021, income from donations was £93,967 of which £45,578 was unrestricted and £48,389 restricted.

In 2021, income from notional rent was £760,000 of which all was restricted.

In 2021, capital grants of £23,403 were in relation to restricted fixed assets.

ENFIELD GRAMMAR SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

4. Funding for the Academy's provision of education

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Provision of Education				
DfE/ESFA grants				
General Annual Grant (GAG)	-	6,627,588	6,627,588	6,260,163
Other DfE/ESFA grants				
Other DfE / EFA grants	-	180,580	180,580	122,715
Teachers Pay Grant	-	15,652	15,652	82,707
Teachers Pension Grant	-	44,227	44,227	233,700
Pupil Premium	-	247,469	247,469	241,228
	-	7,115,516	7,115,516	6,940,513
Other Government grants				
Local authority grant	-	149,962	149,962	96,532
Catering Income	228,128	-	228,128	179,001
COVID-19 additional funding (DfE/ESFA)				
COVID Catch Up Premium	-	45,920	45,920	70,640
COVID Mass Testing	-	25,590	25,590	42,930
	-	71,510	71,510	113,570
COVID-19 additional funding (non-DfE/ESFA)				
CJRS Income	-	-	-	16,522
	-	-	-	16,522
Total 2022	228,128	7,336,988	7,565,116	7,346,138
Total 2021	179,001	7,167,137	7,346,138	

In 2021, income from DfE/ESFA grants was £6,940,513 of which all was restricted.

In 2021, income from other Government grants was £96,532 of which all was restricted.

In 2021, income from catering was £179,001 of which all was unrestricted.

The Academy received £45,920 (2021: £70,640) of restricted funding for catch-up premium and costs incurred in respect of this funding totalled £45,920 (2021: £24,720) with no funding carried forward into 2022/23. The academy also received £25,590 (2021: £42,920) of restricted funding for COVID mass testing. In 2021, additional COVID-19 funding also included CJRS income of £16,522.

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NOTES TO THE FINANCIAL STATEMENTS
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5. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Hire of facilities	167,761	167,761	81,045
Exam fees	3,601	3,601	853
Other income	79,062	79,062	78,364
Total 2022	250,424	250,424	160,262
Total 2021	160,262	160,262	

In 2021, hire of facilities income was £81,045 of which all was unrestricted.

In 2021, exam fee income was £853 of which all was unrestricted.

In 2021, other income was £78,364 of which all was unrestricted.

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	410	410	314
Total 2021	314	314	

In 2021, all investment income was in relation to unrestricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Provision of Education:					
Direct costs	5,558,342	-	458,653	6,016,995	5,715,464
Support costs	908,636	917,470	1,260,839	3,086,945	3,028,092
Total 2022	<u><u>6,466,978</u></u>	<u><u>917,470</u></u>	<u><u>1,719,492</u></u>	<u><u>9,103,940</u></u>	<u><u>8,743,556</u></u>
Total 2021	<u><u>6,246,422</u></u>	<u><u>641,739</u></u>	<u><u>1,855,395</u></u>	<u><u>8,743,556</u></u>	

In 2022, of total expenditure, £168,588 (2021 - £134,807) was to unrestricted funds, £8,528,881 (2021 - £8,126,256) was to restricted funds and £406,471 (2021 - £123,768) was to restricted fixed asset funds.

In 2021, direct expenditure consisted of £5,383,492 staff costs, £14,796 premises costs and £317,176 other costs.

In 2021, support expenditure consisted of £862,930 staff costs, £626,943 premises costs and £1,179,494 other costs.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. Charitable activities

	2022 £	2021 £
Direct costs	6,016,995	5,715,464
Support costs	3,086,945	3,028,092
	9,103,940	8,743,556
	9,103,940	8,743,556
	2022 £	2021 £
Support staff costs	908,636	1,220,482
Depreciation	84,015	100,365
Technology costs	123,181	105,127
Premises costs (excluding depreciation)	833,455	503,175
Other support costs	283,201	252,108
Capital project costs	-	23,403
Governance costs	14,112	12,665
Legal	80,345	50,767
Notional rent	760,000	760,000
	3,086,945	3,028,092
	3,086,945	3,028,092

