

Company registration number 07666111 (England and Wales)

POOLE GRAMMAR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

POOLE GRAMMAR SCHOOL

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POOLE GRAMMAR SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Members

K J Power
N Bichard
A J Baker
A Steel
E Thompson
J Risness (Appointed 9 December 2022)

Governors

N Bichard
S Fuller
S Morris (Resigned 19 April 2023)
E Thompson (Resigned 21 September 2022)
K J Power (Chair of the Governing Body and Academy Trust)
A Steel
A C Falck (Resigned 20 June 2023)
S Bowden
D Newell (Resigned 3 November 2023)
M Holmes Evans
A Smith
A Thomas
J Phillips (Resigned 9 March 2023)
R Knapper (Resigned 9 March 2023)
H Hall
K Stevens
S Fry (Resigned 10 November 2023)
M Robertson (Appointed 15 September 2022)
F M French (Resigned 19 April 2023)
F Gollan (Appointed 3 November 2022)
B Crisell (Appointed 28 November 2022 and resigned 20 June 2023)
M Barnard (Appointed 9 March 2023)
S Powell (Resigned 15 September 2022)

Senior management team

- Headteacher	A J Smith
- Deputy Head	S R Jenkins
- Deputy Head	K Etheridge
- Assistant Head	N C Chase
- Assistant Head	E C Gibbs
- Bursar & Clerk to the Governors	J R T Stiby (Resigned 31 August 2023)

Company secretary

Mrs K Hewitt

Company registration number

07666111 (England and Wales)

Independent auditor

Moore (South) LLP
33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

POOLE GRAMMAR SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds
PO Box 100
Andover
BX1 1LT

Solicitors

Wilsons Solicitors
Alexandra House
St Johns Street
Salisbury
Wiltshire
SP1 2SB

POOLE GRAMMAR SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

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

The company was incorporated on 10 June 2011 and commenced operating as an academy school on 1 July 2011.

The Academy Trust operates an academy for pupils aged 11 to 18, serving a catchment area favouring the historic Poole borough and environs. It has a net pupil capacity of 1,176 and had a roll of 1,200 in the Autumn 2022 census.

Structure, governance and management

Constitution

The Academy Trust is an exempt charity and a company limited by guarantee. Its primary governing documents are the memorandum and articles of association, which are contained in the funding agreement dated 1 July 2011.

The Academy Trust is known as Poole Grammar School.

The Governors are the trustees of Poole Grammar School and are also the directors of the charitable company for the purposes of company law. Details of the Governors who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

The six Members are the Chair and Vice Chair of the Governors, an experienced ex-Headteacher, and key Governors from the Education (Chair) and Finance Committee (see Reference and Administration Details on page 1-2). Each Member of the Academy Trust undertakes to contribute (not exceeding £10) to the Academy Trust's assets if it should be wound up while he or she is a member, or within one year after he or she ceases to be a Member, for the debts and liabilities contracted before they ceased to be a Member.

Governors' indemnities

The Academy Trust has purchased Governors' liability insurance (£10M) and fidelity guarantee cover (£0.5M – Governors and employees).

Method of recruitment and appointment or election of Governors

Academy class of Governors were originally local authority appointed prior to academy conversion. The Governing Body ratifies further four year appointments if Governors are willing to continue when their four year term has expired. The Governing Body ratifies the co-opted class of Governor and these are usually from the Parent Governor class.

Elections are held for the Parent and Staff (Teaching and Non-Teaching) class of Governors if there is competition to fill any vacancies. Notices are given in the school publications to advertise for any Governor vacancies in these classes.

Policies and procedures adopted for the induction and training of Governors

All new Governors participate in an induction programme and are issued with a copy of the Governors induction pack. The Headteacher and the Governance Professional undertake induction training for new Governors. Mentoring from existing Governors is also available for new Governors.

Governor training in the year was available through the National Governance Association and Governors are encouraged to attend relevant sessions.

The Governance Professional retains a record of training undertaken by Governors.

POOLE GRAMMAR SCHOOL

GOVERNORS' REPORT (CONTINUED)

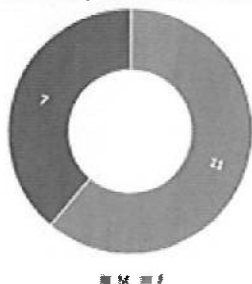
FOR THE YEAR ENDED 31 AUGUST 2023

Governing Body Composition

The Full Governing Body can comprise 22 Governors (8 Academy, up to 3 Co-opted Academy, the Principal, 7 Parent, and 3 Staff Governors) – see page 1 and 2. All Governors are subject to an enhanced DBS check.

Parent Governors are elected by the parents of current pupils of the Academy Trust. Staff Governors are elected by the staff currently employed by the Academy Trust.

Full Governor / Member Composition



With regard to the appointment of Academy or Co-opted Academy Governors, the Full Governing Body gives consideration to the skills mix of the Governors to ensure that the body has the necessary expertise and experience to contribute to the academy's development. The Governors undertook a skills matrix exercise to assess strengths and areas for development in outlook and capability.

Of the 18 Governors/Members in position in 2022/2023, 11 are female (61%) and 7 male (39%).

Organisational structure

The Full Governing Body meets 4 times per academic year (October, December, March and July in 2022/2023).

The Annual General Meeting was held on 9 December 2022 and is scheduled to continue to follow the December Full Governing Body meeting in future years.

Finance and Education sub-committees meet at least 4 times per year to review, evaluate and monitor the activities covered by their terms of reference. In addition, the Admissions sub-committee usually meets once per year, Staffing sub-committee usually twice per year, and Premises three times per year. The Disciplinary sub-committee meets as and when required for pupil or employee issues. Quorum is 3 or more Governors in any of the sub-committees.

The Finance Committee receives financial reports for each period of the year. In addition to meeting 4 times a year to review all aspects of financial operations including Internal Scrutiny reports from SLL Accounting Ltd, a separate budget preparation briefing meeting is held for Finance Governors. Financial performance and issues are raised at every Full Governors meeting.

The schedule of delegation is reviewed each year and sets out the financial delegations and responsibilities of the Governors and the school's management teams. In addition, individual Governors have links to the academic departments and other key school functions. These links are reviewed on an annual basis.

Arrangements for setting pay and remuneration of key management personnel

The Staffing Governors' committee meets annually to review the performance management process for all staff and will consider pay recommendations made by the Headteacher. The Governors follow national guidance on teacher performance management and nationally agreed cost of living pay awards for all staff. Pay scales follow national agreed structures.

The Headteacher's performance management is reviewed annually by the Chair of Governors with support from the Strategic Improvement Partner and selected Governors.

POOLE GRAMMAR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	4
Full-time equivalent employee number	4.00

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	4
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	1,182
Total pay bill	5,600,000
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	73%
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Related parties and other connected charities and organisations

The Academy Trust is a beneficiary of the Poole Grammar School Trust fund (registered charity 306310). The Academy Trust provides support and administration as required to the charity.

The School Trust fund is split into several funds:

Amenities Fund – All donations are paid direct to the academy.

Old Grammarians Fund - Old Boys who wish to make a payment under the gift aid scheme do so directly to the School Trust fund. These funds are primarily used to pay for the cost of the school magazine.

Parents Staff Association - They raise funds for the school and make donations to the school for equipment and projects as proposed by the school.

Murray Peters Fund (gift and legacy) - Taking note of the wishes of the donor, the Trustees have kept this gift separate from the Trust so that the income is used specifically to support and encourage educational travel and/or of adventurous physical activity which have a clear educational benefit.

Harold Stickley Fund (legacy) - Taking note of the wishes of the donor, the Trustees have kept this legacy separate from the other funds of the Trust so that it may be used specifically to support and encourage Oxbridge pupils.

Capital Fund - This fund is used as a holding account for monies received prior to the Trustees resolving how these funds are to be dealt with so as to accord with the wishes of the donor as far as possible within the terms of the Trust Deed.

The Academy Trust is an ordinary member of the South West Academic Trust (SWAT), which consists currently of eleven selective schools in the South West of England, plus the University of Exeter. SWAT seeks to advance the education of pupils of any member school through partnership and collaboration. Academy Trust staff have been involved in a wide range of meetings and training events during the period under review (see also note 27).

The Academy has been a member of the Wessex Teacher Training Partnership since 2006 and trains a number of graduate entrants to the teaching profession each year.

The school seconds some specialist staff into the Maths in Education and Industry organisation.

POOLE GRAMMAR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities

Objects and aims

Objects - Academy Trust – Poole Grammar School

The Academy Trust's objects are contained in the articles of association in the funding agreement. The principal objects are:

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

Objects - Trading Subsidiary – Poole Grammar School Enterprises Limited

Following Full Governor approval on 10 July 2014, Poole Grammar School Enterprises Limited was set up ready to trade on 1 September 2014. Its object is "to carry out any trade or business for the purposes of raising funds for the Academy Trust".

Its initial purpose is to support the external catering activities whereby Poole Grammar serves hot meals to local schools. The surplus generated is donated across to the Academy Trust at the close of the financial year. Going forward the income from letting of the sports hall will be through this company with any additional surpluses donated to the Academy Trust at the close of the financial year.

