Company Registration Number: 07412515 (England & Wales)

THE WAPPING AND SHADWELL SECONDARY EDUCATION TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

THE WAPPING AND SHADWELL SECONDARY EDUCATION TRUST
(A company limited by guarantee)

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THE WAPPING AND SHADWELL SECONDARY EDUCATION TRUST

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr J B Cheyne Dr K S Comley Mr J L Kemp Mr L May Mrs M Bakht Mr J M Gander (appointed 27 September 2021)
Trustees	Dr K S Comley, Chair Mr J B Cheyne Ms J Varley Mr J S Dhoot Mr J L Kemp Ms L Mills Mr G Nelson, Head Teacher Ms M Shah Ms T Ingram Ms M McMahon
Company registered number	07412515
Company name	The Wapping and Shadwell Secondary Education Trust
Principal and registered office	153-157 Commercial Road London E12DA
Senior management team	Mr G Nelson, Head Teacher Ms N Sorba, Senior Assistant Head Teacher Mr W Overill, Assistant Head Teacher Mr J Palmer, Assistant Head Teacher Mr T Raw, Deputy Head Teacher Ms S Sanders, Assistant Head Teacher Mr T Dean, Assistant Head Teacher
Independent auditors	Landau Baker Limited Chartered Accountants Mountcliff House 154 Brent Street London NW4 2DR
Bankers	Lloyds Bank plc 39 Threadneedle Street London EC2R 8AU

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report and a directors' report and strategic report under company law.

The Academy Trust operates an adademy for pupils aged 11 to 16 serving a catchment area in the London Borough of Tower Hamlets. It has a pupil capacity of 420 and had a roll of 364 in the Autumn 2021 school census.

Structure, governance and management

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a. Constitution

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

The charitable company's Trust deed is the primary governing document of the Academy.

The Wapping and Shadwell Secondary Education Trust (WSSET) is a company limited by guarantee and an exempt charity. The Charitable Company’s memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of the Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable.

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

b. Members' liability

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

c. Trustees' indemnities

The 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 Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides unlimited cover. It is not possible to quantify the Governors and Officers indemnity element from the overall cost of the RPA scheme.

d. Method of recruitment and appointment or election of Trustees

The Members of the Trust are responsible for the appointment of Governors except three co-opted Governors, two parent Governors and one staff Governor who is elected by staff members. In the event that these positions are not filled, the Members are able to appoint to these positions. Except for the Headteacher, Governors are subject to retirement after 4 years of service but are eligible for re-appointment or re-election at the meeting at which they retire.

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

All Governors are given the opportunity to attend training sessions via various supporting bodies and institutions. Each year the Governing body are offered updates on relevant issues and changes in legislation etc. The topics covered are regularly reviewed to ensure that Governors are kept up to date as far as possible. All Governors are provided with access to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. On appointment, Governors receive information relating to the Trust and the responsibilities of Governors. An annual skills audit is undertaken to ensure that Governors' experience and expertise is taken into account and used to best effect. Governors regularly have the opportunity to meet staff and pupils and visits to the school to improve their understanding and to offer guidance and support via Link Governance opportunities.

f. Organisational structure

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

The Governing Body, which meets on at least 4 occasions per year, is responsible for the strategic direction of the Academy. The Governing Body reviews progress towards educational objectives and results. They also approve major expenditure requests, set the budget for the following year, and set the organisational staffing structure, agree the performance objectives of the Headteacher and review them.

All Governors are members of the Full Governing Body. In addition, Governors are members of at least one of the two subcommittees and working parties, the terms of reference for which are reviewed annually, and which report to the Full Governing Body.

- Resources Committee – meets at least three times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements, receiving reports and drafting the annual budget including setting staffing levels. The committee also considers matters relating to health and safety, premises, and related issues.
- Learning Committee – meets three times a year to monitor, evaluate and review Academy policy, practice and performance in relation to developing pedagogy in all forms, curriculum planning and delivery, target setting, progress and assessment and all pastoral matters including coaching to support learners' development.

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

The Headteacher leads and manages the Academy on a daily basis supported by a Senior Leadership Team (SLT) and an Extended Senior Leadership Team (ESLT) which also includes the School Business Manager, the School's Data and Exams Manager and both Heads of House. The Leadership Team meets weekly to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Governing Body as required for approval. Each member of the Leadership Team has specific responsibilities to assist the Headteacher to manage certain aspects of the Academy.

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

Structure, governance and management (continued)

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

In October each year all staff undergo a performance management review to determine if they have met predetermined targets. The performance management review for the Headteacher is carried out by Governors, and the performance management review of SLT members is carried out by the Headteacher. SLT members in turn carry out a performance management review of staff who they line manage. One outcome of the reviews is a recommendation as to whether staff progress to the next point on their pay scale (if applicable). Once the outcomes of the reviews are collated they are sent to the Pay Committee for ratification.