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Depreciation of tangible fixed assets	84,015	100,365
Fees paid to Auditors for:		
- Audit	8,920	7,725
- Other services	5,650	4,940
	14,570	12,665
	14,570	12,665

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	4,684,638	4,569,497
Social security costs	477,453	467,735
Pension costs	1,304,887	1,209,190
	<u>6,466,978</u>	<u>6,246,422</u>

b. Staff numbers

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

	2022 No.	2021 No.
Management	8	8
Teachers	62	60
Administration and support	64	64
	<u>134</u>	<u>132</u>

c. Higher paid staff

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	5	5
In the band £70,001 - £80,000	1	2
In the band £90,001 - £100,000	1	1
	<u>7</u>	<u>8</u>

d. Key management personnel

The key management personnel of the Academy 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 was £887,687 (2021 £783,424). Included in the above employee benefits and employer pension contributions of £153,546 (2021: £134,788) and employer national insurance contributions of £79,406 (2021: £68,864).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Staff (continued)

d. Key management personnel (continued)

11. Trustees' remuneration and expenses

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

		2022	2021
		£	£
C Lamb	Remuneration	95,000 - 100,000	95,000 - 100,000
	Pension contributions paid	20,000 - 25,000	20,000 - 25,000
Mr S Berkkun (resigned 17 November 2021)	Remuneration	30,000 - 35,000	50,000 - 55,000
	Pension contributions paid	5,000 - 10,000	10,000 - 15,000
Jane Foxley (appointed 10 February 2022)	Remuneration	15,000 - 20,000	-
	Pension contributions paid	0 - 5,000	-
Mr M Bowe	Remuneration	45,000 - 50,000	25,000 - 30,000
	Pension contributions paid	10,000 - 15,000	5,000 - 10,000

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

12. Trustees' and Officers' insurance

The Academy has opted into the Department of 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 membership.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

13. Tangible fixed assets

	Land and Buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2021	2,272,908	417,184	237,969	27,205	2,955,266
Additions	63,359	9,309	3,195	-	75,863
Disposals	-	(300)	(11,811)	-	(12,111)
At 31 August 2022	<u>2,336,267</u>	<u>426,193</u>	<u>229,353</u>	<u>27,205</u>	<u>3,019,018</u>
Depreciation					
At 1 September 2021	255,594	264,729	182,968	27,205	730,496
Charge for the year	44,373	21,596	18,046	-	84,015
On disposals	-	(300)	(11,547)	-	(11,847)
At 31 August 2022	<u>299,967</u>	<u>286,025</u>	<u>189,467</u>	<u>27,205</u>	<u>802,664</u>
Net book value					
At 31 August 2022	<u>2,036,300</u>	<u>140,168</u>	<u>39,886</u>	<u>-</u>	<u>2,216,354</u>
At 31 August 2021	<u>2,017,314</u>	<u>152,455</u>	<u>55,001</u>	<u>-</u>	<u>2,224,770</u>

14. Debtors

	2022 £	2021 £
Due after more than one year		
Other debtors	1,520,000	1,520,000
	<u>1,520,000</u>	<u>1,520,000</u>
Due within one year		
Other debtors	760,000	767,939
Prepayments and accrued income	223,196	132,328
Tax recoverable	20,197	37,494
	<u>2,523,393</u>	<u>2,457,761</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	125,908	96,625
Other taxation and social security	118,727	125,486
Other creditors	865,129	872,409
Accruals and deferred income	204,732	120,418
	1,314,496	1,214,938
	1,314,496	1,214,938
	2022 £	2021 £
Deferred income brought forward	111,944	51,924
Resources deferred during the year	55,827	111,944
Amounts released from previous periods	(111,944)	(51,924)
Deferred income carried forward	55,827	111,944
	55,827	111,944

Resources deferred at the year end relate mainly to unused ESFA grant income.

16. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Other creditors	1,520,000	1,520,000
	1,520,000	1,520,000
	1,520,000	1,520,000

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds	841,523	503,713	(168,588)	(328,138)	-	848,510
Sinking fund for 3G pitch	132,728	-	-	28,138	-	160,866
Designated fund - School Rebuild	-	-	-	300,000	-	300,000
	<u>974,251</u>	<u>503,713</u>	<u>(168,588)</u>	<u>-</u>	<u>-</u>	<u>1,309,376</u>
Restricted general funds						
GAG	-	6,627,588	(6,575,421)	(52,167)	-	-
Other DfE/ESFA grants	54,950	311,969	(366,919)	-	-	-
Pupil Premium	-	247,469	(247,469)	-	-	-
Donation in kind	-	760,000	(760,000)	-	-	-
Other grants	-	149,962	(149,962)	-	-	-
Restricted donations	-	36,110	(36,110)	-	-	-
Pension reserve	(1,932,000)	-	(393,000)	-	2,325,000	-
	<u>(1,877,050)</u>	<u>8,133,098</u>	<u>(8,528,881)</u>	<u>(52,167)</u>	<u>2,325,000</u>	<u>-</u>
Restricted fixed asset funds						
Fixed asset fund	2,224,770	-	(84,015)	75,599	-	2,216,354
DFC	-	23,432	-	(23,432)	-	-
CIF Grant	-	322,456	(322,456)	-	-	-
	<u>2,224,770</u>	<u>345,888</u>	<u>(406,471)</u>	<u>52,167</u>	<u>-</u>	<u>2,216,354</u>
Total Restricted funds	<u>347,720</u>	<u>8,478,986</u>	<u>(8,935,352)</u>	<u>-</u>	<u>2,325,000</u>	<u>2,216,354</u>
Total funds	<u><u>1,321,971</u></u>	<u><u>8,982,699</u></u>	<u><u>(9,103,940)</u></u>	<u><u>-</u></u>	<u><u>2,325,000</u></u>	<u><u>3,525,730</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

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

Unrestricted funds

This represents income received that does not have restrictions. Included within unrestricted funds, the Trustees have designated amounts in respect of anticipated expenditure for the 3G pitch in accordance with the funding agreement.

Designated funds - School Rebuild

This represents unrestricted funding that has been set aside to cover the costs of fixtures and fittings required for the School Rebuild as a result of the academy being accepted for the Government's School Rebuild Programme.

General Annual Grant (GAG)

This represents funding from the ESFA to cover the costs of recurrent expenditure.

Other DfE/ESFA grants

This represents funding from the DfE/ESFA grants for specific projects.

Pupil Premium

This funding is to be used to raise achievement and improve outcomes for pupils from low-income families who are eligible for free school meals.

Donation in kind

This fund represents the rent free occupation of the land and buildings from the Enfield Grammar School Foundation Trust.

Other restricted funds

This restricted fund has arisen from other income that the Academy has received. The monies have to be used for the benefit of the Academy and there are restrictions on how these monies can be spent.

Pension reserve

This fund represents the Academy's share of the Local Government Pension Scheme (LGPS) transferred to the Academy on conversion from being a state controlled school.

Fixed assets fund

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

Devolved formula capital (DFC) fund

This represents funding received from ESFA specifically for the maintenance and improvement of the Academy's buildings and facilities.

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17. Statement of funds (continued)

Condition Improvement Fund (CIF) Grant

This represents funding received from the ESFA specifically for repairs on the Art and Science block roofing to improve the Academy's buildings and facilities.