Governance of the Trading Subsidiary includes 2 Governors, the Headteacher, the Bursar, the Finance Manager and the Catering Manager. The 2022/2023 results from the Trading Subsidiary are consolidated in the Academy financial statements.

Aims of Poole Grammar School

The aims of Poole Grammar School were reviewed in 2016 and condensed into the following single aim that is applicable for the whole school community:

- to promote and pursue excellence in a stimulating and creative environment, where all are committed to lifelong learning.

Objectives, strategies and activities

The school models income and expenditure for the medium term. The aim is to ensure that expenditure matches income in each of the forward years.

However, there are increasing expenditure pressures associated with:

- continuing significantly increased utility, food and fuel prices following the Russian invasion of Ukraine;
- increasing NI employer contributions from 2022;
- support staff national pay awards from April 2023;
- increased pressure on funding following the 2023 Teachers national pay awards;
- increasing construction and labour prices for capital projects and general maintenance again following the Ukraine crisis and global supply issues.

None of these are funded adequately enough by the Government.

POOLE GRAMMAR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

To support strategic direction, the School Development Plan is prepared each year. It provides a framework of activity for the academic year at school wide and department/function level. Staff objectives are linked to development plans. The final plan is taken to the first Full Governors meeting of the year after wide consultation and refinement.

School Development Plan 2022/2023

This school development plan builds on the 2021/2022 plan, now incorporating mental health and wellbeing as a key area for development:

1. safeguarding
2. teaching, learning and curriculum development
3. leadership and staff development
4. pastoral matters including behaviour and attendance
5. assessment and reporting
6. communication with stakeholders and partnerships
7. building and resources
8. admissions
9. mental health and wellbeing

Public benefit

The Governors have given consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

The Academy Trust clearly states these public benefit credentials in its objects (see page 6). It provides education to children and young people that:

- is balanced and broadly based;
- promotes the spiritual, moral, cultural, mental and physical development of students at the school and of society;
- prepares students at the school for the opportunities, responsibilities and experiences of later life;
- promotes, sustains and increases individual and collective knowledge and understanding of specific areas of study, skills and expertise.

The admissions policy of Poole Grammar School aims to reflect the underlying ethos of the school which is to provide a selective education for boys from the historic Borough of Poole and its environs.

POOLE GRAMMAR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and performance

The school has achieved and performed well in a wide range of areas inside and outside of the classroom. The core business of achieving strong results at GCSE, A level and University entrance for those pupils leaving the school has been complemented with pupil performances in diverse areas ranging across the spectrum of the arts, music and sport. The results have given us a solid foundation for further improvement in coming years.

Additionally the achievements and performance in developing students into fully committed members contributing to society is somewhat more intangible but in many ways more important. This area is one that the whole school community works together in addition to the first rate exam results.

Exam results and achievements are listed below. Year on year comparisons have been affected by national curriculum reform and the use of both Teacher Assessed Grades (TAGs) and Centre Assessed Grades (CAGs) by schools due to the COVID-19 pandemic in 2021 and 2020 respectively. The achievement highlights are indicative of the tremendous range of activities and success that take place across the school and enrich the life of the school.

Exam Results			TAGS	CAGS				
	2023	2022	2021	2020	2019	2018	2017	2016
A level summary								
Total number of entries	504	521	510	465	470	466	419	438
% pass rate	99.4	99.2	100	100	99.79	98.93	98.09	97.7
% A*/A/B grades	66.9	67.3	82.1	79.78	72.34	70.13	60.53	59.21
A level only A*/A/B			82.05	79	71.49	69.57		
% A* grades	14	13.2	31.5	25.81	13.8	15.1	8.61	6.9
Oxbridge success	4	3	8	5	4	4	2	3
% UCAS success	96	97	92	96	93	93	88	86
ALPS T score (1 highest)	4	5	1	2	3	4	5	4
GCSE level summary								
Total number of entries	1769	1813	1,775	1,808	1,780	1,844	1,914	1,899
%A*/A/7/8/9 grades	58.6	61.3	73.4	70.2	62.5	55.95	57.5	57.5
% of pupils gaining 10+A*/A/7/8/9	26.3	20.3	35.8	33	20.5	24.02	28.5	29.4
%A*-C/9-5 - strong pass	89.3	95.3	98.2	99.03	93.38	92.2		
%A*-C/9-4 - pass	95.2	98.7	99.8	99.98	97.5	97.19		
% pupils gaining the EBacc	75	62	67	67	78	68.71	70.35	73.5
Attainment 8	69.9	72.1	75.5	74.9	72.7	69.54	69.23	68.74
Progress 8	0.45	0.25	N/A	0.35	0.57	0.45	0.42	0.33

POOLE GRAMMAR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Achievement highlights include:

- Good A level and GCSE results following the return to national exams in 2022;
- University entrance - 96% of university applicants successful with their first or second choice (including clearing);
- A return to full assemblies, school clubs and a marked increase in day and residential school trips as well as a return of our celebration of success evening;
- 39 of Poole Grammar School athletes were chosen to represent the Poole and East Dorset team at the Dorset County School Championships coming away with a total of 22 medal positions (9 of which were gold). 8 students were then selected to represent Dorset at the South West Championships and 4 going on to represent Dorset at the English Schools National Championships;
- Our Senior and Intermediate Teams competed at the National Secondary Schools' Relays at the London Aquatic Centre in November with both teams ranking within the top twenty in the country;
- In cross-country 2 pupils were selected to run at the English Schools National Finals representing Dorset and the South West;
- Numerous national and regional sporting achievements across a range of sports throughout the year.

Review of Activities

a. Teaching and Learning

- Four A-level subjects had progress rates as measured by the ALPS system in the top 10% in England (Art 3D Design, Electronics, Computer Science & Physics);
- Four GCSE subjects had progress rates as measured by the SISRA system of over +1 grade compared to the national average progress (Art 3D Design, Computer Science, Electronics & Science (double award));
- Every department had a 2 week quality assurance review that yielded action points for Heads of Department to further improve teaching and learning in their subject;
- Staff development activity focused on improving the effectiveness and efficiency of providing feedback to students and on improving classroom management skills;
- The use of Rosenshine's principles for teaching and learning were further embedded across departments;
- Common classroom routines were implemented in all lessons.

b. Staffing and Governance

- Increased use of supply to cover staff long term absences.
- Successful recruitment actions for any staff losses;
- Support to the Wessex Schools Training Partnership and teacher trainee placements;
- Review of Governors skills;
- NGA External review of governance.

c. Buildings and Grounds

- Successful completion of the new sports hall which was handed over officially on 31st August 2023;
- Removal of the 2 large Portakabin units over the Easter holidays to accommodate mocks and the 2022 national exams;
- Continued negotiations over gas and electricity contracts for 2022/2023. Schools need greater support from the Government over excessive increases in prices;
- Additional CCTV coverage installed across the site to cover the new Sports Hall;
- Numerous site and IT improvement projects;
- Conversion of one ground floor laboratory to be multidiscipline.

POOLE GRAMMAR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

d. Funding

- Hot meal agreements continued with Hillbourne, Montacute and Beaucroft with Broadstone first and middle school joining the service from May 2023 onwards;
- Continued sharing of best practice and advice between SWAT Business and Finance Managers, and the Dorset Business Managers Forum;
- New to you uniform sales and fund-raising events managed by the PSA;
- Talbot Village Trust kindly donated £15K of Sports Hall funding support and £10k from Poole Town cricket club towards the cost of the external cricket nets, with a further £10k agreed from Dorset Cricket Board.

e. Curriculum

- Students continue to achieve well in a wide range of subjects, with the average number of GCSE entries being 9.7 compared to a national average of 7.8, the school's Progress 8 score being 0.45 and 75% of students entering the EBacc compared to a national average of 39%;
- The second phase of the Key Stage 3 curriculum review took place, ensuring that the Year 8 curriculum was challenging and aligned with the new key stage 3 assessment criteria with appropriate assessments;
- The main school curriculum model was changed to facilitate students studying one modern foreign language for 5 hours per fortnight as opposed to two modern foreign languages for 3 hours per fortnight each.
- The school's six community values (compassion, integrity, motivation, respect, team-work & wisdom) were integrated into the life skills and tutor time curriculum as well as being the focus of assemblies each half term.

f. Pastoral/pupil provision

- SEND team consisting of 8 Learning Support assistants a Senior LSA. New provision of the Bryson Base provides a support area and safe space for the SEND students;
- Sixth Form SEND students have the SEND Sixth Form Study which enables them to have a quiet space to work away from the main student areas.
- Student mental health provision consists of a qualified counsellor, Student support lead and an ELSA. We have also recently employed a deputy mental health lead to support the mental health provision in school.
- Relatively new provision of The Hub, an area in school where students who are struggling with their behaviour can go or be sent for support.
- Whole school training on behaviour management and implementation of whole school policy.

g. Expanding ICT provision

- Aging 7 Yr Old Core Servers replaced and upgraded.
- Cashless Catering Server Upgraded, new tills fitted and user software updated.
- New sports centre connected and installation of infrastructure, PCs, Wifi and projectors.
- Whole School replacement of old switches completed with the ability to switch to 10Gb if funds are released for the installation of Fibre.
- Started transition to Office365, Teams or Sharepoint.
- Continued investment in WiFi and computer refresh programmes across the school site to support students and staff.
- Cyber Essentials Certification of IT planned for 2023/2024.
- Cyber-security training for all staff planned for Jan 2024.

h. Inspection and Accountability

- New code of conduct introduced in 2022/2023 for governors and the staff one which was introduced in 2021/22 renewed for the year;
- GDPR and safeguarding training for new employees;
- Annual safeguarding training for all employees.
- Comprehensive internal scrutiny review by SLL Accounting Ltd during 2022/2023;
- Health & safety audit report for DT (2022) undertaken by Dorset County Council with recommendations being worked through during 2022/2023;
- The school provides leadership in a number of BCP initiatives – In Year Fair Access Panel, BCP Learning Partnership, Transition Working Group.