The Pay Committee is formed of three or more governors who review the proposed salary increases and ratify their implementation. The Headteacher's salary goes to the full governing body for ratification.
Once the Pay Committee has approved the salary increases they are paid in October payroll and the increase will be backdated to September. The Headteacher's salary increase is paid in December and backdated to September.

h. Related parties and other connected charities and organisations

Owing to the nature of the Academy's operations, its current stage of development and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a governor has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

Wapping High School continues to develop strong links with local Primary Schools which will lead to a smoother transition from primary to secondary education for the majority of students and in turn this will contribute to the community ethos upheld by the school and underpinned by its Admissions Policy.

i. Risk Management

The risks facing the School are regularly reviewed by the Resources Committee, which has developed a standard risk register tailored to the School’s specific circumstances. Risk Management is a standing item on the Agenda for the Resources Committee.

Objectives and activities

a. Objects and aims

Wapping High School has a vision of excellence which:

- empowers and inspires students to take responsibility for their own learning;
- celebrates and invests in the individual; and
- embraces and innovates with technologies to inspire and improve.

Objectives and activities (continued)

b. Objectives, strategies and activities

Our aims and objectives are:

- The number of students achieving a grade 4+ in English and Maths exceed 70%.
- The number of students achieving a grade 5+ in English and Maths exceed 50%.
- The overall performance should be no less than Progress 8 = 0.
- Each child receives an inspirational and highly personalised curriculum which teaches them to self-direct their learning and is underpinned by innovative technologies.
- The environment and demographic of the school is reflective of the vision statement.
- Students leave WHS prepared for life in the 21st century as confident, compassionate and global citizens.
- All students excel and achieve all the qualifications for a sound economic future in a multicultural & digital world.
- Students are self-disciplined, enthusiastic, and confident and engaged which is reflected by higher than average levels of attendance and the school is oversubscribed.
- There is high participation from students, staff and parents throughout the extended day with positive feedback.
- No student is excluded.
- The school uses its unique geographical position to foster deep and ongoing links between The City, banking sector, media, other schools and universities.
- The school community works in partnership with the local community to develop the school as a local school of choice.
- The school is a pioneer in the use of innovative technology for every aspect of the school, from student management, through educational delivery, to school administration.
- The school consistently attracts, retains and nurtures high-quality staff.

During the year the School has worked towards achieving these aims by:
- ensuring that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- recruiting and retaining highly competent teachers ranging from NQTs to specialist subject leaders;
- improving the effectiveness of the Academy by keeping the curriculum and organisational structures under continual review;
- providing value for money for the funds expended;
- complying with all appropriate statutory and curriculum requirements;
- conducting the Academy's business in accordance with the highest standards of integrity; and
- all members of staff working hard together to achieve the aspirational School Development Plan.

Wapping High School is an ambitious community-driven School that brings an inspiring and engaging education to students in East London. Located in an area of significant diversity and challenge, the School aims to deliver better outcomes and broader horizons to young people. The School focuses on personalised learning, tailored to the abilities of every student. The core curriculum sits alongside a diverse enrichment programme, which motivates students and draws out hidden talents.

c. Public benefit

The Governors believe that by working towards the objects and aims of the Trust as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

d. Equal opportunities policy

The Governors recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

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

Strategic report

Achievements and performance

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

The year represented the School's ninth year of operation. In June 2018 the School achieved a Good from its Ofsted inspection which then led to significant increases in the school's popularity and pupil numbers. In its Annual census in October 2018, the School had 227 pupils. In the October 2019 census that number had increased to 285 , in the 2020 census the figure was 297 and this number is now 364 (census October 2021). In the 2019/20 academic year, Covid19 has had a significant impact on the pupil numbers coming to Wapping High however in 2020/21 the pupil numbers have increased from 297 to 364.

School leaders are split into individual focus teams i.e. Learning, Curriculum, Progress and Achievement and Safeguarding and Learning Support e.g. SEND. SLT and the E (Extended) SLT hold each other to account effectively within this structure in weekly ESLT and SLT meetings.

An improved and tighter focus on learning, learner achievement and curriculum design is strengthening the School's effectiveness in raising aspirations, broadening horizons and securing better outcomes for students. In addition, the support staff team were enhanced by the introduction of new roles aimed at strengthening existing functions and building appropriate areas of business expertise.

In the last academic year we have achieved the following:

- The School continues to build on achieving its Ofsted Good grade in its formal Section 5 inspection in June 2018 and all Leaders, Governors and Staff are fully committed to the school's continuing improvement towards Outstanding.
- New GCSE and BTEC specifications are now established across the full range of the curriculum. Key stage 3 learning has also been expanded with the introduction of discrete IT and RS. The school has also now been able to introduce Mandarin Chinese into the Year 7. The introduction of Mandarin has been achieved through additional funding received from the DFE. (See Mandarin Excellence Programme)
- Students performed very well across the curriculum in the 2020, reflected by their strong GCSE results. 20% of students achieved 5 or more Grade 7's or better and that 22% of students achieved at least one grade 9.
- Students once again performed very strongly in English and maths, exceeding our targets in 2020.
- All leavers went onto meaningful career or extended learning opportunities i.e. 0% NEETs.
- Local, national and international supportive partnerships have continued to be strengthened to support the whole School's progress and effectiveness.
- The current 3 year School Development Plan is a planning document which is a combination of a drive for higher standards coupled with a complimentary drive to fully achieve the school's founding vision. The new SDP builds on the successes of the previous 3 year School Development Plan which was originally launched in July 2017.

