

Registration number: 07737398

Mellor Primary School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2023

Mellor Primary School

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Mellor Primary School

Reference and administrative details

Members	M Barley
	L Gwyther
	T Howling
	J Longworth
	S Pollard
Trustees (Directors)	D Hoult (Chair)
	R Humphrey-Taylor (resigned 31 August 2023)
	J E Nicholson, (Headteacher and Accounting Officer)
	P Armstrong
	L Ashton
	H Greatorrex
	L Gwyther (resigned 31 August 2023)
	D Johnson (Vice Chair)
	K Scott
	K Aldred (resigned 31 August 2023)
	C Turnbull (appointed 1 September 2023)
	R Winterbottom (appointed 1 September 2023)
	P Bason (appointed 1 September 2023)
Company Secretary	E Wyborn
Senior Management Team	J E Nicholson, Headteacher
	G Parkin, Deputy Headteacher
	E Wyborn, School Business Manager

Mellor Primary School

Reference and administrative details (continued)

Company Registration Number 07737398

External Auditor Beever and Struthers
Chartered Accountants and Statutory Auditors
One Express
1 George Leigh Street
Manchester
M4 5DL

Bankers Lloyds Bank Plc
60-62 Merseyway Shopping Centre
Stockport
SK1 1PL

Principal and Registered Office Knowle Road
Mellor
Stockport
Cheshire
SK6 5PL

Mellor Primary School

Trustees' Report for the Year Ended 31 August 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2023. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The trust operates an academy for pupils aged 3 - 11, including a 16 part-time place Nursery. It has a pupil capacity of 226 (including Nursery) and had on roll 230 in the school census for January 2023.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Mellor Primary School are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Mellor Primary.

Details of the trustees who served during the year are included in the Reference and Administrative Details on pages 1 and 2.

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, as required in the Academy Trust's funding agreement, for the debts and liabilities contracted before they ceased to be a Member.

Trustees' indemnities

The Companies Act 2006 s236 requires disclosure concerning qualifying third party indemnity provisions. There are no third party provisions.

Mellor Primary School

Trustees' Report for the Year Ended 31 August 2023 (continued)

Method of recruitment and appointment or election of Trustees

These arrangements are set out in the Academy's Articles and Funding Agreement which follow the DfE's Academy Articles of Association Model One (Version Feb 2016). Please visit the school website to view the Funding Agreement

The Articles of Association require the Members of the charitable company to appoint at least three Members to be responsible for the statutory and constitutional affairs of the charitable company and the management of the academy.

The members of the academy shall comprise:

- a) the signatories to the Memorandum
- b) 1 person appointed by the Secretary of State, in the event that the secretary of State appoints a person for this purpose
- c) any person appointed under Article 16 of the Articles of Association

Trustees are appointed for a minimum of 4 years, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected for a maximum of two terms.

When appointing new Trustees, the Members will consider the skills and experience mix of existing Trustees in order to ensure that the Governing Board has the necessary skills to contribute fully to the Academy's development.

Policies and procedures adopted for the induction and training of Trustees

There is a code of conduct for all Trustees and throughout their tenure Trustees are required to stay up to date with the latest information provided through the National Governance Association. All Members and Trustees have access to a range of training programmes.

The training and induction provided for new Trustees also includes a tour of the Academy and a chance to meet pupils and staff. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Induction tends to be done informally and is tailored specifically to the individual.

Mellor Primary School

Trustees' Report for the Year Ended 31 August 2023 (continued)

Organisational structure

The Full Governing Board meets four times a year. The Governing Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time also establish Working Groups to perform specific tasks a limited timescale.

There are 4 committees as follows;

- Finance and Resources Committee - this meets termly or more frequently if required. It is responsible for monitoring, evaluating and reviewing delegated policies. It inspects the financial position of the school and makes recommendations back to the Full Governing Board on how to improve financial performance. It oversees compliance with reporting and regulatory requirements. This committee is responsible for drafting the annual budget, including reviewing staffing levels. It also incorporates the role of an Audit and Risk Committee.

- Education and Standards Committee - this meets termly or more frequently if required; to monitor, evaluate and review academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.

- Health and Safety Committee - this meets termly or more frequently if required, and is responsible for ensuring the health, safety and welfare of staff, pupils and visitors. It reviews the health and safety policy and receives an annual external audit report. It ensures that all points raised within that audit report are actioned and receives feedback from both support and teaching staff on any health and safety concerns they may have.

- Pay and Performance Management Committee - this meets annually or as required and is responsible for drafting the school's pay policy and monitoring to ensure the aims and objectives of the policy are met.

The following decisions are reserved to the Full Governing Board;

- To consider any proposals for changes to the status or constitution of the Academy and its committee structure
- To approve the Annual Development Plan and budget
- To appoint the Headteacher and Clerk to the Trustees,
- To appoint or remove the Chairman and/or Vice Chairman,

The following decisions are reserved to the Members;

- To take responsibility for the existence and constitution of the trust.
- To sign the memorandum of association and to agree the trust's articles of association.
- To determine the name of the trust.
- The appointment and removal of members and trustees.
- The appointment and removal of the auditors.
- To ensure that the trust's charitable Objects are being met.
- To ensure that the governance of the trust is effective.
- To ensure the success of the trust.
- To receive the board's reviews of its own performance.
- To receive a copy of the annual report and accounts.
- To conduct all business in accordance with the trust's Articles of Association and Code of Conduct.

Mellor Primary School

Trustees' Report for the Year Ended 31 August 2023 (continued)

The Trustees are responsible for

- Ensuring clarity of vision, ethos and strategic direction;
- Holding the headteacher to account for the educational performance of the school and its pupils, and the performance management of staff;
- Overseeing the financial performance of the school and making sure its money is well spent.

The Members and Full Governing Board have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, Deputy Headteacher, and School Business Manager. The SLT implements the policies laid down by the Trustees and report back to them on performance.

The Headteacher is responsible for the appointment of staff, though Trustees often have a part to play in the process.

The Headteacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration is set in line with Mellor Primary's Pay Policy following the DfE's National Pay Scales, the School Teachers' Pay and Conditions Document (STPCD) and the National Joint Council for Local Government Service, where applicable. The terms and conditions for the Performance Management Committee will be determined annually by the Governing Board (School Governance (Procedure) (England) Regulations 2003 (S12003/1377)).