POOLE GRAMMAR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Key performance indicators

Staffing Costs as a % of Total Expenditure (excluding capital and FRS 102 Pension)

	2022/23	2021/22	2020/21	2019/20	2018/19
Total Staff Costs	6,077,728	5,848,877	5,942,568	5,624,111	5,355,623
Total Expenditure	7,762,840	7,325,210	7,034,005	6,761,216	6,874,878
Total Staff Costs as a % of Expenditure	79.3%	79.8%	84.5%	83.2%	77.9%

Split of Staff Costs (%)

%	2022/23	2021/22	2020/21	2019/20	2018/19
Teaching Staff	63.84%	65.50%	67.72%	68.23%	65.87%
Admin & Support	26.46%	25.03%	23.67%	23.22%	24.33%
Management	9.7%	9.47%	8.60%	8.55%	9.80%

Going concern

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

Governors have discussed the 2022/2023 financial performance of the trading subsidiary and support it as a going concern. Since it started in 2014, it has transferred its annual surpluses to the Academy Trust. Without these significant transfers, the Academy Trust would have not survived the many years of poor Government funding. The introduction of the new funding formula has now put poorly funded Academy trusts on a more reliable footing.

2022/2023 trading subsidiary performance continues to be affected by escalating food prices with no ability to pass on such increases to our existing customers. The addition of Broadstone school replacing the agreement with St Marys, will help performance going forward. The school continues to look for opportunities to increase meal volumes to local schools.

We are continually reviewing ways to keep catering costs down while maintaining the high standards expected. Governors are keeping the performance of the trading subsidiary under regular review.

POOLE GRAMMAR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Financial review

The detailed accounts are contained on pages 30 to 34 and include the following statements:

- Consolidated Statement of Financial Activities (SoFA) including Income and Expenditure Account and Statement of Total Recognised Gains and Losses;
- Consolidated Balance Sheet;
- Academy Balance Sheet
- Statement of Cash Flow Statement.

Notes to the Financial Statements are contained from pages 35 to 58.

The highlights for the year ended 31 August 2023 are (excluding Pension and Fixed Assets Funds):

	£	£	£
2022/2023			
	Unrestricted	Restricted	Total
	General Fund	General Fund	General Funds
Incoming Resources	654,539	7,200,211	7,854,750
Resources Expended	(479,723)	(7,283,117)	(7,762,840)
Net Incoming/(outgoing) Resources	174,816	(82,906)	91,910
Transfers between Funds	(428,584)	(381,358)	(809,942)
Net Incoming/(outgoing) Resources	(253,768)	(464,264)	(718,032)
Brought Forward Funds	550,339	521,353	1,071,692
Carried Forward Funds	296,571	57,089	353,660

Commentary on 2022/2023 Results – The impact of the ongoing cost of living crisis and invasion of Ukraine, resulting in continually increasing energy and consumer prices led the school to tightly control expenditure for 2022/2023. It remains extraordinarily difficult for schools to navigate these additional cost pressures without additional Government funding support. Even taking this into account the Trading Subsidiary ended the year with a surplus of £9,575 and the Academy Trust with a surplus of £15,577.

POOLE GRAMMAR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Reserves policy

The Academy Trust aims to carry forward a prudent level of resources from the General Annual Grant, the General Non-GAG Restricted Fund and the General Unrestricted Fund to cover short, medium and long term policy needs. The Governors' policy focuses on adequate reserves held for years where funding levels and cost increases are predicted to adversely affect financial performance and stability.

Due to the recent history of chronic under-funding until 2020/2021, the Academy Trust has worked hard in the last decade to rebuild and protect a reserve largely due to the transfer of surpluses generated by the trading subsidiary, and careful decision making on staffing, curriculum demands and academy expenditure. While some of this reserve has been utilised to complete the Sports Hall build, the importance of financial scrutiny and control remains upper most in the school and Governing Body's approach to the future.

The Academy Trust has a large pension scheme deficit. This deficit potentially could result in a cash flow effect in the form of changing employers' pension contributions over a period of years. This liability would not crystallise and is backed by the government.

At the end of the year under review the balances held in these funds were as follows:

£	2022/2023	2021/2022	2020/2021	2019/2020	2018/2019	2017/2018
Restricted Funds	57,089	521,353	223,694	170,292	127,431	87,940
Unrestricted Fund	296,571	550,339	541,709	427,836	489,242	722,297
Pension Deficit	(920,000)	(1,134,000)	(4,641,000)	(4,062,000)	(2,918,000)	(2,260,000)
Fixed Asset Fund	14,602,967	14,073,783	11,550,121	11,799,142	12,114,168	12,399,836
Total Funds	14,036,627	14,011,475	7,674,524	8,335,270	9,812,841	10,950,073

The Finance Committee review on a regular basis the level of reserves held by the Academy Trust. A review in 2021/2022 has recommended that we hold £400K to £450K in reserves which gives us broadly a month of salary and pension costs cover. Academies are encouraged to support CIF bids with contributions towards critical capital projects.

The main change in our reserves has been spend relating to the sports hall project. Following Storm Eunice in February 2022, the severe wind damage to the old gym roof exposed an asbestos render in the skyward roofing materials. The extra cost to dispose of this safely prior to the demolition of the gyms, the impact of the Ukraine crisis and global supply issues to the project led to high level negotiations with the CIF team over additional funding. The process involved significant value engineering to reduce costs, and CIF team support for a CIF loan of £181K payable over 10 years taking the project to the maximum funding value of £4M. All costs beyond this were financed, as expected, by the Academy's reserves as well as some additional funding from Talbot Village Trust. The total reduction in restricted and unrestricted funds was £718,032.

Investment policy

The Academy regularly reviews the scope and level of funds in interest bearing accounts to protect fragile reserves and the likely calls on these by unfunded cost pressures facing the education sector.

Decisions and statements relating to this are regularly reviewed by the Finance Committee.

The Academy Trust has limited options in relation to investments as it is bound by ESFA rules. The Academy has chosen to put available cash reserves into an interest bearing savings bank account. This cash is available on 32 days' notice and can be withdrawn from this account without penalty.

POOLE GRAMMAR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Principal risks and uncertainties

During 2022/23 the COVID risk remained but was diminished with the exception of some higher levels of absence due to this illness. The situation continues to be monitored and during the year additional cleaning was put in place, flu vaccinations were offered to staff and ICT improved to allow home working should the need arise.

On the remaining risks, Governors identified the following principal risks and uncertainties facing the Academy Trust, all of which are detailed fully in the Academy's Risk Register which is reviewed annually.

Employee Risk:

Governors have put in place clear succession plans and continue to review and monitor arrangements for recruitment and the development of existing staff to minimise the risk resulting from changes in key staff.

Governors have supported short term actions required due to serious illness or loss of key staff in both teaching and non-teaching areas. These have included use of supply teachers, short term contracts and reallocation of duties where needed.

A new governance strategic plan is in place as are plans to increase the promotion of the school both for pupils and as a great place to work.

Data Protection / Cybersecurity

Increased protection has been put in place, with greater security around all elements of our IT estate. New staff all have GDPR training and cyber security remains a key element for the school. Going forward we will undertake the Cyber essentials audit and commence a programme of regular cyber training and testing across the school.

An overall review of our IT strategy will take place in 2023/24 with the aim of continual improvement and ensuring that our data and systems remain secure and as up to date as possible.

POOLE GRAMMAR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Financial Risk:

The Governors have given due consideration to the risks associated with financial mismanagement and/or compliance failures.

Governors have been closely involved in the decision making around additional funding support for the Sports Hall project in the light of the Ukraine crisis and global supply issues impacting on construction costs, which has now been finalised.

Governors are also focussed on Local Government Pension Scheme deficit since becoming an Academy and the impact of Employer contribution increases following triennial reviews.

Overall the school promotes a tight control on costs, reducing energy consumption and increasing efficiency savings wherever possible, as well as looking for new income streams such as lettings and increased provision of catering.

Physical Asset Risk:

Governors have given due consideration to the risks associated with any possible failure of the IT and physical assets serving the school community. This year has seen press interest in RAAC which is not an issue for the school, however we are developing a long term maintenance plan to address and prioritise premises issues, while the site team manage the day to day maintenance we will also be submitting applications to CIF for any larger works in the future.