The school has also partnered with schools in New York and India and 10 Year 8 students with accompanying staff had secured British Council funding for a school trip to the USA in March 2020. However due to Covid19 those trips had to be cancelled. This trip is currently being reorganised.

The school also has a memorandum of understanding with an outstanding Indian school in Pune, near Mumbai who is developing project based learning and staff training opportunities with WHS. The school is now seeking to secure International school status this year.

Although Covid restrictions have hampered here, all subject departments have been encouraged to provide an external visit opportunity for all students to provide a more contextualised approach to learning.
Since the Headteacher/Accounting Officer was permanently appointed in October 2017, the School has made significant steps forward under the new leadership and the new Ofsted grade Good achieved in June 2018 was a significantly positive step forward for the school.

The School continues to deliver an enhanced and ever improving curriculum focused on developing learners'

Strategic report (continued)

Achievements and performance (continued)

independent learning skills with a tone of discovery through curiosity.

Science, Technology, ICT, Engineering, Arts and Maths (STEAM) learning accessed through Digital access techniques continues to form a core of all learning at the school particularly at Key Stage 3. An underlying emphasis on STEAM, having Digital technology skill and understanding and developing learners with enhanced inter and intra personal confidence is a distinct identity of the School.

The school's new enhanced approach to the provision of higher quality Enrichment experiences within the timetable is improving students' enjoyment of the overall provision and is being enjoyed by both students and staff alike. In doing so is also proving to be a significant contributing factor in improving student and staff wellbeing at the school.

b. Going concern

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

Financial review

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding agency (ESFA). For the year ended 31 August 2021, the Trust received £3,441,410 of GAG and other funding (excluding capital funding). A high percentage of this funding is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £3,543,247 (excluding capital expenditure).

The Trust brought forward from 2019/20, £189,303 restricted funding (excluding pension reserve and capital) and £180,199 unrestricted funding. The carry forward for 2020/21 is £43,450 restricted funding (excluding pension reserve and capital) and £237,935 unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a pension fund deficit of £182,000. This does not mean that an immediate liability for this amount crystallises and the figure of £182,000 is a decrease compared to last year's fund deficit of £90,000.

The Trust held fund balances as at 31 August 2021 of £3,464,713 comprising £43,450 of restricted funds (excluding pension reserve), restricted fixed asset funds of £3,365,328, a pension reserve deficit of £182,000 and £237,935 of unrestricted general funds. Staffing costs are closely monitored, as these are the largest expenditure items, to ensure the Trust maintains balanced budgets in future years.

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

a. Reserves policy

The Governors are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Governors have targeted a reserve of the equivalent of 1 month's expenditure as a contingency fund.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £237,935 (2020 – £180,199).

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2021 was £43,450 (2020 - £189,303).

The cash balance of the Academy has been very healthy all year, ending the year with a balance of £313,847. The cash balance will be required to finance the School through the 2020/21 financial year.

b. Investment policy

At present the Trust has insufficient funds to warrant a formal investment policy.

c. Principal risks and uncertainties

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

- Financial – The 2019/20 budget revised budget is being funded on a roll of 285. This means that ongoing fixed costs remain high and challenging as a proportion of overall costs. The Governors and the School must therefore manage and control all expenditure with a view to the medium term impact, balancing the need to invest with the need for flexibility. Governors are aware of the high staffing costs that the Trust is currently incurring pre potential staffing restructure in March 21.

- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Governors continue to review and ensure that appropriate measures are in place to mitigate these risks.

- Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Governors ensure that student success and achievement are closely monitored and reviewed.

- Safeguarding and child protection - the Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

- Staffing - the success of the Academy is reliant on the quality of its staff and so the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

- Fraud and mismanagement of funds - The Governors carried out a significant review of financial procedures that were in place during the accounting year and have appointed an Internal Auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook for future years.

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

Plans for future periods

Wapping High School continues to strive to improve levels of attainment for all students, equipping them with the qualifications, skills and character to follow their chosen pathway, whether into further and higher education or employment.

The curriculum, the quality of teaching and learning and informed interventions are kept constantly under close review to help every child achieve their full potential.

The Academy retains its belief that developing the whole child is critical to improving levels of achievement and in developing broader skills and character that will develop students' commitment to lifelong learning and enrich their overall quality of life through a love of learning and research. To this extent, the Academy strives to provide exceptional behaviour and attendance management support to its students and to offer a broad range of enrichment activities which form part of the core curriculum. The Academy will continue to raise standards for all students and the school improvement foci and strategies remain targeted on ensuring that all students are supported to make progress towards their aspirational targets.