Transfers

The transfers represent contributions to the CIF grant from the General Annual Grant and a transfer from the General Annual Grant to the sinking fund for the 3G pitch in line with the funding agreement on completion of the project.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds - all funds	619,313	385,155	(134,807)	(28,138)	-	841,523
Sinking fund for 3G pitch	104,590	-	-	28,138	-	132,728
	<u>723,903</u>	<u>385,155</u>	<u>(134,807)</u>	<u>-</u>	<u>-</u>	<u>974,251</u>
Restricted general funds						
GAG	-	6,260,163	(6,162,843)	(97,320)	-	-
Other DfE/ESFA grants	-	552,692	(497,742)	-	-	54,950
Pupil Premium	-	241,228	(241,228)	-	-	-
Other Government grants	-	161,443	(161,443)	-	-	-
Donation in kind	-	760,000	(760,000)	-	-	-
Pension reserve	(1,834,000)	-	(303,000)	-	205,000	(1,932,000)
	<u>(1,834,000)</u>	<u>7,975,526</u>	<u>(8,126,256)</u>	<u>(97,320)</u>	<u>205,000</u>	<u>(1,877,050)</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
Fixed asset fund	2,227,815	-	(100,365)	97,320	-	2,224,770
DFC	-	23,403	(23,403)	-	-	-
	<u>2,227,815</u>	<u>23,403</u>	<u>(123,768)</u>	<u>97,320</u>	<u>-</u>	<u>2,224,770</u>
Total Restricted funds	<u>393,815</u>	<u>7,998,929</u>	<u>(8,250,024)</u>	<u>-</u>	<u>205,000</u>	<u>347,720</u>
Total funds	<u><u>1,117,718</u></u>	<u><u>8,384,084</u></u>	<u><u>(8,384,831)</u></u>	<u><u>-</u></u>	<u><u>205,000</u></u>	<u><u>1,321,971</u></u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	2,216,354	2,216,354
Debtors due after more than one year	-	1,520,000	-	1,520,000
Current assets	1,309,376	1,314,496	-	2,623,872
Creditors due within one year	-	(1,314,496)	-	(1,314,496)
Creditors due in more than one year	-	(1,520,000)	-	(1,520,000)
Total	<u><u>1,309,376</u></u>	<u><u>-</u></u>	<u><u>2,216,354</u></u>	<u><u>3,525,730</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	2,224,770	2,224,770
Debtors due after more than one year	-	1,520,000	-	1,520,000
Current assets	979,191	1,264,948	-	2,244,139
Creditors due within one year	(4,940)	(1,209,998)	-	(1,214,938)
Creditors due in more than one year	-	(1,520,000)	-	(1,520,000)
Provisions for liabilities and charges	-	(1,932,000)	-	(1,932,000)
Total	<u>974,251</u>	<u>(1,877,050)</u>	<u>2,224,770</u>	<u>1,321,971</u>

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

	2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)	(121,241)	(747)
Adjustments for:		
Depreciation and loss on disposal	72,168	100,365
Capital grants from DfE and other capital income	346,888	23,403
Interest receivable	(410)	(314)
Defined benefit pension scheme finance cost	393,000	303,000
Increase in debtors	(65,632)	(20,066)
Increase in creditors	99,558	72,471
Disposals	12,111	-
Net cash provided by operating activities	<u>736,442</u>	<u>478,112</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

20. Cash flows from investing activities

	2022	2021
	£	£
Interest	410	314
Purchase of tangible fixed assets	(75,863)	(97,320)
Capital grants from DfE Group	(346,888)	(23,403)
Net cash used in investing activities	(422,341)	(120,409)

21. Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash in hand and at bank	1,620,479	1,306,378

22. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,306,378	314,101	1,620,479
	1,306,378	314,101	1,620,479

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

23. Pension commitments

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

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

Contributions amounting to £104,215 were payable to the schemes at 31 August 2022 (2021 - £112,091) and are included within creditors.

Teachers' Pension Scheme

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

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

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 key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £698,860 (2021 - £708,233).

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

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

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NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £308,000 (2021 - £286,000), of which employer's contributions totalled £238,000 (2021 - £221,000) and employees' contributions totalled £ 70,000 (2021 - £65,000). The agreed contribution rates for future years are 17.8% per cent for employers and 5.5 - 7.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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.