Emergency Risks:

This relates to adverse weather, flooding or security incidents and management strategies are adopted as appropriate to reduce the impact on the school community. The increasing frequency of extreme weather events (heatwaves, flooding and high winds) are of concern to the school and mitigations include development of a woodland management plan, reviewing security on a regular basis, including lockdown and fire alarm testing, ongoing maintenance of lighting, gutters, roofs and all elements of the school campus.

Safeguarding:

Governors review the safeguarding risks on a regular basis and there are a number of controls and mitigations in place with an ongoing plan for continuous improvement. There has been work with staff and governors to reinforce the code of conduct and ongoing promotion of the behaviour policy and all related safeguarding with students. We have a designated safeguarding lead as well as other trained safeguarding offices (including Prevent Lead; Mental Health Leads; Online champion, anti-bullying lead and Safeguarding Governor).

Safety:

An increased focus is being given to safety on school premises, which includes wear and tear and damage to school assets. The Vice Chair of Governors is a member of the school's Health and Safety Committee and Chair of the Premises Committee which regularly assesses and improves the safety of the physical environment for pupils, staff and visitors. A health and safety audit has taken place and the school has started to address any issues, while developing a plan to cover all areas. CCTV has been increased across the year to mitigate the risk of wilful damage, with the costs of repairs for wilful damage being recovered.

The governors also monitor the more specific risk of accident on arrival or departure from school, which includes clear guidance to parents regarding driving onto site; separation of areas for cars, cyclist and pedestrians; staff supervision at these times; guidance on off-site parking and drop off and implementing a more secure back gate.

School Trips

Governors have given due consideration to the risks associated with trips and activities involving the pupils and the risk management strategies to minimise these. All school trips have a governance approval process through new software – Evolve., All trips are reviewed in terms of cover and any constraints and full risk assessments are completed as part of the review and sign off. All staff have relevant training and insurance in place as required and there are clear expectations of student behaviour on any trip.

During the year a new risk register has been designed and the relevant risks reviewed at each governance committee as well as the Full Governing Board, to ensure that the risks are being managed and continue to be assessed and mitigated.

POOLE GRAMMAR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Fundraising

The Academy Trust fund raises through its parental donations to support the school's extra-curricular activities and through voluntary contributions for day school trips.

Our Parents Staff Association (part of the School Trust Fund) fundraise on the Academy Trust's behalf. This activity is monitored by the Academy Trust through the Headteacher and other staff involvement.

To the best of the Academy Trust's knowledge, there have been no complaints relating to fundraising activities.

The Academy Trust has a commitment to the protection of the public, including vulnerable people from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate. The Academy Trust makes it clear that all donations are voluntary.

Plans for future periods

Poole Grammar pursues the strategic vision of providing a thriving, successful school delivering outstanding academic results and well rounded, resilient students, staffed by outstanding people, with outstanding facilities to support the school and local community. To support and deliver this vision, a comprehensive and ambitious School Development Plan has been developed to cover 2023/2024 and the medium term.

School Development Plan 2023/2024

Following on from the 2022/2023 School Development Plan, there has been a refinement of the 9 themes pursued. Those areas that are longer term goals from the previous year have been carried forward. The themes are as follows:

1. safeguarding;
2. teaching, learning and curriculum development;
3. leadership and staff development;
4. pastoral matters including behaviour and attendance;
5. assessment and reporting;
6. communication with stakeholders and partnership;
7. buildings and resources;
8. admissions;
9. mental health and wellbeing

Department and development plans encourage participation of all staff in the SDP. 2023/2024 personal objectives are also aligned to the appropriate SDP activities within these main themes.

POOLE GRAMMAR SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Funds held as custodian trustee on behalf of others

The Poole Grammar School Trust Fund (PGSTF) - This is a registered charity independent of the school and has its own trustees and is subject to a financial review by its auditors. Its purpose is: "the promotion of charitable educational trusts for the benefit of Poole Grammar School in the county of Dorset".

In accordance with the trust deed the Headteacher is a trustee. Two trustees are appointed by The Poole Old Grammarians Association (POGA) and two by the Poole Grammar School Parents Staff Association (PSA). None of the trustees receive any remuneration for holding their office.

The PGSTF is divided into various divisions one of which is amenities. This receives donations from parents and the PGSTF, where applicable, reclaims gift aid on these donations and makes such disbursements to the school towards its amenities costs for pupils. The school runs an amenities committee which reviews and approves as appropriate bids for use of parental donations for pupil activities. The school administers the collection of the amenities donations on behalf of the PGSTF without making a charge for this. Donations come directly into the school.

The Academy Trust also administers the financial arrangements and support relating to the schools' involvement in the Maths for Education and Industry programme (Dorset Further Maths).

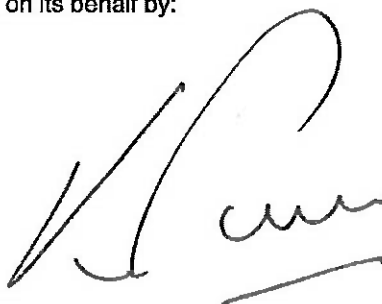
Auditor

In so far as the Governors are aware:

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

The Governors' report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 07 December 2023 and signed on its behalf by:

K J Power
Chair of the Governing Body and Academy Trust



POOLE GRAMMAR SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

As Governors we acknowledge we have overall responsibility for ensuring that Poole 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 Governors, we have reviewed and taken account of the Academy Trust handbook and the competency framework for governance.

The Board of Governors 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 Poole Grammar School and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

An independent external review of governance was commissioned by the school in November 2022 and completed by the National Governance Association (NGA) in June 2023. The report highlighted the strengths and weaknesses of the Governing Body. A number of recommendations were made which were discussed at a strategy day on 13th September 2023 and a plan is now in place to implement these over the next year. The key changes will include developing a different structure of governing meetings, key person succession planning.

Governors	Meetings attended	Out of possible
N Bichard	4	4
S Fuller	3	4
S Morris (Resigned 19 April 2023)	2	4
E Thompson (Resigned 21 September 2022)	1	1
K J Power (Chair of the Governing Body and Academy Trust)	4	4
A Steel	3	4
A C Falck (Resigned 20 June 2023)	3	3
S Bowden	2	4
D Newell (Resigned 3 November 2023)	2	4
M Holmes Evans	4	4
A Smith	4	4
A Thomas	3	4
J Phillips (Resigned 9 March 2023)	0	1
R Knapper (Resigned 9 March 2023)	2	3
H Hall	3	4
K Stevens	3	4
S Fry (Resigned 10 November 2023)	3	4
M Robertson (Appointed 15 September 2022)	3	4
F M French (Resigned 19 April 2023)	2	3
F Gollan (Appointed 3 November 2022)	3	4
B Crisell (Appointed 28 November 2022 and resigned 20 June 2023)	3	3
M Barnard (Appointed 9 March 2023)	3	4
S Powell (Resigned 15 September 2022)	0	0

POOLE GRAMMAR SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Conflicts of interest

Each academic year, Governors declare their interests on the register of interests form. Declarations are also included for the Directors of the school's trading subsidiary.

These are all summarised and regular updates are posted on the school website. In addition, declarations of interest are declared for every Full Governors and every Governor sub-committee. If there is a conflict of interest, then the Governor concerned is expected not to vote and or leave the meeting if required for that particular issue

Governance reviews

Following the independent review by the NGA and subsequent strategy day in September 2023, a number of actions were agreed and progress on these will be monitored across the year, with the aim of ongoing continuous improvement of the effectiveness of our governing structure.

Finance Committee

The Finance Committee is a sub-committee of the main Board of Governors. Its purpose is to maintain effective oversight of funds, the Finance Committee receives timely financial reports for each period of the year. In addition to meeting 4 times a year to review all aspects of financial operations including regular internal scrutiny reports, a separate budget preparation briefing meeting is held for Finance Governors. Financial performance and issues are raised at every Full Governors meeting.

Key Governors were actively involved with the SLT and school project team with the review of project progress and spend for the Sports Hall.

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
S Fuller	4	4
S Morris (Resigned 19 April 2023)	1	2
K J Power (Chair of the Governing Body and Academy Trust)	4	4
A Steel	3	4
A C Falck (Resigned 20 June 2023)	2	3
A Smith	4	4
K Stevens	3	4
M Robertson (Appointed 15 September 2022)	3	3
M Barnard (Appointed 9 March 2023)	1	1

Review of value for money

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

POOLE GRAMMAR SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The accounting officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Governors where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the Academy Trust has delivered improved value for money during the year by:

- Closely managing the capital spend on the build of the Sports Hall to ensure best value for money;
- use of Schools' Buying Hub South West for framework agreements and tendering process for the Portakabin requirements for 2022/2023;
- negotiation of discounted prices for Portakabins beyond the 6 months initial hire to cover 2023 national exam season;
- continued energy negotiations with electricity and gas 12 month contract fixed once it was clear there would be some level of Government financial support to schools;
- use of skilled in-house Site Teams for refurbishment and adjustments of school facilities during the pandemic;
- allocation of curriculum budgets based on student numbers, curriculum cost demands. Those facing national curriculum changes or requiring critical teaching resources can bid for a centrally controlled curriculum contingency.