The Headteacher's annual professional review is undertaken by an outside independent assessor together with Trustees who are members of the Pay and Performance Management Committee. Professional reviews for other key management personnel are undertaken by the Headteacher, with the setting of pay formally agreed by the Governing Board Pay and Performance Management Committee.

The Academy's Members and Trustees do not receive any pay remuneration. A small budget is set aside for any Governing Board expenses incurred.

Mellor Primary School

Trustees' Report for the Year Ended 31 August 2023 (continued)

Connected organisations, including related party relationships

Walklate Trust

The object of the charity is to offer financial support to development projects at Mellor Primary and to individuals under the age of 25 who live in the area of benefit. The Trustees may:

- provide finance to support Mellor Primary with projects or educational resources which will benefit the pupils and the community.
- provide financial assistance to individual young people to continue in, or assist entry into, education at school, university or any other educational establishment.
- provide financial assistance to individual young people on leaving school, university or any other educational establishment to prepare for, or assist their entry into, a profession, trade or calling.

Trustees: Mrs D. Herrod, Mrs A. Hodgson, Mr J. Nicholson, Mr T. Lowe, Rev. T Ward, Mrs A Bowker

Friends of Mellor

Is the Parent Teacher Association (PTA) which helps to raise additional funding for the school.

Mellor Primary School works closely with a range of secondary schools as our community embraces children and families from the immediate catchment area of Mellor and Marple, the wider Stockport borough and cross border into Derbyshire. Therefore, to ensure a smooth transition to secondary school, strong relationships exist with Marple Hall School (the local secondary school) and with New Mills Secondary School in Derbyshire.

Mellor Lacrosse Club has permitted use of the Academy's Sports field and there is an informal shared use agreement between them and the Academy. In return, Mellor Sports Club regularly allows use of its facilities to the academy such as use of their car park.

There are no related parties which either control or significantly influence the decisions and operations of Mellor Primary School.

Mellor Primary School

Trustees' Report for the Year Ended 31 August 2023 (continued)

Objectives and activities

Objects and aims

The principal object and activity of the academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities.

The principal object and activity of the Charitable Company is the operation of Mellor Primary to provide free education and care for pupils of different abilities between the ages of 3 and 11.

The aims of the academy during the period ended 31st August 2023 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils
- to provide a broad and balanced curriculum, including extra-curricular activities
- to develop students as more effective learners
- to develop the academy site so that it enables students to achieve their full potential
- to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care
- to improve the effectiveness of the academy by keeping the curriculum and organisational structure under continual review
- to provide value for money for the funds expended
- to develop greater coherence, clarity and effectiveness in school systems
- to comply with all appropriate statutory and curriculum requirements
- to maintain close links with our local community, industry and commerce
- to develop the academy's capacity to manage change, and
- to conduct the academy's business in accordance with the highest standards of integrity, probity and openness.

Mellor Primary aims to inspire children to learn, create and succeed, to be proud of their achievements and become a valued member of society. The Academy intends to enable each child to realise their full academic, creative and physical potential and to develop positive social and moral values. It is a community in which children, staff and parents should be part of a happy and caring environment.

Mellor Primary School

Trustees' Report for the Year Ended 31 August 2023 (continued)

Objectives, strategies and activities

Key priorities were drawn from information gathered in the appraisal cycle; monitoring key developments in education & social research; analysis of assessment data and test outcomes as well children's books, lesson observations and significant challenges and developments in response to changes in Education Policy.

Key priorities for the year are contained in our School Development Plan. Improvement focuses identified for this year include:

- To further develop approaches to effective monitoring of all subjects in response to the Ofsted inspection (Feb 2022).
- To further develop subject leader knowledge.
- To develop knowledge staff knowledge and application of metacognition to enhance effective learning.
- To increase the uptake of professional qualifications in staff to increase levels of professional excellence.
- Develop leadership capacity with all staff to aid the understanding and action in school improvement and the outcomes for pupils.
- Changes to KCSIE to be effectively communicated and understood.
- Ensure safeguarding continues to be effective.
- Teaching staff to undertake practice led research with the University of Manchester in order to further understanding of the effective use of the outdoors to support learning and in particular with the aim to develop writing outcomes.
- Develop curriculum to ensure climate change and digital awareness become an integral part of teaching and learning.
- Embed PERMA practice throughout school and raise awareness and understanding of the approach to mental wellness.
- Ensure pupils play an active part in school improvement and that pupil voice is heard.
- Develop inclusive practice to support children with SEND in the classroom and throughout school
- To ensure the learning environment is enhanced with a capital project to replace windows, doors and remedial roof works

Strategies and activities

- Actively seek building partnerships with other schools, governors and professionals, at local, regional and national level
- Build effective partnerships with key directors and officers in the Local Authority in order to support the LA in its strategic aims for education in Stockport
- Build effective partnerships with trust leaders and professional bodies in the sector to strengthen knowledge and understanding to ever improve the effectiveness of Mellor Primary
- Create a planned schedule of professional development and target the use of human and financial resources to ensure that the professional learning can be then applied to impact upon school improvement
- Develop the knowledge of subject leaders in the early years curriculum and research best practice across the curriculum
- Establish innovation teams working cross phase and staffing roles across the organisation in order to build capacity for leading and implementing change
- Profile staff and governance skill sets and utilise strengths to further school improvement
- Regularly review the deployment of staff to ensure that we operate efficiently and effectively to improve pupil outcomes

Mellor Primary School

Trustees' Report for the Year Ended 31 August 2023 (continued)

Public benefit

Mellor Primary has a specific role to advance for the public benefit, state funded education. Its objective is to manage at its optimum in terms of efficiency and value for money to maximise benefits for learners, to innovate in education and provide access to quality education.