Principal actuarial assumptions

	2022 %	2021 %
Rate of increase in salaries	4.3	4.2
Rate of increase for pensions in payment/inflation	2.8	2.7
Discount rate for scheme liabilities	4.1	1.7
Inflation assumption (CPI)	2.8	2.7

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

	2022 Years	2021 Years
Retiring today		
Males	22.3	22.5
Females	24.4	24.4
Retiring in 20 years		
Males	23	23.1
Females	25	25.1

As at the 31 August 2022 the Trust had a pension asset of £163,000 (2021 pension liability- £1,932,000). The sensitivity analysis detailed below would increase/(decrease) the closing defined benefit obligation in the following way:

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23. Pension commitments (continued)

Sensitivity analysis

	2022 £000	2021 £000
Discount rate +0.1%	1,853,000	(136,000)
Discount rate -0.1%	2,132,000	143,000
Mortality assumption - 1 year increase	2,247,000	258,000
Mortality assumption - 1 year decrease	1,731,000	(258,000)
CPI rate +0.1%	2,111,000	122,000
CPI rate -0.1%	1,867,000	(122,000)
	<u>1,867,000</u>	<u>(122,000)</u>

Share of scheme assets

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

	At 31 August 2022 £	At 31 August 2021 £
Equities	2,450,000	2,471,000
Gilts	293,000	311,000
Corporate bonds	557,000	647,000
Property	969,000	876,000
Cash and other liquid assets	283,000	345,000
Asset backed securities	174,000	-
Other	244,000	214,000
	<u>4,970,000</u>	<u>4,864,000</u>
Total market value of assets	<u>4,970,000</u>	<u>4,864,000</u>

The actual return on scheme assets was £84,000 (2021 - £68,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2022 £	2021 £
Current service cost	(600,000)	495,000
Interest income	84,000	(68,000)
Interest cost	(115,000)	97,000
	<u>(631,000)</u>	<u>524,000</u>
Total amount recognised in the Statement of Financial Activities	<u>(631,000)</u>	<u>524,000</u>

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23. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	6,796,000	5,723,000
Current service cost	600,000	495,000
Interest cost	115,000	97,000
Employee contributions	70,000	65,000
Actuarial (gains)/losses	(2,506,000)	479,000
Benefits paid	(105,000)	(63,000)
At 31 August	<u>4,970,000</u>	<u>6,796,000</u>

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

	2022 £	2021 £
At 1 September	4,864,000	3,889,000
Interest income	84,000	68,000
Actuarial (losses)/gains	(181,000)	684,000
Employer contributions	238,000	221,000
Employee contributions	70,000	65,000
Benefits paid	(105,000)	(63,000)
At 31 August	<u>4,970,000</u>	<u>4,864,000</u>

24. Operating lease commitments

At 31 August 2022 the total of the Academy's future minimum lease payments under non-cancellable operating leases was:

	2022 £	2021 £
Amounts payable:		
Within 1 year	31,799	31,799
Between 1 and 5 years	117,675	117,675
	<u>149,474</u>	<u>149,474</u>

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25. 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 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 cease to be a Member.

26. Related party transactions

Owing to the nature of the Academy 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 Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

Any transactions where the Trustee has a pecuniary interest is only undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook.

Some Members and Trustees of the Academy are also Trustees of the Enfield Grammar School Foundation Trust, a separate charity registered with the Charity Commission. The Academy operates from land and buildings provided rent free by the Enfield Grammar School Foundation Trust. In accordance with the Academies Accounts Direction 2020 to 2021 the Academy Trustees have concluded that, on the basis of the circumstances existing at 2022 year end, and based upon the probable course of subsequent events, the Academy does have an asset representing the future value of occupying the property free of rent. The Academy Trustees consider that the appropriate period for which to recognise this asset is the length of the notice period detailed in the Supplemental Funding Agreement with the Secretary of State, i.e. 3 years. The Academy Trustees estimate that the cost of renting equivalent buildings would be £760,000 per annum, on this basis a donation from the Enfield Grammar School Foundation Trust of £760,000 is shown in the accounts together with a notional expense of the same amount. In addition, included within creditors is a donation in kind receivable of £1,520,000 representing the commitment by the Enfield Grammar School Foundation Trust to provide the land and buildings rent free for a minimum of a further 2 years.

There were no other related party transactions.

27. Agency arrangements

The Academy distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2022 the Academy received £13,979 (2021 - £16,831) and disbursed £13,979 (2021 - £16,831) from the fund. An amount of £NIL (2021 - £NIL) is included in the carry forward at year end relating to undistributed funds that are repayable to the ESFA.

The Academy also received local authority agency funding in the form of a hardship fund, of which £3,410 was left unspent at the year end.