The purpose of the system of internal control

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

Capacity to handle risk

The Board of Governors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts. The risk register is a cornerstone of this assessment and is now reviewed at every sub-committee meeting.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Governors;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks;
- review of risks is a standing item on each sub-committee agenda.

POOLE GRAMMAR SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The Academy Trust has moved away from a Responsible Officer arrangements that had been in place up to 2019, to an internal scrutiny programme of review steered by the Finance Governors and undertaken by SLL Accountancy Ltd. This has been in place for 2019/2020, 2020/2021, 2021/2022 and 2022/23 with recommendations submitted and presented to the Finance Governors.

The internal scrutiny reviews are very comprehensive and include recommendations on best practice and improvements in Governance and internal controls. The internal scrutiny review covered financial and non-financial controls, review of progress from previous external and internal audit reports, financial reports, risk register, trust website compliance, month end closedown, payroll and HR, banking arrangements, budgeting and forecasting process, procurement, fraud checklist, cyber security, data protection and Governance documentation. This new risk register has been approved by Full Governors and is subject to regular review by every Governor sub-committee.

A review on governance by NGA was commissioned and the results were discussed at a strategy day in September 2023. This has led to a series of actions which will be undertaken over 2023/24 to revise the governance structure to align more to regulatory guidelines.

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:

- internal scrutiny report and recommendations undertaken by SLL Accounting Ltd in 2023 which the Academy Trust is following up (see above for 2022/2023 programme of work);
- health & safety audit by Dorset County Council for DT which the Academy Trust is following up;
- reports as appropriate from the Data Protection Officer on GDPR and cyber-crime issues;
- work of the external auditor;
- financial management and governance self-assessment process;
- work of the executive managers within the Academy Trust who have the responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Board of Governors on 07 December 2023 and signed on its behalf by:

K J Power
Chair of the Governing Body and Academy
Trust



POOLE GRAMMAR SCHOOL

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

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

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

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



A Smith
Accounting Officer

07 December 2023

POOLE GRAMMAR SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

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

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

In preparing these accounts, the Governors are required to:

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

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

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

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

Approved by order of the members of the Board of Governors on 07 December 2023 and signed on its behalf by:

K J Power
Chair of the Governing Body and Academy Trust



POOLE GRAMMAR SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF POOLE GRAMMAR SCHOOL

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Governors are responsible for the other information, which comprises the information included in the governors annual report other than the accounts and our auditor's report thereon. Other information includes the Governors' report (incorporating the strategic report and directors' report) the governance statement and the statement of regularity, propriety and compliance. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

POOLE GRAMMAR SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF POOLE GRAMMAR SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report, included within the Governors' report.

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

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

A further description of our responsibilities for the audit of the consolidated accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

POOLE GRAMMAR SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF POOLE GRAMMAR SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

Our approach was as follows:

- The engagement partner selected staff for the audit, led by persons who it was deemed had sufficient experience and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud. Management override was identified as a significant fraud risk. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Completeness of income was identified as a significant risk to the audit, as grant income may not be recognised in accordance with the SORP.
- We obtained an understanding of the legal and regulatory requirements applicable to the academy and group and we considered the most significant to be Academies Accounts Direction, the Charity SORP, Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council and UK Taxation legislation. We considered how the academy trust and group complies with these requirements by discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.
- The consolidated financial statements of the group incorporate the results of the subsidiary company. Moore (South) LLP are auditors to the whole group and the same approach has been adopted to the subsidiary company as is appropriate to that entity.

POOLE GRAMMAR SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF POOLE GRAMMAR SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- tested items of expenditure to ensure that they were valid and appropriate;
- confirmed monthly management accounts were reviewed by the board;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- reviewed the disclosures within the accounts to ensure they meet the requirements of the accounting standards and relevant legislation.

In response to the risk of irregularities with regards to completeness of income we:

- completed analytical work, to include comparison with prior periods;
- agreed a sample of documentation to confirm that relevant entries were reflected in the accounting records and allocated to the correct period; and
- reviewed minutes of governors meetings and confirmed income sources mentioned were included correctly within the accounts.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report

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



Ann Mathias (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP

15/12/2023

Chartered Accountants
Statutory Auditor

33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

POOLE GRAMMAR SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2023

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

This report is made solely to Poole Grammar School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Poole 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 Poole Grammar School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Poole Grammar School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Poole Grammar School's funding agreement with the Secretary of State for Education dated 23 March 2010 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance;
- analytical procedures on the general activities of the academy trust;
- a review of minutes of committees and board meetings which may be relevant to regularity;
- consideration of discussions with key personnel including the accounting officer and governing body;
- tests of control have been carried out on a control activity which are relevant to regularity;
- substantive testing of individual transactions.

POOLE GRAMMAR SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2023

Conclusion

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

Moore (South) LLP

Reporting Accountant

Moore (South) LLP

Dated: 15/12/2023

POOLE GRAMMAR SCHOOL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2023 £	Total 2022 £
Income and endowments from:						
Donations and capital grants	3	-	65,076	77,249	142,325	3,882,663
Charitable activities:						
- Funding for educational operations	4	525,627	7,135,135	-	7,660,762	7,303,000
Other trading activities	5	120,753	-	-	120,753	91,311
Investments	6	8,159	-	-	8,159	461
Total		654,539	7,200,211	77,249	7,931,999	11,277,435
Expenditure on:						
Raising funds	7	103,455	-	-	103,455	100,793
Charitable activities:						
- Educational operations	8	376,268	7,372,117	358,007	8,106,392	8,784,691
Total	7	479,723	7,372,117	358,007	8,209,847	8,885,484
Net income/(expenditure)		174,816	(171,906)	(280,758)	(277,848)	2,391,951
Transfers between funds	18	(428,584)	(381,358)	809,942	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	20	-	303,000	-	303,000	3,945,000
Net movement in funds		(253,768)	(250,264)	529,184	25,152	6,336,951
Reconciliation of funds						
Total funds brought forward		550,339	(612,647)	14,073,783	14,011,475	7,674,524
Total funds carried forward		296,571	(862,911)	14,602,967	14,036,627	14,011,475

POOLE GRAMMAR SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2022 £
Income and endowments from:					
Donations and capital grants	3	-	36,960	3,845,703	3,882,663
Charitable activities:					
- Funding for educational operations	4	501,496	6,801,504	-	7,303,000
Other trading activities	5	91,311	-	-	91,311
Investments	6	461	-	-	461
Total		593,268	6,838,464	3,845,703	11,277,435
Expenditure on:					
Raising funds	7	100,793	-	-	100,793
Charitable activities:					
- Educational operations	8	483,845	7,178,572	1,122,274	8,784,691
Total	7	584,638	7,178,572	1,122,274	8,885,484
Net income/(expenditure)		8,630	(340,108)	2,723,429	2,391,951
Transfers between funds	18	-	199,767	(199,767)	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	20	-	3,945,000	-	3,945,000
Net movement in funds		8,630	3,804,659	2,523,662	6,336,951
Reconciliation of funds					
Total funds brought forward		541,709	(4,417,306)	11,550,121	7,674,524
Total funds carried forward		550,339	(612,647)	14,073,783	14,011,475

POOLE GRAMMAR SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2023

CONSOLIDATED BALANCE SHEET		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	12		48		4,537
Tangible assets	13		14,602,919		10,940,923
			<u>14,602,967</u>		<u>10,945,460</u>
Current assets					
Debtors	15	437,968		3,084,940	
Cash at bank and in hand		1,279,103		1,874,962	
		<u>1,717,071</u>		<u>4,959,902</u>	
Current liabilities					
Creditors: amounts falling due within one year	16	(1,363,411)		(759,887)	
Net current assets			<u>353,660</u>		<u>4,200,015</u>
Net assets excluding pension liability			<u>14,956,627</u>		<u>15,145,475</u>
Defined benefit pension scheme liability	20		(920,000)		(1,134,000)
Total net assets			<u>14,036,627</u>		<u>14,011,475</u>
Funds of the Academy Trust:					
Restricted funds	18				
- Fixed asset funds			14,602,967		14,073,783
- Restricted income funds			57,089		521,353
- Pension reserve			(920,000)		(1,134,000)
Total restricted funds			<u>13,740,056</u>		<u>13,461,136</u>
Unrestricted income funds	18		<u>296,571</u>		<u>550,339</u>
Total funds			<u>14,036,627</u>		<u>14,011,475</u>

The accounts on pages 30 to 58 were approved by the Governors and authorised for issue on 07 December 2023 and are signed on their behalf by:

K J Power
Chair of the Governing Body and Academy Trust

Company Number 07666111

POOLE GRAMMAR SCHOOL

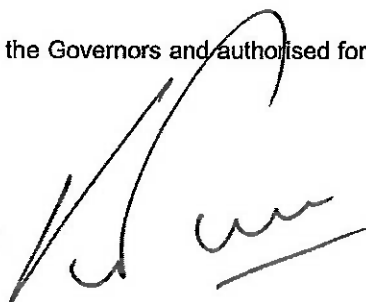
BALANCE SHEET

AS AT 31 AUGUST 2023

ACADEMY TRUST BALANCE SHEET		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	12		48		4,537
Tangible assets	13		14,602,919		10,940,923
Investments	14		1		1
			<u>14,602,968</u>		<u>10,945,461</u>
Current assets					
Debtors	15	636,745		3,103,918	
Cash at bank and in hand		<u>1,264,606</u>		<u>1,868,896</u>	
		1,901,351		4,972,814	
Current liabilities					
Creditors: amounts falling due within one year	16	<u>(1,363,411)</u>		<u>(759,887)</u>	
Net current assets			<u>537,940</u>		<u>4,212,927</u>
Net assets excluding pension liability			<u>15,140,908</u>		<u>15,158,388</u>
Deferred income	17		-		-
Defined benefit pension scheme liability	20		<u>(920,000)</u>		<u>(1,134,000)</u>
Total net assets			<u><u>14,220,908</u></u>		<u><u>14,024,388</u></u>
Funds of the Academy Trust:					
Restricted funds	18				
- Fixed asset funds			14,602,967		14,073,783
- Restricted income funds			57,089		521,353
- Pension reserve			<u>(920,000)</u>		<u>(1,134,000)</u>
Total restricted funds			<u>13,740,056</u>		<u>13,461,136</u>
Unrestricted income funds	18		<u>296,571</u>		<u>550,339</u>
Total funds			<u><u>14,036,627</u></u>		<u><u>14,011,475</u></u>

The accounts on pages 30 to 58 were approved by the Governors and authorised for issue on 07 December 2023 and are signed on their behalf by:

K J Power
Chair of the Governing Body and Academy Trust



Company Number 07666111

POOLE GRAMMAR SCHOOL

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	21		3,334,248		(2,608,726)
Cash flows from investing activities					
Dividends, interest and rents from investments		8,159		461	
Capital grants from DfE Group		77,249		3,845,703	
Purchase of tangible fixed assets		(4,015,515)		(537,613)	
Net cash (used in)/provided by investing activities			(3,930,107)		3,308,551
Net (decrease)/increase in cash and cash equivalents in the reporting period			(595,859)		699,825
Cash and cash equivalents at beginning of the year			1,874,962		1,175,137
Cash and cash equivalents at end of the year			1,279,103		1,874,962

POOLE GRAMMAR SCHOOL

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

On conversion to an academy trust, the assets and liabilities of the Trust are measured at fair value. This includes any buildings. The valuation of buildings involves a significant degree of estimation; refer to Note 13 for further detail to this estimation.

2 Accounting policies

Poole Grammar School is a charitable company limited by guarantee incorporated in England and Wales. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Governors' report.

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.

2.1 Basis of preparation

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

2.2 Going concern

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

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

2 Accounting policies

(Continued)

2.3 Basis of consolidation

The Statement of Financial Activities (SoFA) and Balance Sheet consolidate the financial statements of the parent academy and its subsidiary company, Poole Grammar School Enterprises Limited, over which it has control. The results of both companies are consolidated on a line by line basis. No separate SoFA has been presented for the parent company alone as permitted by section 408 of the Companies Act 2006.

These financial statements comprising the consolidated Statement of Financial Activities, the Consolidated and Parent Academy Balance Sheet, the Consolidated Statement of Cash Flows and the related notes on pages 30 to 58 constitute the consolidated financial statements of Poole Grammar School for the financial year ended 31 August 2023.

2.4 Income

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

Grants

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

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

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

Sponsorship income

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

Donations

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

Other income

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

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Accounting policies

(Continued)

2.5 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

2.6 Intangible fixed assets and amortisation

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

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

- Purchased computer software 20% Straight Line

2.7 Tangible fixed assets and depreciation

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

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

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

Buildings	2% Straight Line
ICT Infrastructure	20% Straight Line
ICT Equipment (computers, laptops)	33% Straight Line
Fixtures, fittings & equipment	10% Straight Line
Motor vehicles	20% Straight Line

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Accounting policies

(Continued)

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

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

2.8 Liabilities

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

2.9 Leased assets

Rentals under operating leases are charged to the statement of financial activities on straight line basis over the lease term.

Leasing arrangements which transfer to the Academy substantially take all the benefits and risks of ownership of an asset and are treated as if the asset had been purchased outright and are capitalised and depreciated over the shorter of the lease term or the useful economic lives of the equivalently owned assets.

2.10 Financial instruments

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

Financial assets

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

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

Amounts due from the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

Financial liabilities

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

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

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

2.11 Taxation

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

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Accounting policies

(Continued)

2.12 Pensions benefits

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

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

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

2.13 Fund accounting

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

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

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

2.14 Agency Arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from 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.

The funds received and paid, and any balances held are disclosed in note 27.

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	77,249	77,249	3,845,703
Other donations	-	65,076	65,076	36,960
	-	142,325	142,325	3,882,663

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
DfE/ESFA grants				
General annual grant (GAG)	-	6,676,801	6,676,801	6,474,820
Other DfE/ESFA grants:				
- Pupil premium	-	49,883	49,883	49,653
- Teachers pay and pension grant	-	66,007	66,007	96,308
- Mainstream grant	-	70,208	70,208	-
- Supplementary funding grant	-	149,404	149,404	62,354
- Others	-	14,417	14,417	50,490
	-	7,026,720	7,026,720	6,733,625
Other government grants				
Local authority grants	-	22,967	22,967	24,760
Other grants (eg Wessex TTP)	-	66,083	66,083	16,345
	-	89,050	89,050	41,105
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	19,365	19,365	15,500
Non-DfE/ESFA				
Other COVID-19 funding	-	-	-	11,274
	-	19,365	19,365	26,774
Other incoming resources	525,627	-	525,627	501,496
Total funding	525,627	7,135,135	7,660,762	7,303,000

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Hire of facilities	7,725	-	7,725	3,430
Catering income	113,028	-	113,028	87,881
	<u>120,753</u>	<u>-</u>	<u>120,753</u>	<u>91,311</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	8,159	-	8,159	461
	<u>8,159</u>	<u>-</u>	<u>8,159</u>	<u>461</u>

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2023 £	Total 2022 £
Expenditure on raising funds					
- Direct costs	48,021	-	55,434	103,455	100,793
Academy's educational operations					
- Direct costs	4,889,864	358,007	511,646	5,759,517	6,449,370
- Allocated support costs	1,185,843	704,186	456,846	2,346,875	2,335,321
	<u>6,123,728</u>	<u>1,062,193</u>	<u>1,023,926</u>	<u>8,209,847</u>	<u>8,885,484</u>

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	20,505	31,851
Depreciation of tangible fixed assets	353,518	336,666
Loss on disposal of fixed assets	-	781,071
Amortisation of intangible fixed assets	4,489	4,537
Fees payable to auditor for:		
- Audit	13,500	10,000
- Other services	7,625	8,338
- Internal audit fees paid to SLL Accounting Ltd	2,824	1,437
Net interest on defined benefit pension liability	43,000	77,000
	<u>430,952</u>	<u>1,239,803</u>

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Direct costs				
Educational operations	161,615	5,597,902	5,759,517	6,449,370
Support costs				
Educational operations	214,653	2,132,222	2,346,875	2,335,321
	<u>376,268</u>	<u>7,730,124</u>	<u>8,106,392</u>	<u>8,784,691</u>

Analysis of costs

	2023 £	2022 £
Direct costs		
Teaching and educational support staff costs	4,904,162	4,855,624
Staff development	10,114	5,717
Depreciation and amortisation	358,007	1,122,274
Technology costs	16,810	74,757
Educational supplies and services	159,254	146,361
Examination fees	149,555	147,409
Other direct costs	161,615	97,228
	<u>5,759,517</u>	<u>6,449,370</u>
Support costs		
Support staff costs	1,210,932	1,299,791
Technology costs	10,970	-
Recruitment and support	3,954	17,682
Maintenance of premises and equipment	246,186	271,695
Cleaning	162,210	150,903
Energy costs	206,894	70,136
Rent, rates and other occupancy costs	53,413	47,831
Insurance	35,483	32,801
Security and transport	23,667	17,971
Catering	154,366	144,441
Finance costs	43,000	77,000
Legal costs	45,466	79,967
Other support costs	130,208	105,324
Governance costs	20,126	19,779
	<u>2,346,875</u>	<u>2,335,321</u>

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

9 Governors' remuneration and expenses

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

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

	2023 £	2022 £
A J Smith (Head Teacher and Trustee)		
Remuneration	100,000 - 105,000	95,000 - 100,000
Employer's pension contributions paid	20,000 - 25,000	20,000 - 25,000
S Fry (Staff Trustee)		
Remuneration	25,000 - 30,000	25,000 - 30,000
Employer's pension contributions paid	5,000 - 10,000	5,000 - 10,000
S Powell (Staff Trustee) (resigned 15/09/22)		
Remuneration	Nil - 5,000	45,000 - 50,000
Employer's pension contributions paid	Nil - 5,000	10,000 - 15,000
K Stevens (Staff Trustee)		
Remuneration	35,000-40,000	35,000 - 40,000
Employer's pension contributions paid	5,000 - 10,000	5,000 - 10,000
F Gollan (Staff Trustee)(appointed 3/11/2022)		
Remuneration	45,000 - 50,000	Nil
Employer's pension contributions paid	10,000 - 15,000	Nil

During the period ended 31 August 2023, travel and subsistence expenses totalling £49 (2022: £538) were reimbursed to 1 (2022: 2) Governors in relation to undertaking their roles of Principal and staff, and not with respect to their services as Governors.