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

Strategic Report

Achievements and performance

1. Self-evaluation places school at least good
2. Professional networks have been expanded and effective relationships have been established with directors and officers in the Local Authority
3. 36% of teaching staff actively participating in recognised national professional qualifications to impact upon working practice and pupil outcomes
4. 37.5% of staff have led the school in elements of school improvement, working in teams of 6. There has been an impact upon the provision of staff professional development structure and behaviour/ management systems.
5. All safeguarding training was undertaken and safeguarding processes remain effective.
6. The staff team worked collaboratively to create the school vision of Independence and LifeLong Learning supported by the values of resilience, respect and responsibility
7. Two staff worked with academics at Manchester University to build the initial findings on the practice led research for learning in the outdoor environment
8. The academy achieved the music mark
9. The academy received the gold award for commitment to PE
10. The curriculum has a progressive thread of learning regarding climate change, across the academy
11. Applications for pupil places remains high - cross boundary flow statistics show that there were 9 children in the catchment area and there were 30 children accepted for the reception class 2022-23
12. Attendance was 96.52%
13. Staff vacancies were filled, employing suitably qualified, talented additions to the team

Mellor Primary School

Trustees' Report for the Year Ended 31 August 2023 (continued)

14. Prudent financial management has meant that staffing numbers have remained relatively stable. Changes in staffing reflected a change in pupil funding.

15. The school benefited from remedial roof works undertaken, new windows and doors therefore improving the learning environment and efficiencies within the building.

16. Forest school attracted work with pre-school children, parties for children and provision for other schools.

17. Outcomes for phonics remained high with 87.5% of the children achieving the check

18. KS1 attainment outcomes have shown improvement compared to 2022 and in all disciplines outcomes are above national and local averages.

19. External statutory assessments returned for Key Stage two provided a strong data set. Results in tests for reading, mathematics and grammar/punctuation and spelling showed outcomes above national averages and in some cases significantly above national outcomes. Outcomes for writing were in line with national averages.

A Summary Table to Show KS1 outcomes 2023

ExS+ = Percentage of children achieving or exceeding the expected national standard

GD = Percentage of children working above the expected national standard

Subject	National		Local Authority		Mellor Primary	
	Attainment		Attainment		Attainment	
	ExS +	GD	ExS +	GD	ExS +	GD
Reading	68.3	18.8	70.2	24.1	83.9	25.8
Writing	60.1	8.2	61.8	10.2	64.5	12.9
Maths	70.4	16.4	72.2	18.9	80.6	19.4

Mellor Primary School

Trustees' Report for the Year Ended 31 August 2023 (continued)

A Summary Table to Show KS2 SAT results 2023

	National			LA			Mellor			Mellor
Subject	Attainment			Attainment			Attainment			Progress
	ExS+	GD	Average Scale Score	ExS+	GD	Average Scale Score	ExS+	GD	Average Scale Score	
Reading	72.6	29	105.1	75.2	31.5	105.6	86.2	55.2	110	+4.78 sig+
Writing	71.5	13.3	NA	73.3	14.9	NA	72.4	10.3	NA	-1.05 (average spread)
Spelling/Punc/ Grammar	72.3	30	104.9	74.8	31.8	105.5	89.7	48.3	108.3	NA
Maths	72.8	23.8	104.2	75.2	27.6	104.9	86.2	31	106.8	+2.55
R/W/M	59.4	8	NA	61.4	9.4	NA	69	7	NA	NA

Going concern

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

Promoting the success of the company

The Trustees recognise the need to promote the success of the Academy through fostering good relationships with all stakeholders. Trustees value the Nolan principles and take great steps to ensure that the principles are woven into every policy and that the academy is fair and honest in its dealings with all other parties.

The Trustees actively monitor, and mitigate where necessary, the impact that the Academy's operations may have on the community and local environment.

The Trustees carefully consider the potential consequences of their decisions and the possible impact that their business conduct may have on the academy's reputation, its pupils, staff and wider community in the short and long term.

Mellor Primary School

Trustees' Report for the Year Ended 31 August 2023 (continued)

Financial review

Most of the Academy's income is obtained from the DfE via the ESFA, which is currently through Stockport Local Authority's Funding Formula, in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31st August 2023 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives Devolved Formula Capital grants for capital expenditure from the DfES, which is shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. In accordance with Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities SORP 2019 (FRS102)'. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31st August 2023, expenditure of £1,249k was covered by recurrent grant funding from the DfE. Other incoming resources totalled £134k, with associated expenditure of £103k.

At 31st August 2023 the net book value of fixed assets was £2,415k and movements in tangible fixed assets are shown in note 10 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. The School building was professionally valued on 4th October 2011 at £2,000,000. An extension to the school building was completed in 2019 with a final valuation of £590,934. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Academy has received an asset in relation to the Local Government Pension Scheme (LGPS) in respect of its non-teaching staff. The asset is incorporated within the Statement of Financial Activity with details in note 21 to the financial statements. A surplus or deficit position of the LGPS would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The annual actuarial report is produced by Hymans Robertson LLP.

Income generation provided by Out of School Care has improved since the return to full time education. The organisation has continued to monitor the numbers of families using the facility. The pattern of working practice for families remains fluid. In order to support the community and the financial sustainability of the OOSC, the use of the facility has been extended to children of nursery age.

Friends of Mellor (PTA) continued their fundraising activities and the contribution to school was welcomed.

The Trustees have appointed the services of a senior internal auditor through Stockport Metropolitan Borough Council, as our Internal Auditor, to provide independent oversight of the Academy's financial affairs and undertake a programme of internal checks on financial controls. During the year, the Trustees received reports from the Internal Auditor which contained no matters of significance.

Mellor Primary School

Trustees' Report for the Year Ended 31 August 2023 (continued)

Reserves policy

The academy's policy is to carry forward a prudent level of resources. To that end, the academy will aim to maintain reserves at a level between 5% and 10% of annual income. The policy will be subject to annual review.

The level of reserves held at 31st August 2023 total £2,593k or £152k excluding the fixed asset and pension funds.

Investment policy

The Academy aims to manage its cash balances to provide for the day to day working requirements of its operations, whilst protecting the real long term value of any surplus cash balances against inflation. The Academy currently operates a 32 Day Deposit Account through Lloyds Bank. The School does not consider the investment of funds as a primary activity, rather as a result of good stewardship as and when circumstances allow.

Any funds designated for a particular resource will be 'ring fenced' and may be maintained across several financial years depending on the anticipated cost.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Day to day management of any surplus funds is delegated to the Headteacher and School Business Manager within strict guidelines approved by the Governing Board.