A continuing project-based learning approach currently underpins the teaching of Humanities in Year 7 and Year 8 (REAL learning) and was extended in 2017/2018 into Year 7 into the teaching of Science, Technology, Engineering/Design, The Arts and Mathematics (STEAM) and continues to be developed. All Key Stage 3 students in Years 7 and 8 experience a well-planned and delivered Project Based Learning based 'Workshop Wednesday' curriculum to develop their wider skill sets.

The Key Stage 3 curriculum working group is focused on ensuring that REAL and STEAM priorities and foci become a mainstay of the learning experience at Wapping High School. The roll-out of leased individual Chromebooks for Year 7 students will continue with the vision that all students at the School enhance their learning using digital technologies. Year groups 7, 8 and 9 have all had the opportunity to purchase a Chromebook as the Chromebook rollout programme has been running for 3 years. Additional Chromebooks, and higher powered Chromebooks for specialist subject use, are held on site for students to sign out to further support their learning.

Funds held as custodian on behalf of others

No funds held.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 19 April 2023 and signed on its behalf by:

Dr K S Comley
(Chair of Trustees)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal, 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 The Wapping and Shadwell Secondary Education Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

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

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

Trustee	Meetings attended	Out of a possible
Dr K S Comley, Chair	0	0
Mr J B Cheyne	0	0
Ms J Varley	0	0
Mr J S Dhoot	0	0
Mr J L Kemp	0	0
Ms L Mills	0	0
Mr G Nelson, Head Teacher	0	0
Ms M Shah	0	0
Ms T Ingram	0	0
Ms M McMahon	0	0

The oversight and review by the Board remains similar to previous years, relying in the main on Headteacher Reports and specific reports by the Chairs of its sub committees (following meetings of those sub committees), challenging those reports as and where necessary and seeking further information and clarification to enable it to discharge its duties in a satisfactory manner. Documents produced for meetings of the sub committees are made available to all trustees to facilitate direct interrogation by individual trustees should they so wish. Wapping High allocates link governors to support the running of the school in areas where they have specific expertise so they can report back to the FGB on those specialist areas and explain how governors can best provide support

The Board is satisfied that this process is sufficiently robust for it to conclude that it has properly fulfilled its Governance duties.

Review of value for money

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

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

- During 2020/21 Wapping High received a donation of 36 Chromebooks from the Worshipful Company of Bakers and 50 Chromebooks from the DFE as part of its Covid response. Wapping High has significantly increased its stock of Chromebooks over the year and was able to loan ICT equipment to pupils during Covid Lockdowns. We are currently updating our wireless infrastructure and our Network Manager is in negotiation with ComputerTalk to carry out this work.
- Wapping High has wanted to replace its existing lighting for LED lights for a number of years but we did not have the necessary funding to carry out the work. We experience very high costs with our existing lighting and it is not energy efficient. We have now obtained a grant of £30,000 from LBTH to carry out this work.

By upgrading to LED lighting we expect to obtain the following benefits

- Lower CO2 reducing our carbon footprint
- Reduced maintenance costs
- Improved lighting with no flicker and minimal glare so a better learning environment making teaching a far better experience
- Intelligent lighting options including sensors and timers to dim or turn off lights when an area is not in use
- During 2019/20 Covid19 significantly impacted on Wapping High's pupil numbers and the number of pupils in the school on census date in October 2020 (297) was much less than the school planned for. During 2020/21 our in-year admissions improved to such an extent that we were able to apply for and were granted an additional £201,000 of funding from the ESFA. Our pupil numbers are growing year on year and in our census in October 2021 we recorded 364 pupils on roll.
- During 2019/20 Wapping High had staffed up to cope with the anticipated increase in pupil numbers so even though there has been a big increase in pupil numbers there has been very little change in staffing levels. However the school has had to invest in its infrastructure with the addition of 2 extra classrooms, 2x interactive screens and 2 x additional laptop trolleys.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Wapping and Shadwell Secondary Education Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

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

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

The Board of Trustees has decided to buy-in an internal audit service from SRMA

The reviewer's role includes giving advice on financial and other matters and performing a range of checks on the Academy's financial systems. In particular, the checks carried out in the current period included [insert details of the checks carried out.]