Related party transactions involving the trustees are set out in Note 25.

10 Staff

Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	4,534,531	4,403,842
Social security costs	446,078	435,751
Pension costs	1,053,964	1,316,397
Staff costs - employees	6,034,573	6,155,990
Agency staff costs	89,155	43,429
Staff development and other staff costs	6,123,728	6,199,419
	49,501	10,458
Total staff expenditure	6,173,229	6,209,877

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

10 Staff

(Continued)

Staff Severance Payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2022: £Nil).

Staff numbers

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

	2023 Number	2022 Number
Teachers	79	81
Administration and support	72	79
Management	6	6
	<u>157</u>	<u>166</u>

Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	2	3
£70,001 - £80,000	2	-
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
	<u>5</u>	<u>4</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £687,258 (2022: £698,682).

11 Governors' and officers' insurance

From July 2023 the Academy Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on trust 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. Prior to July the Academy Trust purchased insurance to provide cover up to £5,000,000 and is included within the total insurance cost, (2022: £220).

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

12 Intangible fixed assets (Academy and Group)

	Computer Software £
Cost	
At 1 September 2022 and at 31 August 2023	35,685
Amortisation	
At 1 September 2022	31,148
Charge for year	4,489
At 31 August 2023	35,637
Carrying amount	
At 31 August 2023	48
At 31 August 2022	4,537

13 Tangible fixed assets (Academy and Group)

	Land and buildings £	Assets under construction £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost					
At 1 September 2022	13,201,501	504,083	341,273	128,067	14,174,924
Transfer on conversion	504,083	(504,083)	-	-	-
Additions	3,890,123	-	88,917	36,475	4,015,515
At 31 August 2023	17,595,707	-	430,190	164,542	18,190,439
Depreciation					
At 1 September 2022	2,847,233	-	275,613	111,155	3,234,001
Charge for the year	311,184	-	34,589	7,746	353,519
At 31 August 2023	3,158,417	-	310,202	118,901	3,587,520
Net book value					
At 31 August 2023	14,437,290	-	119,988	45,641	14,602,919
At 31 August 2022	10,354,268	504,083	65,660	16,912	10,940,923

The land and buildings are included based upon the valuation exercise undertaken on behalf of the ESFA in 2012. They were valued on the depreciated replacement cost method as at the 31 August 2012. The land was valued at £2,048,403 and the buildings at £11,299,658.

The academy has not obtained a separate valuation as the academies trust did not consider it an effective use of public funds to obtain an additional valuation. The ESFA have conducted another desktop valuation of the land and buildings but the academy has chosen not to use this revaluation as there are some questions over the values and assumptions made by ESFA.

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

14 Investments

	Academy 2023	2022	Group 2023	2022
	£	£	£	£
Subsidiary	1	1	-	-
	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>
	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>

The following is a summary of the financial statements of Poole Grammar School Enterprises Limited, company number 09178413, for year to 31 August 2023 which has been included in the consolidated financial statements. Its object is "to carry out any trade or business for the purpose of raising funds for the Academy Trust". It is 100% controlled by the Academy Trust.

Profit and loss account

	2023	2022
	£	£
Turnover	113,029	87,881
Cost of sales	(103,455)	(100,793)
Gross profit	9,574	(12,912)
Interest received	1	1
Bank charges		
Profit	9,575	(12,911)
Retained profit brought forward at 1 September 2021	(12,911)	-
Charitable donation under gift aid		-
	<u>(3,336)</u>	<u>(12,911)</u>

Balance sheet

	2022	2022
	£	£
Called up share capital	1	1
Retained earnings	(3,336)	(12,911)
Net assets/(liabilities)	<u>(3,335)</u>	<u>(12,910)</u>

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

15 Debtors

	Academy 2023 £	2022 £	Group 2023 £	2022 £
Trade debtors	38,305	58,506	19,829	37,492
VAT recoverable	186,356	51,930	187,000	53,967
Other debtors	1,900	1,900	1,900	1,900
Prepayments and accrued income	229,239	2,991,582	229,239	2,991,581
	<u>455,800</u>	<u>3,103,918</u>	<u>437,968</u>	<u>3,084,940</u>

16 Creditors: amounts falling due within one year

	Academy 2023 £	2022 £	Group 2023 £	2022 £
Trade creditors	708,899	366,919	708,899	366,919
Other taxation and social security	102,852	104,823	102,852	104,823
Other creditors	96,157	134,608	96,157	134,608
Accruals and deferred income	455,503	153,537	455,503	153,537
	<u>1,363,411</u>	<u>759,887</u>	<u>1,363,411</u>	<u>759,887</u>

After intensive and high level negotiations with the Conditional Improvements Fund (CIF) Team, they agreed to a £181,181 CIF loan to add to the approved CIF project to replace our life expired gyms with a new Sports Hall. This was confirmed in May 2022. This took the CIF project approval level up to the very maximum of £4M. The Academy Trust has signed up to the 10 year CIF loan and first repayments are scheduled for September 2024. The balance for the project has been funded by contributions from school reserves, charitable bids secured, and fund raising activities that have already taken place or planned in the future.

At the year end the CIF loan had yet to be drawn down and therefore is not included within the financial statements.

17 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	<u>148,760</u>	<u>58,149</u>
Deferred income at 1 September 2022	58,149	74,395
Released from previous years	(58,149)	(74,395)
Resources deferred in the year	<u>148,760</u>	<u>58,149</u>
Deferred income at 31 August 2023	<u>148,760</u>	<u>58,149</u>

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Deferred income

(Continued)

The deferred income relates to income received in the period to 31 August 2023 which relates to the year ended 31 August 2024. The above deferred income relates to the following:

Trips	£123,347
Rates grant	£22,848
Lockers	£2,565

18 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	454,986	6,676,801	(6,763,873)	(367,914)	-
Pupil premium	-	49,883	(49,883)	-	-
Other DfE/ESFA COVID-19 funding	-	19,365	(19,365)	-	-
Other DfE/ESFA grants	-	300,036	(300,036)	-	-
Other government grants	-	89,050	(89,050)	-	-
Bursary	11,784	11,560	(8,473)	-	14,871
Amenities (Donations)	41,139	21,972	(20,893)	-	42,218
Sports Hall (Donations)	13,444	-	-	(13,444)	-
Other restricted funds	-	31,544	(31,544)	-	-
Pension reserve	(1,134,000)	-	(89,000)	303,000	(920,000)
	<u>(612,647)</u>	<u>7,200,211</u>	<u>(7,372,117)</u>	<u>(78,358)</u>	<u>(862,911)</u>
Restricted fixed asset funds					
DfE group capital grants	14,073,783	77,249	(358,007)	809,942	14,602,967
Total restricted funds	<u>13,461,136</u>	<u>7,277,460</u>	<u>(7,730,124)</u>	<u>731,584</u>	<u>13,740,056</u>
Unrestricted funds					
General funds	550,339	654,539	(479,723)	(428,584)	296,571
Total funds	<u>14,011,475</u>	<u>7,931,999</u>	<u>(8,209,847)</u>	<u>303,000</u>	<u>14,036,627</u>

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Funds

(Continued)

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

Restricted General Funds are those which are supplied for a specific duty and the funds spent only in accordance with the agreement or restriction placed upon each.

Restricted Fixed Asset Funds are those assets which have been capitalised as a result of a donation from the original school on conversion to an academy or assets purchased from one of the other funds since gaining academy status and transferred.

Unrestricted Funds are all other sources of income generated by the academy through trading or fundraising and to which no restrictions apply regarding the way they are spent.

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

A transfer has also been made from the restricted fixed asset fund into the restricted general fund. This is to reallocate expenditure incurred in respect of the demolition of the old gym in connection with the Conditional Improvement Fund approved by the ESFA.