Principal risks and uncertainties

The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 90% of the Academy's incoming resources was ultimately Government funded. There is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Schools and academies are under pressure at a national level to implement pay increases for staff and the increase in inflation and energy prices has stretched budgets still further.

The Academy continues to look at ways to increase its self generated income but it must do this sympathetically to the local community that it seeks to benefit in accordance with the terms of its funding agreement. Staffing structures are always under review and changes have been made this financial year to mitigate some of the financial risk but again, these changes must also be looked at in conjunction with how to meet the growing needs of the post covid cohorts of children within the academy.

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 Trustees 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 Trustees ensure that pupil success and achievement are closely monitored and reviewed.

Mellor Primary School

Trustees' Report for the Year Ended 31 August 2023 (continued)

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

Staffing - the success of the Academy is reliant on the quality of its staff and so the Trustees 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 Academy has appointed an independent Internal Auditor to carry out checks on financial systems and records. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

Fundraising

'Friends of Mellor Primary School' is the Parent Teacher Association (PTA) for Mellor Primary School. It is organised by parents and teachers to provide a range of events and fundraising initiatives throughout the year to raise additional funds for school projects. All parents are automatically members of the Friends of Mellor when their children join our school.

The Friends of Mellor Primary School are the Academy's primary fundraisers and are a registered Charity under their own right (Reg. Charity Number 1098831). The Charity has a separate constitution (available to view on the school's website www.mellor.stockport.sch.uk)

The Academy does not undertake formal fundraising by the use of an external fundraiser. Fundraising during the year is monitored by the Academy with information provided to the Trustees on a regular basis.

Mellor Primary School

Trustees' Report for the Year Ended 31 August 2023 (continued)

Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2022 to 31 August 2023	1 September 2021 to 31 August 2022
Energy consumption used to calculate emissions (kWh)	205,057	306,282
Energy consumption break down (kWh) (optional) <ul style="list-style-type: none"> Gas, electricity transport fuel 	136,587 68,470 0	222,525 83,757 0
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	24.94	40.62
Owned transport – mini-buses	0.00	0.00
<u>Total scope 1</u>	24.94	40.92
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	14.18	16.20
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee-owned vehicles	0.00	0.00
Total gross emissions in metric tonnes CO2e	39.12	56.82
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.17	0.24
	<p><u>Quantification and Reporting Methodology:-</u></p> <ul style="list-style-type: none"> We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government’s Conversion Factors for Company Reporting. <p><u>Intensity measurement</u></p> <p>The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.</p> <p><u>Measures taken to improve energy efficiency</u></p> <p>We have used CIF funding to replace the flat roof section and have uPVC windows fitted in an effort to reduce heat losses. Replacement doors have also been commissioned where required. For the full period of time detailed within this report we were a single site academy trust.</p>	

Mellor Primary School

Trustees' Report for the Year Ended 31 August 2023 (continued)

Plans for future periods

The Academy will continue to strive to improve levels of academic performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to explore areas to boost its self generated income and strive to collaborate with other local schools to pool expertise and achieve value for money and efficiencies wherever possible.

Funds held as Custodian Trustee on behalf of others

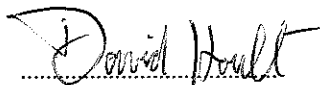
Mellor Primary holds the Bank Account of Friends of Mellor, the school's PTA as it is a charity in its own right.

Auditor

Insofar as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the The Governing Board on **13/12/23**...and signed on its behalf by:



D Hoult (Chair)
Trustee

Mellor Primary School

Governance Statement

Scope of responsibility

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

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

The Governing Board has delegated the day-to-day responsibility to J E Nicholson, (Headteacher and 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 Mellor Primary School and the Secretary of State for Education. They are also responsible for reporting to The Governing Board any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Governing Board has formally met 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
K Aldred	4	6
P Armstrong	5	6
L Ashton	5	6
H Greatorrex	6	6
D Hoult (Chair)	6	6
L Gwyther	1	6
R Humphrey-Taylor	4	6
D Johnson (Vice Chair)	5	6
J E Nicholson	6	6
K Scott	5	6
G Parkin (In attendance)	6	6
E Wyborn (In attendance)	6	6

Mellor Primary School

Governance Statement (continued)

Finance and Resources Committee (Incorporating the Audit Committee)

The Finance Committee is a sub-committee of the main The Governing Board. Its purpose is to assist in the decision making of the Governing Board, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Board's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity, to make appropriate comments and recommendations on such matters to the governing board on a regular basis. Major issues will be referred to the full Governing Board for ratification.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
P Armstrong	2	3
R Humphrey-Taylor (Chair)	2	3
D Hoult	3	3
J E Nicholson	3	3
K Scott	3	3
E Wyborn (In attendance)	3	3
G Parkin (In attendance)	3	3

Declarations of Pecuniary and Business Interests

The governance professional ensures all governors declare any conflicts of interest within the declarations area of the Governor Hub. These are used to create the declarations of interest document which is regularly reviewed each academic year and is published on the governance area of the academy website.

The scheme of delegation for governance functions comprises an Education Standards Committee overseeing the quality of teaching and learning and Finance and Resources Committee to ensure the Academy is financially viable and represents value for money. The Finance and Resources Committee also includes risk and audit functions. The Governing Body reviews its composition and terms of reference on an annual basis to ensure it is fulfilling its core functions.

Mellor Primary School

Governance Statement (continued)

Education and Standards Committee

The Education and Standards Committee is responsible for monitoring the School Development Plan. It ensures that a broad and balanced curriculum is provided and that the Governing Board has knowledge of how the curriculum is taught, evaluated and resourced. It considers the School Improvement targets and monitors the progress of all pupils. It reviews policies and issues on welfare, patterns of attendance and exclusion. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
K Aldred	3	3
L Ashton	3	3
D Johnson (Chair)	2	3
L Gwyther	3	3
H Greatorex	3	3
J E Nicholson	3	3
G Parkin (In attendance)	3	3

Governance reviews:

The Trust is due to conduct its self-evaluation during the Autumn Term 2023 to help ascertain the Board's knowledge as a whole, and to aid the recruitment of new Trustees with the necessary skills and experience to bridge any gaps.