On a quarterly basis, the reviewer reports to the Board of Trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The Board of Governors understands that following the new Ethical Standards, new internal scrutiny arrangements will need to be made for next year

Review of effectiveness

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

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

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

Approved by order of the members of the Board of Trustees on 19 April 2023 and signed on their behalf by:

Dr K S Comley
Chair of Trustees

Mr G Nelson
Accounting Officer

THE WAPPING AND SHADWELL SECONDARY EDUCATION TRUST

(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

Gary Nelson
Accounting Officer
Date: 19 April 2023

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:

Dr K S Comley
(Chair of Trustees)
Date: 19 April 2023

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE WAPPING AND SHADWELL SECONDARY EDUCATION TRUST

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE WAPPING AND SHADWELL SECONDARY EDUCATION TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE WAPPING AND SHADWELL SECONDARY EDUCATION TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE WAPPING AND SHADWELL SECONDARY EDUCATION TRUST (CONTINUED)

Use of our report

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

Landau Baker Limited
Chartered Accountants
Statutory Auditors
Mountcliff House
154 Brent Street
London
NW4 2DR

19 April 2023

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WAPPING AND SHADWELL SECONDARY EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 1 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Wapping and Shadwell Secondary Education Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Wapping and Shadwell Secondary Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Wapping and Shadwell Secondary Education Trust's funding agreement with the Secretary of State for Education dated [enter date here] and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

Conclusion

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

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE WAPPING AND SHADWELL SECONDARY EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Reporting Accountant
Landau Baker Limited
Chartered Accountants
Statutory Auditors

Date: 19 April 2023

THE WAPPING AND SHADWELL SECONDARY EDUCATION TRUST

(A company limited by guarantee)

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:						
Donations and capital grants	2	**-**	**-**	**9,358**	**9,358**	*9,223*
Other trading activities		**68,942**	**-**	**-**	**68,942**	*37,305*
Investments	5	**55**	**-**	**-**	**55**	*35*
Charitable activities		**16,168**	**3,916,612**	**-**	**3,932,780**	*3,439,725*
Total income		**85,165**	**3,916,612**	**9,358**	**4,011,135**	*3,486,288*
Expenditure on:						
Charitable activities		**-**	**3,595,430**	**314,463**	**3,909,893**	*3,909,122*
Total expenditure		**-**	**3,595,430**	**314,463**	**3,909,893**	*3,909,122*
Net movement in funds before other recognised gains/(losses)		**85,165**	**321,182**	**(305,105)**	**101,242**	*(422,834)*
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes		**-**	**-**	**-**	**-**	*(59,000)*
Net movement in funds		**85,165**	**321,182**	**(305,105)**	**101,242**	*(481,834)*
Reconciliation of funds:						
Total funds brought forward		**237,935**	**(138,550)**	**3,365,328**	**3,464,713**	*3,946,547*
Net movement in funds		**85,165**	**321,182**	**(305,105)**	**101,242**	*(481,834)*
Total funds carried forward		**323,100**	**182,632**	**3,060,223**	**3,565,955**	*3,464,713*

THE WAPPING AND SHADWELL SECONDARY EDUCATION TRUST

(A company limited by guarantee)
REGISTERED NUMBER: 07412515

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note		2022 £		*2021 £*
Fixed assets					
Tangible assets	12		**3,052,849**		*3,365,328*
Current assets					
Debtors	13	**203,251**		*140,552*	
Cash at bank and in hand		**469,820**		*313,847*	
		673,071		*454,399*	
Creditors: amounts falling due within one year	14	**(159,965)**		*(173,014)*	
Net current assets			**513,106**		*281,385*
Total assets less current liabilities			**3,565,955**		*3,646,713*
Net assets excluding pension asset / liability			**3,565,955**		*3,646,713*
Defined benefit pension scheme asset / liability			**-**		*(182,000)*
Total net assets			**3,565,955**		*3,464,713*
Funds of the Academy					
Restricted funds:					
Fixed asset funds	15	**3,060,223**		*3,365,328*	
Restricted income funds	15	**182,632**		*43,450*	
Restricted funds excluding pension asset	15	**3,242,855**		*3,408,778*	
Pension reserve	15	**-**		*(182,000)*	
Total restricted funds	15		**3,242,855**		*3,226,778*
Unrestricted income funds	15		**323,100**		*237,935*
Total funds			**3,565,955**		*3,464,713*

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 22 to 44 were approved by the Trustees, and authorised for issue on 19 April 2023 and are signed on their behalf, by:

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

Dr K S Comley
(Chair of Trustees)

The notes on pages 26 to 44 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	*2021 £*
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	17	**157,902**	*(104,424)*
Cash flows from investing activities	18	**(1,929)**	*(6,097)*
Change in cash and cash equivalents in the year		**155,973**	*(110,521)*
Cash and cash equivalents at the beginning of the year		**313,847**	*424,368*
Cash and cash equivalents at the end of the year	19, 20	**469,820**	*313,847*

The notes on pages 26 to 44 form part of these financial statements

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

The Wapping and Shadwell Secondary Education Trust meets the definition of a public benefit entity under FRS 102.

The Academy's functional and presentational currency is Pounds Sterling.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern.

Following the year end the Trust has been affected to a limited extent by restrictions imposed by the UK Government in response to the COVID-19 pandemic. The Trust derives the majority of its income from local and national government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State of Education.