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	128,537	6,474,820	(6,348,138)	199,767	454,986
Pupil premium	-	49,653	(49,653)	-	-
Catch-up premium	8,436	-	(8,436)	-	-
Other DfE/ESFA COVID-19 funding	-	15,500	(15,500)	-	-
Other Coronavirus funding	-	11,274	(11,274)	-	-
Other DfE/ESFA grants	-	199,649	(199,649)	-	-
Other government grants	-	41,105	(41,105)	-	-
Bursary	16,382	9,503	(14,101)	-	11,784
Amenities (Donations)	59,738	12,390	(30,989)	-	41,139
Sports Hall (Donations)	10,601	2,843	-	-	13,444
Other restricted funds	-	21,727	(21,727)	-	-
Pension reserve	(4,641,000)	-	(438,000)	3,945,000	(1,134,000)
	<u>(4,417,306)</u>	<u>6,838,464</u>	<u>(7,178,572)</u>	<u>4,144,767</u>	<u>(612,647)</u>
Restricted fixed asset funds					
DfE group capital grants	11,550,121	3,845,703	(1,122,274)	(199,767)	14,073,783
	<u>11,550,121</u>	<u>3,845,703</u>	<u>(1,122,274)</u>	<u>(199,767)</u>	<u>14,073,783</u>
Total restricted funds	<u>7,132,815</u>	<u>10,684,167</u>	<u>(8,300,846)</u>	<u>3,945,000</u>	<u>13,461,136</u>
Unrestricted funds					
General funds	541,709	593,268	(584,638)	-	550,339
	<u>541,709</u>	<u>593,268</u>	<u>(584,638)</u>	<u>-</u>	<u>550,339</u>
Total funds	<u>7,674,524</u>	<u>11,277,435</u>	<u>(8,885,484)</u>	<u>3,945,000</u>	<u>14,011,475</u>

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2023 are represented by:				
Intangible fixed assets	-	-	48	48
Tangible fixed assets	-	-	14,602,919	14,602,919
Current assets	296,571	1,420,500	-	1,717,071
Current liabilities	-	(1,363,411)	-	(1,363,411)
Pension scheme liability	-	(920,000)	-	(920,000)
Total net assets	<u>296,571</u>	<u>(862,911)</u>	<u>14,602,967</u>	<u>14,036,627</u>

POOLE GRAMMAR SCHOOL

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

19 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Intangible fixed assets	-	-	4,537	4,537
Tangible fixed assets	-	-	10,940,923	10,940,923
Current assets	550,339	1,281,240	3,128,323	4,959,902
Current liabilities	-	(759,887)	-	(759,887)
Pension scheme liability	-	(1,134,000)	-	(1,134,000)
Total net assets	550,339	(612,647)	14,073,783	14,011,475

20 Pension and similar obligations

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

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

Contributions amounting to £87,218 were payable to the schemes at 31 August 2023 (2022: £86,589) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

Published outcomes in October 2023 of the valuation of the Teachers' Pension Scheme based upon 2020 data include:

- employer contribution rates increasing to 28.68% from 1 April 2024 (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for the service to the effective date of £262.0 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222.2 billion giving a notional past service deficit of £39.8 billion
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI.

The employer's pension costs paid to the TPS in the period amounted to £759,748 (2022: £732,161).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2023 was £314,757 (2022: £278,000), of which employer's contributions totalled £248,216 (2022: £217,000) and employees' contributions totalled £66,541 (2022: £61,000). The agreed contribution rates for future years are 23.6% for employers and 5.5 - 12% for employees, and which rate is dependent on salary level. The estimated value of employer contributions for the forthcoming year is £254,000.

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

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Pension and similar obligations

(Continued)

Total contributions made	2023 £	2022 £
Employer's contributions	251,000	217,000
Employees' contributions	68,000	61,000
Total contributions	319,000	278,000
Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.9	3.95
Rate of increase for pensions in payment/inflation	2.9	2.95
Discount rate for scheme liabilities	5.3	4.25
Inflation assumption (CPI)	2.9	2.95

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

	2023 Years	2022 Years
Retiring today		
- Males	21.8	22.1
- Females	23.9	24.2
Retiring in 20 years		
- Males	23.1	23.4
- Females	25.3	25.6

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

	2023 £'000	2022 £'000
Discount rate + 0.1%	(204)	(106)
Discount rate - 0.1%	217	108
Mortality assumption + 1 year	217	143
Mortality assumption - 1 year	(204)	(139)
Pension increases and deferred revaluation + 0.1%	216	96
Pension increases and deferred revaluation - 0.1%	(204)	(94)
Long term salary increase + 0.1%	210	13
Long term salary increase - 0.1%	(210)	(13)

POOLE GRAMMAR SCHOOL

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

20 Pension and similar obligations

(Continued)

The Academy Trust's share of the assets in the scheme	2023 Fair value £	2022 Fair value £
Equities	2,332,000	1,891,000
Gilts	-	383,000
Other bonds	248,000	161,000
Diversified Growth Fund	257,000	234,000
Property	331,000	362,000
Other assets	609,000	474,000
Total market value of assets	3,777,000	3,505,000

The actual return on scheme assets was £38,000 (2022: £(148,000)).

Amount recognised in the statement of financial activities	2023 £	2022 £
Current service cost	46,000	361,000
Interest income	(154,000)	(56,000)
Interest cost	197,000	133,000
Total operating charge	89,000	438,000

Changes in the present value of defined benefit obligations	2023 £
At 1 September 2022	4,639,000
Current service cost	297,000
Interest cost	197,000
Employee contributions	68,000
Actuarial gain	(419,000)
Benefits paid	(85,000)
At 31 August 2023	4,697,000

POOLE GRAMMAR SCHOOL

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

20	Pension and similar obligations	(Continued)		
Changes in the fair value of the Academy Trust's share of scheme assets				
			2023	
			£	
	At 1 September 2022		3,505,000	
	Interest income		154,000	
	Actuarial loss		(116,000)	
	Employer contributions		251,000	
	Employee contributions		68,000	
	Benefits paid		(85,000)	
	At 31 August 2023		3,777,000	
21	Reconciliation of net (expenditure)/income to net cash flow from operating activities		2023	2022
		Notes	£	£
	Net (expenditure)/income for the reporting period (as per the statement of financial activities)		(277,848)	2,391,951
	Adjusted for:			
	Capital grants from DfE and other capital income		(77,249)	(3,845,703)
	Investment income receivable	6	(8,159)	(461)
	Defined benefit pension costs less contributions payable	20	46,000	361,000
	Defined benefit pension scheme finance cost	20	43,000	77,000
	Depreciation of tangible fixed assets		353,519	336,666
	Amortisation of intangible fixed assets	12	4,489	4,537
	Loss on disposal of fixed assets		-	781,071
	Decrease/(increase) in debtors		2,646,972	(2,951,156)
	Increase in creditors		603,524	236,369
	Net cash provided by/(used in) operating activities		3,334,248	(2,608,726)
22	Analysis of changes in net funds			
		1 September 2022	Cash flows	31 August 2023
		£	£	£
	Cash	1,874,962	(595,859)	1,279,103

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

23 Long-term commitments

Operating leases

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

	2023 £	2022 £
Amounts due within one year	22,923	20,795
Amounts due in two and five years	7,072	21,216
	<u>29,995</u>	<u>42,011</u>

24 Capital commitments

	2023 £	2022 £
Expenditure contracted for but not provided in the accounts	-	3,992,915
	<u>-</u>	<u>3,992,915</u>

Capital commitments in the prior year represented the committed expenditure in respect of the Conditional Improvement Fund for the new sports hall. The project completed on the 29 August 2023.

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

25 Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Governors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook 2022, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and in accordance with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

The Academy Trust is the parent company of the Poole Grammar School Enterprises Limited trading subsidiary which commenced trading 1 September 2014. The results for the year ended 31 August 2023 have been consolidated into these accounts.

The Academy Trust is a member of the South West Academy Trust (SWAT) with N Bichard and A J Baker on the board of SWAT. Mr J Stiby was appointed Company Secretary of SWAT in April 2017. A membership fee of £Nil was paid (2022: £500).

Poole Grammar School took over the administration of the SWAT funds in April 2018 under an agency arrangement. See Note 27 for further details.

The Academy Trust is a beneficiary of the School Trust Fund (registered charity 306310). The Academy Trust provides support and administration as required. A J Smith was a trustee of both entities during the year. The objects of the charity are 'The promotion of Charitable Educational Trusts for the benefit of Poole Grammar School in the County of Dorset'. During the year to 31 August 2023 the Parent Staff Association donated £3,498 (2022: £5,498) for the school magazine for Poole Grammar School and for reimbursement of costs for PSA events.

At 31 August 2023, the Trust Fund had £97,485 (2022: £110,258) in investments, £45,834 (2022: £33,240) in current assets, £nil (2022: £nil) in liabilities and £143,319 (2022: £143,498) in funds. The charity had turnover of £24,534 (2022: £18,695), expenditure of £11,940 (2022: £10,012), losses of £12,773 (2022: £7,053) and an overall decrease in funds of £179 (2022: increase £1,631). Please see page 5 of the Governors report for further details.

R Bichard, spouse of N Bichard, a trustee, is employed by the academy trust as a teacher. R Bichard's appointment was made in open competition and N Bichard was not involved in the decision making process regarding the appointment. R Bichard is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

26 Members' liability

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

POOLE GRAMMAR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

27 Agency arrangements

Bursary - The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the trust received £11,560 (2022: £11,784) and disbursed £8,473 from the fund (2022: £14,101). During the year, £2,281 (2022: £7,445) was paid to the ESFA as undistributed funds from previous years.

An amount of £14,871 (2022: £11,784) is included in reserves relating to undistributed funds that can be carried forward into 2023/24. An amount of £3,087 (2022: £2,281), is included in other creditors relating to undistributed funds that is repayable to ESFA.

SWAT - At 31 August 2023, the trust held a balance of £Nil (2022: £9,907) as an agent for the South West Academic Trust. This is included within other creditors falling due within one year.

During the accounting period ending 31 August 2023, the Trust received £55 (2022: £6,001) and made payments of £9,962 (2022: £5,589) as an agent for the South West Academic Trust.