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 educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received. During the year the Headteacher identified areas of the estate that needed immediate investment to make them safe or to safeguard the resources from damage. A new concrete base was installed to properly house a container that would allow the school to safely store its P.E resources and make them more available during break and lunchtimes. This will also enable the school to remove the unsafe sheds and storage boxes from various sites around the school. There has also been significant planning for upgrading outdated lights within the school to make them more energy efficient but as this is a larger project, it will span over more than one year.

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 trustees 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:

Mellor Primary School

Governance Statement (continued)

- **Targeted improvement:**

Staffing structure was flexibly deployed to support a continually enhanced curriculum, and effective use of intervention strategies. Planned professional development has included the holistic approach to how teachers can make the greatest impact including the teaching of reading, writing and mathematics

- **Focus on individual pupils:**

Teaching support has been deployed to support phonic intervention groups, one to one tuition and ensuring that all children with High Needs SEND receive their full entitlement. Progress of vulnerable children and those with SEND is good and, in some cases, outstanding Pupil premium spend has been identified on the website.

- **Collaboration:**

The trust has engaged with other educational providers and experts to share delivery or good practice, and to drive up standards for the least cost. This includes developing links with Manchester University and Sheffield Hallam University. Local schools have also clustered to develop SEND, monitoring and assessment procedures.

- **New initiatives:**

The school has continued to develop a unique curriculum bespoke for Mellor Primary.

Following the success of the climate summit for Stockport children, at Manchester University, devised by Mellor Primary School in 2019, the headteacher has worked with council members to influence council climate policy through pupil voice. The culminated in the climate summit debate held in the Stockport Council chamber. The chosen motion was then presented to council elected members. This process has been repeated in 2022-23.

The Out Of School Care facility continued to provide up to 60 children to attend. It now opens at 7.30am to further assist working families. Nursery children are now able to access the facility.

The school was the first school in the Stockport area to be recognised as a Positive Education School.

The school has developed an additional approach to holistic development under the banner of Transformational Communication - building superpowers of our children.

The staff have engaged in the process of research led learning to assist school improvement.
A new Management Information System has future proofed the organisation to become a Multi Academy Trust.

Mellor Primary School

Governance Statement (continued)

Quantifying improvements:

Since its opening the Academy has had an increased number of applications with total pupil number of 229 (including Nursery children) at the January 2023 census.

Educational standards for Key Stage 2 using external testing data, show outcomes for maths, reading and SPAG (spelling punctuation & grammar) compared to 2019 outcomes to be well above national outcomes for 2023. Outcomes for writing, whilst above national average, have been identified as an area for further improvement in 2023-24.

The financial controls of the school are shown to be effective, as evidenced by the Internal Auditor and External Accountants. Cost effectiveness has improved with additional resources being used for staffing and affecting pupil outcomes.

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 Mellor Primary for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Board 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 Governing Board is of the view that there is a formal on-going 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 financial statements. This process is regularly reviewed by the Governing Board.

Mellor Primary School

Governance Statement (continued)

Targeted improvement:

Staffing structure was flexibly deployed to support a continually enhanced curriculum, and effective use of intervention strategies.

The small amount of money provided to school for the tutoring scheme (£1,339) was allocated with additional funds from school used to support the cost.

Planned professional development has included the holistic approach to how teachers can make the greatest impact including the teaching of reading, writing and mathematics

Focus on individual pupils:

Teaching support has been deployed to support phonic intervention groups, one to one tuition and ensuring that all children with High Needs SEND receive their full entitlement.

Progress of vulnerable children and those with SEND is good and, in some cases, outstanding

Pupil premium spend has been identified on the website.

Collaboration:

The trust has engaged with other educational providers and experts to share delivery or good practice, and to drive up standards for the least cost. This includes developing links with Manchester University and Sheffield Hallam University. Local schools have also clustered to develop SEND, monitoring and assessment procedures.

New initiatives:

The school has continued to develop a unique curriculum bespoke for Mellor Primary. The Nursery has been reorganised to enable working parents to have greater use of the school facilities by providing optional afternoon sessions, utilising the Government's 30 hours free childcare as well as paid afternoon sessions.

The Out of School Care facility continued to provide up to 60 children to attend. It now opens at 7.30am to further assist working families. Nursery children are now able to access the facility.

The school was the first school in the Stockport area to be recognised as a Positive Education School.

A new Management Information System has future proofed the organisation to become a Multi Academy Trust.

The staff have engaged in the process of research led learning to assist school improvement

Mellor Primary School

Governance Statement (continued)

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 monthly financial reports which are reviewed and agreed by the Governing Board.
- Regular reviews by the Finance and Resources 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
- Delegation of authority and segregation of duties
- Identification and management of risks.

The Governing Board has considered the need for a specific internal audit function and appointed John Eaves as Internal Auditor, to carry out a programme of internal checks. The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy trust's financial systems. In particular the checks carried out in the current period included:

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/ bank reconciliations
- Checking VAT submittals

On a termly basis, the Internal Auditor reports to the Governing Board, through the Finance and Resources committee on the operation of the systems of control and on the discharge of the Governing Board's financial responsibilities.

Mellor Primary School

Governance Statement (continued)

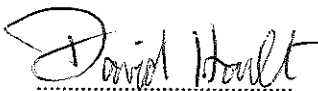
Review of Effectiveness

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

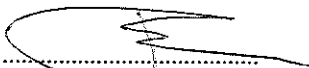
- The work of our Internal Auditor taking on internal control audits.
- The work of the External auditors.
- The governance self-assessment process (skills audit) and School Resource Management Self-Assessment tool.
- The work of the senior leaders within the Academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Resources Committee to ensure continuous improvement of the system in place.

Approved by order of the members of the The Governing Board on ~~13/12/23~~.....and signed on its behalf by:



D Hoult (Chair)
Trustee



J E Nicholson
Accounting Officer
Trustee

Mellor Primary School

Statement of regularity, propriety and compliance

As Accounting Officer of Mellor Primary School I have considered my responsibility to notify the academy trust The Governing Board 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 trust, 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 Academies Trust Handbook 2022.

I confirm that I and the academy trust The Governing Board 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 Academies 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 The Governing Board and ESFA.