Management have prepared forecasts and budgets for the Trust through to the end of the 2021/22 financial year. The forecasts highlight additional costs based on a significant increase in pupil numbers as of the January 2021 census, and a potential deficit in early 21/22 financial year. The Trust has applied to the EFSA for, and been granted, additional funding for these additional costs.

Accordingly, the Trustees have made this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and; subject to the material uncertainty on receipt and timing of accelerated growth funding, have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fund accounting

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

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

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

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

1. Accounting policies (continued)

1.4 Company status

The Academy is a Company limited by guarantee. The Members are noted on page 3. In the event of the Academy being wound up, the liability in respect of the guarantee is limited to £10 per Member.

1.5 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

1.6 Expenditure

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

- **Charitable activities**

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

  All resources expended are inclusive of irrecoverable VAT.

1. Accounting policies (continued)

1.6 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

1.7 Interest receivable

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

1.8 Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Leasehold improvements	-		Over the lease term of 20 years
Furniture and equipment	-	20%	and 10% straight line
Computer equipment	-	25%	straight line
Assets under construction	-	20%	straight line
Catering equipment	-		

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

1.9 Operating leases

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

1. Accounting policies (continued)

1.10 Taxation

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

1.11 Debtors

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

1.12 Cash at bank and in hand

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

1.13 Liabilities

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

1.14 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1. Accounting policies (continued)

1.15 Pensions

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

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

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

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

2. Income from donations and capital grants

	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Donations	-	-	**-**	*135*
Capital Grants	-	9,358	**9,358**	*9,088*
	-	9,358	**9,358**	*9,223*
Total 2021	*135*	*9,088*	*9,223*	

In 2022, income from donations was £nil (2021: £135), all of which was restricted.

In 2022, capital grants of £9,358 (2021 - £9,088) were in relation to restricted fixed assets

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

3. Funding for the Academy's charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Provision of education				
DfE/ESFA grants				
General Annual Grant (GAG)	-	3,510,702	**3,510,702**	*2,932,767*
Other DfE/ESFA grants				
Other Dfe/ESFA grants	-	129,249	**129,249**	*72,374*
Pupil Premium	-	147,587	**147,587**	*144,642*
Teacher's Pay grant	-	-	**-**	*23,855*
Teacher's Pension grant	-	-	**-**	*78,301*
Other grants non ESFA	-	53,500	**53,500**	*-*
	-	3,841,038	**3,841,038**	*3,251,939*
Other Government grants				
Local authority grants	-	75,574	**75,574**	*79,832*
	-	75,574	**75,574**	*79,832*
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	-	**-**	*43,546*
Academy Emergency Support	-	-	**-**	*23,267*
	-	-	**-**	*66,813*
Other funding				
Catering income	16,168	-	**16,168**	*41,141*
	16,168	-	**16,168**	*41,141*
	16,168	3,916,612	**3,932,780**	*3,439,725*
	16,168	3,916,612	**3,932,780**	*3,439,725*
Total 2021	*41,141*	*3,398,584*	*3,439,725*	

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

4. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Lettings	42,281	**42,281**	*10,207*
Other activities	26,661	**26,661**	*27,098*
	68,942	**68,942**	*37,305*
Total 2021	*37,305*	*37,305*	

In 2022, income from facilities and services was £42,281 (2021: £37,305) of which all was unrestricted.

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Bank interest	55	**55**	*35*
Total 2021	*35*	*35*	

In 2022, income from bank interest was £55 (2021: £35), all of which was unrestricted.

6. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	*Total 2021 £*
Provision of education:					
Direct costs	1,733,637	-	240,306	**1,973,943**	*2,135,441*
Allocated support costs	610,569	841,698	483,683	**1,935,950**	*1,773,681*
	2,344,206	841,698	723,989	**3,909,893**	*3,909,122*
Total 2021	*2,642,537*	*699,208*	*567,377*	*3,909,122*	

6. Expenditure (continued)

In 2022, of the total expenditure, £nil (2021 - £20,745) was from unrestricted funds, £3,777,430 (2021 - £3,571,440) was from restricted funds and £314,463 (2021 - £316,937) was from restricted fixed asset funds.

In 2022, direct expenditure consisted of £1,915,637 (2021:£1,924,801) staff costs, and £240,306 (2021: £210,640) other costs.

In 2022, support expenditure consisted of £610,569 (2021:£561,055) staff costs, £841,698 (2021:£1,007,058) premises costs and £483,683 (2021: £330,528) other costs.

7. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	**Support costs 2022 £**	**Total funds 2022 £**	*Total funds 2021 £*
Provision of education	1,973,943	1,935,950	**3,909,893**	*3,909,122*
Total 2021	*2,135,441*	*1,773,681*	*3,909,122*	

Analysis of direct costs

	Total funds 2022 £	*Total funds 2021 £*
Staff costs	**1,733,637**	*2,038,179*
Educational consultancy	**92,802**	*50,131*
Educational supplies	**37,731**	*20,434*
Examination fees	**13,060**	*9,950*
Other staff costs	**18,918**	*11,582*
Other	**77,795**	*5,165*
	1,973,943	*2,135,441*

Analysis of support costs

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

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Total funds 2022 £	*Total funds 2021 £*
Pension finance costs	**-**	*2,000*
Staff costs	**610,569**	*604,358*
Depreciation	**314,463**	*307,850*
Technology costs	**49,483**	*57,234*
Premises costs	**841,698**	*699,208*
Other staff costs	**6,987**	*-*
Other support costs	**53,434**	*55,760*
Governance costs	**59,316**	*47,271*
	1,935,950	*1,773,681*

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	*2021 £*
Operating lease rentals	**454,616**	*455,519*
Depreciation of tangible fixed assets	**314,463**	*307,849*
Fees paid to auditors for:		
- audit	**6,950**	*9,500*
- other services	**2,255**	*5,050*

9. Staff

a. Staff costs

9. Staff (continued)

Staff costs during the year were as follows:

	2022 £	*2021 £*
Wages and salaries	**1,915,079**	*1,936,198*
Social security costs	**210,872**	*204,047*
Pension costs	**114,872**	*473,038*
	2,240,823	*2,613,283*
Agency staff costs	**103,383**	*29,254*
	2,344,206	*2,642,537*

Staff restructuring costs comprise:

b. Severance payments

The Academy paid - severance payments in the year, disclosed in the following bands:

	2022 No.
£0 - £25,000	**1**

c. Staff numbers

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

	2022 No.	*2021 No.*
Teachers	**28.0**	*23.0*
Administration and support	**17.0**	*17.0*
Management	**1.0**	*1.0*
	46.0	*41.0*

d. Higher paid staff

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

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

9. Staff (continued)

d. Higher paid staff (continued)

	2022 No.	*2021 No.*
In the band £60,001 - £70,000	**6**	*5*
In the band £100,001 - £110,000	**1**	*1*

e. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £720,818 *(2021 - £687,633)*. Included in the above are employer National Insurance contributions of £56,498 (2021 - £60,278) and employer pension contributions of £111,646 (2021 - £120,067)

10. Trustees' remuneration and expenses

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

		2022 £	*2021 £*
Mr G Nelson, Head Teacher	Remuneration	**100,000 - 105,000**	*100,000 - 105,000*
	Pension contributions paid	**20,000 - 25,000**	*20,000 - 25,000*

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

11. Trustees' and Officers' insurance

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

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

12. Tangible fixed assets

	Short-term leasehold property £	Furniture and equipment £	Computer equipment £	Catering equipment £	Total £
Cost or valuation					
At 1 September 2021	**5,462,066**	**132,763**	**118,895**	**72,777**	**5,786,501**
Additions	**-**	**1,984**	**-**	**-**	**1,984**
At 31 August 2022	**5,462,066**	**134,747**	**118,895**	**72,777**	**5,788,485**
Depreciation					
At 1 September 2021	**2,184,320**	**94,091**	**69,985**	**72,777**	**2,421,173**
Charge for the year	**273,103**	**22,630**	**18,730**	**-**	**314,463**
At 31 August 2022	**2,457,423**	**116,721**	**88,715**	**72,777**	**2,735,636**
Net book value					
At 31 August 2022	**3,004,643**	**18,026**	**30,180**	**-**	**3,052,849**
At 31 August 2021	*3,277,746*	*38,672*	*48,910*	*-*	*3,365,328*

13. Debtors

	2022 £	*2021 £*
Due within one year		
Other debtors	**49,095**	*23,787*
Prepayments and accrued income	**154,156**	*116,765*
	203,251	*140,552*

14. Creditors: Amounts falling due within one year

	2022 £	*2021 £*
Trade creditors	**54,903**	*37,382*
Other taxation and social security	**53,112**	*55,351*
Other creditors	**40,000**	*36,986*
Accruals and deferred income	**11,950**	*43,295*

14. Creditors: Amounts falling due within one year (continued)

	2022 £	*2021* *£*
	159,965	*173,014*

	2022 £	*2021* *£*
Deferred income at 1 September 2021	**26,688**	*22,532*
Resources deferred during the year	**-**	*26,688*
Amounts released from previous periods	**(26,688)**	*(22,532)*
	-	*26,688*

Deferred income totalling £nil (2021 - £26,688) is recognised at 31 August 2022. This is comprised of rates relief income received in advance for the 7 months following year end.

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

15. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
Unrestricted funds				
General Funds - all funds	**237,935**	**85,165**	**-**	**323,100**
Restricted general funds				
Restricted Funds - all funds	**43,450**	**3,916,612**	**(3,777,430)**	**182,632**
Pension reserve	**(182,000)**	**-**	**182,000**	**-**
	(138,550)	**3,916,612**	**(3,595,430)**	**182,632**
Restricted fixed asset funds				
Class II Restricted Funds - all funds	**3,365,328**	**9,358**	**(314,463)**	**3,060,223**
Total Restricted funds	**3,226,778**	**3,925,970**	**(3,909,893)**	**3,242,855**
Total funds	**3,464,713**	**4,011,135**	**(3,909,893)**	**3,565,955**

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

Unrestricted funds

This represents income the Academy can use to pursue any of its objectives as defined in the Articles of Association without restriction.