.....
J E Nicholson, (Headteacher and Accounting Officer)
Accounting officer

Date: 14/12/2023
.....

Mellor Primary School

Statement of Trustees' Responsibilities

The Trustees (who act as Governors of Mellor Primary and 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 Annual 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:

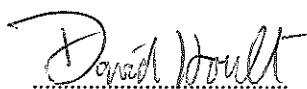
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 the 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 on 13/12/23.....and signed on its behalf by:



D Hoult (Chair)
Trustee

Mellor Primary School

Independent Auditor's Report on the Financial Statements to the Members of Mellor Primary School

Opinion

We have audited the financial statements of Mellor Primary School "the academy trust" for the year ended 31 August 2023, which comprise the Statement of Financial Activities for the year ended 31 August 2023 (including Income and Expenditure Account), Balance Sheet as at 31 August 2023, Statement of Cash Flows for the year ended 31 August 2023, and Notes to the 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2023 and of its incoming resources and application of resources, including 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 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

Mellor Primary School

Independent Auditor's Report on the Financial Statements to the Members of Mellor Primary School (continued)

In connection with our audit of the financial statements, 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 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 financial statements 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.

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 (incorporating the) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the .

We have nothing to report in respect of the following matters where 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 set out on page 28, the Trustees 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.

Auditor 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 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 financial statements.

Mellor Primary School

Independent Auditor's Report on the Financial Statements to the Members of Mellor Primary School (continued)

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the academy through discussions with trustees and other management, and from our knowledge and experience of the academy sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including the Companies Act 2006, the Charities Act 2011, and the Academies Accounts Direction 2022 to 2023 and Academies Trust Handbook 2022, both issued by the Education and Skills Funding Agency.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures on material balances for which robust, substantive analytical procedures have been undertaken to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- investigated the rationale behind significant or unusual transactions.

Mellor Primary School

Independent Auditor's Report on the Financial Statements to the Members of Mellor Primary School (continued)

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.

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 auditor's report.

Use of our report

This report is made solely to the 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 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 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.

Beever and Struthers

.....
Helen Knowles (Senior Statutory Auditor)

For and on behalf of Beever and Struthers, Statutory Auditor

One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 21 December 2023

Mellor Primary School

Independent Reporting Accountant's Assurance Report on Regularity to Mellor Primary School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 25 September 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Mellor Primary School during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the The Governing Board's funding agreement with the Secretary of State for Education dated 30 September 2011 and the Academies Financial Handbook extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 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:

- Review and testing of financial systems of internal control
- Sample testing of transactions
- Discussions with management

Mellor Primary School

Independent Reporting Accountant's Assurance Report on Regularity to Mellor Primary School and the Education and Skills Funding Agency (continued)

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 year from 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.

Beever and Struthers

.....
Helen Knowles

For and on behalf of Beever and Struthers, Chartered Accountants

One Express
1 George Leigh Street
Manchester
M4 5DL

Date: 21 December 2023

Mellor Primary School

Statement of Financial Activities for the Year Ended 31 August 2023 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Income and endowments from:						
Donations and capital grants	2	1	-	21	22	241
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	1,177	-	1,177	1,098
Other trading activities	4	132	-	-	132	222
Investments		1	-	-	1	-
Total		<u>134</u>	<u>1,177</u>	<u>21</u>	<u>1,332</u>	<u>1,561</u>
Expenditure on:						
Raising funds	5	42	20	-	62	102
<i>Charitable activities:</i>						
Academy trust educational operations	6	<u>62</u>	<u>1,185</u>	<u>69</u>	<u>1,316</u>	<u>1,371</u>
Total		<u>104</u>	<u>1,205</u>	<u>69</u>	<u>1,378</u>	<u>1,473</u>
Net income/(expenditure)		30	(28)	(48)	(46)	88
Transfers between funds		(3)	3	-	-	-
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	21	<u>-</u>	<u>35</u>	<u>-</u>	<u>35</u>	<u>982</u>
Net movement in funds/(deficit)		27	10	(48)	(11)	1,070
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2022		<u>125</u>	<u>(10)</u>	<u>2,489</u>	<u>2,604</u>	<u>1,534</u>
Total funds carried forward at 31 August 2023		<u><u>152</u></u>	<u><u>-</u></u>	<u><u>2,441</u></u>	<u><u>2,593</u></u>	<u><u>2,604</u></u>

Mellor Primary School

(Registration number: 07737398)
Balance Sheet as at 31 August 2023

	Note	2023 £ 000	2022 £ 000
Fixed assets			
Tangible assets	10	2,415	2,473
Current assets			
Debtors	11	45	131
Cash at bank and in hand		368	363
		413	494
Liabilities			
Creditors: Amounts falling due within one year	12	(214)	(332)
Net current assets		199	162
Total assets less current liabilities		2,614	2,635
Creditors: Amounts falling due after more than one year	13	(21)	(21)
Net assets excluding pension liability		2,593	2,614
Defined benefit pension scheme liability	21	-	(10)
Total net assets including pension liability		2,593	2,604
Funds of the Academy:			
Restricted funds			
Restricted fixed asset fund		2,441	2,489
Restricted pension fund		-	(10)
		2,441	2,479
Unrestricted funds			
Unrestricted general fund		152	125
Total funds		2,593	2,604

The financial statements on pages 35 to 56 were approved by the Trustees, and authorised for issue on 13/12/2023 and signed on their behalf by:



D Hoult (Chair)
Trustee

Mellor Primary School

Statement of Cash Flows for the year ended 31 August 2023

	Note	2023 £ 000	2022 £ 000
Cash flows from operating activities			
Net cash provided by (used in) from operating activities	17	(6)	256
Cash flows from investing activities		1	-
Cash flows from financing activities	18	<u>10</u>	<u>20</u>
Change in cash and cash equivalents in the year		5	276
Cash and cash equivalents at 1 September		<u>363</u>	<u>87</u>
Cash and cash equivalents at 31 August	19	<u><u>368</u></u>	<u><u>363</u></u>

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023

1 Accounting policies

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

Basis of preparation

The financial statements 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.

Mellor Primary School meets the definition of a public benefit entity under FRS102.

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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy 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 financial statements.

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 year 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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Donations

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

Other income

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

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.

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.

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

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, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to the relevant asset class.

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.

Asset class	Depreciation method and rate
Freehold Buildings	50 years
Fixtures, Fittings and equipment	10 years
ICT equipment	4 years

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.

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

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

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

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 as detailed in note 11. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 12 and 13. 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.

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.

Pension 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.

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. 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 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/(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.

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Fund accounting

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The 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 21, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds £ 000	Restricted fixed asset funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Capital grants	-	21	21	241
Other donations	1	-	1	-
	<u>1</u>	<u>21</u>	<u>22</u>	<u>241</u>

The income from donations and capital grants was £22,047 (2022: £240,620) which was allocated between the funds as follows; £956 unrestricted funds (2022: £54), £Nil restricted funds (2022: £Nil), £21,091 restricted fixed asset funds (2022: £240,567) and £Nil endowment funds (2022: £Nil).

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

3 Funding for the Academy Trust's educational operations

	Restricted funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
DfE/ESFA revenue grants			
General Annual Grant (GAG)	908	908	874
Other ESFA / DfE grants	124	124	28
Trust Capacity Funding	-	-	64
Pupil Premium	13	13	16
	<u>1,045</u>	<u>1,045</u>	<u>982</u>
Other government grants			
Local Authority Income	130	130	111
Exceptional Government Funding			
Coronavirus funding	<u>2</u>	<u>2</u>	<u>5</u>
Total grants	<u>1,177</u>	<u>1,177</u>	<u>1,098</u>

The funding for educational operations was £1,176,741 (2022: £1,098,131) which was allocated between the funds as follows; £Nil unrestricted funds (2022: £Nil), £1,176,741 restricted funds (2022: £1,098,131), £Nil restricted fixed asset funds (2022: £Nil) and £Nil endowment funds (2022: £Nil).

4 Other trading activities

	Unrestricted funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Catering income	28	28	57
Other sales	104	104	165
	<u>132</u>	<u>132</u>	<u>222</u>

The income from other trading activities was £131,690 (2022: £221,611) which was allocated between the funds as follows; £131,690 unrestricted funds (2022: £182,126), £Nil restricted funds (2022: £39,485), £Nil restricted fixed asset funds (2022: £Nil) and £Nil endowment funds (2022: £Nil).

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

5 Expenditure

	Non Pay Expenditure			2022/23	2021/22
	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total £ 000	Total £ 000
Expenditure on raising funds					
Direct costs	42	-	20	62	102
Academy's educational operations					
Direct costs	706	69	59	834	837
Allocated support costs	278	87	117	482	534
	<u>1,026</u>	<u>156</u>	<u>196</u>	<u>1,378</u>	<u>1,473</u>

Net income/(expenditure) for the year includes:

	2022/23 £ 000	2021/22 £ 000
Operating leases - plant and machinery	7	7
Fees payable to auditor - audit	7	6
- other audit services	1	1
Depreciation	<u>69</u>	<u>66</u>

6 Charitable activities

	2022/23 £ 000	2021/22 £ 000
Direct costs - educational operations	834	837
Support costs - educational operations	482	534
	<u>1,316</u>	<u>1,371</u>

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

6 Charitable activities (continued)

	Educational operations £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Analysis of support costs			
Support staff costs	278	278	300
Technology costs	7	7	9
Premises costs	87	87	57
Other support costs	104	104	150
Governance costs	6	6	18
Total support costs	<u>482</u>	<u>482</u>	<u>534</u>

7 Staff

Staff costs

	2022/23 £ 000	2021/22 £ 000
Staff costs during the year were:		
Wages and salaries	758	702
Social security costs	62	52
Pension costs	<u>263</u>	<u>276</u>
	1,083	1,030
Supply teacher costs	<u>13</u>	<u>12</u>
	<u>1,096</u>	<u>1,042</u>

Staff numbers

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

	2022/23 No	2021/22 No
Teachers	16	10
Administration and support	29	26
Management	<u>3</u>	<u>4</u>
	<u>48</u>	<u>40</u>

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

7 Staff (continued)

Higher paid staff

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

	2022/23 No	2021/22 No
£60,001 - £70,000	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national contributions) received by key management personnel for their services to the Academy Trust was £212,782 (2022: £191,863).

8 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

J E Nicholson (Headteacher):

Remuneration: £65,000 - £70,000 (2022 - £65,000 - £70,000)

Employer's pension contributions: £15,000 - £20,000 (2022 - £10,000 - £15,000)

During the year ended 31 August 2023, travel and subsistence expenses totalling £144 (2022 - £Nil) were reimbursed or paid directly to 1 trustees (2022 -).

Other related party transactions involving the trustees are set out in note 22.

9 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2023 was £3,312 (2022: £3,645) The cost of this insurance is included in the total insurance cost

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

10 Tangible fixed assets

	Freehold land and buildings £ 000	Furniture and equipment £ 000	Computer equipment £ 000	2022/23 Total £ 000
Cost				
At 1 September 2022	2,926	423	98	3,447
Additions	2	2	7	11
At 31 August 2023	<u>2,928</u>	<u>425</u>	<u>105</u>	<u>3,458</u>
Depreciation				
At 1 September 2022	496	386	92	974
Charge for the year	59	7	3	69
At 31 August 2023	<u>555</u>	<u>393</u>	<u>95</u>	<u>1,043</u>
Net book value				
At 31 August 2023	<u>2,373</u>	<u>32</u>	<u>10</u>	<u>2,415</u>
At 31 August 2022	<u>2,430</u>	<u>37</u>	<u>6</u>	<u>2,473</u>

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

11 Debtors

	2023 £ 000	2022 £ 000
VAT recoverable	1	12
Prepayments and accrued income	44	119
	<u>45</u>	<u>131</u>

12 Creditors: amounts falling due within one year

	2023 £ 000	2022 £ 000
Trade creditors	176	12
Loans	5	5
Other creditors	1	-
Accruals	25	289
Deferred income	7	26
	<u>214</u>	<u>332</u>
	2023 £ 000	2022 £ 000

Deferred income

Deferred income at 1 September 2022	26	24
Resources deferred in the period	7	26
Amounts released from previous periods	(26)	(24)
Deferred income at 31 August 2023	<u>7</u>	<u>26</u>

At the balance sheet date the academy trust was holding funds received in advance of £6,730 for Infant free school meals relating to 2022/23.