General Annual Grant (GAG)

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

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Pupil Premium

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

Educational Trips

This represents contributions made by parents to the running of educational visits for the pupils of the Academy and the associated costs of running the trips.

EAG (Free School Rent)

15. Statement of funds (continued)

This is an ear-marked grant from the ESFA to cover the costs of renting the premises used by the Academy.

Other DfE/ESFA grants

This represents funding received from the DfE/ESFA that is restricted in nature.

Other Governmetn grants

This relates to funding for the Summer School, rates and insurance income.

Restricted fixed assets

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

Devolved Formula Capital (DFC)

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

Transfers

This transfer represents the amount of capital expenditure that was made from general funds as there was no specific capital or other grant available.

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

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

15. Statement of funds (continued)

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

	Balance at 1 September 2020 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2021* £
Unrestricted funds						
Unrestricted funds	*180,199*	*78,481*	*(20,745)*	*-*	*-*	*237,935*
Restricted general funds						
GAG	*189,303*	*2,487,767*	*(2,627,488)*	*(6,132)*	*-*	*43,450*
Other Dfe/EFA grants	*-*	*241,343*	*(241,343)*	*-*	*-*	*-*
Other Government grants	*-*	*79,832*	*(79,832)*	*-*	*-*	*-*
EAG (Free School Rent)	*-*	*445,000*	*(445,000)*	*-*	*-*	*-*
Pupil Premium	*-*	*144,642*	*(144,642)*	*-*	*-*	*-*
Restricted donations	*-*	*135*	*(135)*	*-*	*-*	*-*
Pension reserve	*(90,000)*	*-*	*(33,000)*	*-*	*(59,000)*	*(182,000)*
	99,303	*3,398,719*	*(3,571,440)*	*(6,132)*	*(59,000)*	*(138,550)*
Restricted fixed asset funds						
DFC	*-*	*9,088*	*(9,088)*	*-*	*-*	*-*
Restricted Fixed asset fund	*3,667,045*	*-*	*(307,849)*	*6,132*	*-*	*3,365,328*
	3,667,045	*9,088*	*(316,937)*	*6,132*	*-*	*3,365,328*
Total Restricted funds	*3,766,348*	*3,407,807*	*(3,888,377)*	*-*	*(59,000)*	*3,226,778*
Total funds	*3,946,547*	*3,486,288*	*(3,909,122)*	*-*	*(59,000)*	*3,464,713*

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

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	3,052,849	**3,052,849**
Current assets	323,100	342,597	7,374	**673,071**
Creditors due within one year	-	(159,965)	-	**(159,965)**
Total	323,100	182,632	3,060,223	**3,565,955**

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	*Restricted funds 2021 £*	*Restricted fixed asset funds 2021 £*	*Total funds 2021 £*
Tangible fixed assets	-	-	*3,365,328*	*3,365,328*
Current assets	*237,935*	*216,464*	-	*454,399*
Creditors due within one year	-	*(173,014)*	-	*(173,014)*
Provisions for liabilities and charges	-	*(182,000)*	-	*(182,000)*
Total	*237,935*	*(138,550)*	*3,365,328*	*3,464,713*

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

17. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2022 £	2021 £
Net income/(expenditure) for the year (as per Statement of financial activities)	**101,242**	*(422,834)*
Adjustments for:		
Depreciation	**314,463**	*307,849*
Interest receivable	**(55)**	*(35)*
Defined benefit pension scheme obligation inherited	**(182,000)**	*33,000*
Increase in debtors	**(88,797)**	*(14,860)*
Increase/(decrease) in creditors	**13,049**	*(7,544)*
Net cash provided by/(used in) operating activities	**157,902**	*(104,424)*

18. Cash flows from investing activities

	2022 £	2021 £
Purchase of tangible fixed assets	**(1,984)**	*(6,132)*
Interest received	**55**	*35*
Net cash used in investing activities	**(1,929)**	*(6,097)*

19. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	**469,820**	*313,847*
Total cash and cash equivalents	**469,820**	*313,847*

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

20. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	**313,847**	**155,973**	**469,820**
	313,847	**155,973**	**469,820**

21. Operating lease commitments

At 31 August 2022 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	*2021 £*
Not later than 1 year	**447,998**	*456,103*
Later than 1 year and not later than 5 years	**1,993,297**	*1,960,891*
Later than 5 years	**3,304,705**	*3,257,720*
	5,746,000	*5,674,714*

22. Members' liability

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

23. Related party transactions

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

No related party transactions took place during the year, other than certain Trustees' remuneration and expenses already disclosed in note 12.