13 Creditors: amounts falling due in greater than one year

	2023 £ 000	2022 £ 000
Loans	<u>21</u>	<u>21</u>

The loans due in less than and more than one year of £26,006 are CIF loans relating to roof, window and door projects, repayable over 5 years with an interest rate of 1.28%.

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

14 Funds

	Balance at 1 September 2022 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2023 £ 000
Restricted general funds					
GAG	-	908	(911)	3	-
Other DFE / EFA grants	-	126	(126)	-	-
Local authority grants	-	130	(130)	-	-
Pupil Premium	-	13	(13)	-	-
	<u>-</u>	<u>1,177</u>	<u>(1,180)</u>	<u>3</u>	<u>-</u>
Total restricted general funds	<u>-</u>	<u>1,177</u>	<u>(1,180)</u>	<u>3</u>	<u>-</u>
Restricted fixed asset funds					
Inherited on conversion	1,621	-	(65)	-	1,556
Capital expenditure from GAG / unrestricted	351	-	(4)	-	347
DFE / EFA capital grants	507	21	-	-	528
Other capital grants	10	-	-	-	10
	<u>2,489</u>	<u>21</u>	<u>(69)</u>	<u>-</u>	<u>2,441</u>
Other restricted funds					
LGPS	(10)	-	(25)	35	-
Total restricted funds	<u>2,479</u>	<u>1,198</u>	<u>(1,274)</u>	<u>38</u>	<u>2,441</u>
Unrestricted funds					
Unrestricted general funds	125	134	(103)	(4)	152
Total funds	<u>2,604</u>	<u>1,332</u>	<u>(1,377)</u>	<u>34</u>	<u>2,593</u>

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

14 Funds (continued)

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

	Balance at 1 September 2021 £ 000	Incoming resources £ 000	Resources Expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2022 £ 000
Restricted general funds					
GAG	-	874	(904)	30	-
Other DFE / EFA grants	-	28	(28)	-	-
Local authority grants	-	111	(111)	-	-
Other income/donations	-	45	(45)	-	-
Pupil Premium	-	16	(16)	-	-
Capital Trust Funding	-	64	(64)	-	-
	<u>-</u>	<u>1,138</u>	<u>(1,168)</u>	<u>30</u>	<u>-</u>
Restricted fixed asset funds					
Inherited on conversion	1,664	-	(43)	-	1,621
Capital expenditure from GAG / unrestricted	112	241	(2)	-	351
DFE / EFA capital grants	529	-	(22)	-	507
Other capital grants	11	-	(1)	-	10
	<u>2,316</u>	<u>241</u>	<u>(68)</u>	<u>-</u>	<u>2,489</u>
Other restricted funds					
LGPS	(856)	-	(136)	982	(10)
Total restricted funds	1,460	1,379	(1,372)	1,012	2,479
Unrestricted funds					
Unrestricted general funds	75	182	(102)	(30)	125
Total funds	<u>1,535</u>	<u>1,561</u>	<u>(1,474)</u>	<u>982</u>	<u>2,604</u>

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

15 Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	2,415	2,415
Current assets	152	-	261	413
Current liabilities	-	-	(214)	(214)
Creditors over 1 year	-	-	(21)	(21)
Total net assets	<u>152</u>	<u>-</u>	<u>2,441</u>	<u>2,593</u>

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

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	2,473	2,473
Current assets	125	112	257	494
Current liabilities	-	(112)	(220)	(332)
Creditors over 1 year	-	-	(21)	(21)
Pension scheme liability	-	(10)	-	(10)
Total net assets	<u>125</u>	<u>(10)</u>	<u>2,489</u>	<u>2,604</u>

16 Long-term commitments, including operating leases

Operating leases

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

	2023 £ 000	2022 £ 000
Amounts due within one year	8	4
Amounts due between one and five years	<u>10</u>	<u>2</u>
	<u>18</u>	<u>6</u>

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

17 Reconciliation of net (expenditure)/income to net cash inflow/(outflow) from operating activities

	2023 £ 000	2022 £ 000
Net (expenditure)/income	(46)	88
Depreciation	69	66
Capital grants from DfE and other capital income	(21)	(241)
Interest receivable	(1)	-
Defined benefit pension scheme cost less contributions payable	24	121
Defined benefit pension scheme finance cost	1	15
Decrease/(increase) in debtors	86	(103)
(Decrease)/increase in creditors	(118)	289
CIF loans > 1 year	-	21
Net cash (outflow)/inflow from operating activities	<u>(6)</u>	<u>256</u>

18 Cash flows from investing activities

	2023 £ 000	2022 £ 000
Purchase of tangible fixed assets	(11)	(221)
Capital funding received from DfE Group	21	241
Net cash provided by investing activities	<u>10</u>	<u>20</u>

19 Analysis of cash and cash equivalents

	2023 £ 000	2022 £ 000
Cash in hand and at bank	368	363
Total cash and cash equivalents	<u>368</u>	<u>363</u>

20 Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash	363	5	368
Total	<u>363</u>	<u>5</u>	<u>368</u>

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

21 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £95,485 (2022: £91,130).

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.

Mellor Primary School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

21 Pension and similar obligations (continued)

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £94,000 (2022 - £83,000), of which employer's contributions totalled £73,000 (2022 - £65,000) and employees' contributions totalled £21,000 (2022 - £18,000). The agreed contribution rates for future years are 21.1 per cent for employers and 5.5 - 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust 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.

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.80	3.80
Rate of increase for pensions in payment/inflation	3.00	3.10
Discount rate for scheme liabilities	<u>5.20</u>	<u>4.30</u>

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Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

21 Pension and similar obligations (continued)

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

	2023	2022
Retiring today		
Males retiring today	20.10	20.30
Females retiring today	24.70	23.20
Retiring in 20 years		
Males retiring in 20 years	20.70	21.60
Females retiring in 20 years	<u>26.00</u>	<u>25.10</u>

Sensitivity analysis

	2023 £ 000	2022 £ 000
Discount rate -0.1%	(29)	(29)
Mortality assumption – 1 year increase	52	52
CPI rate +0.1%	26	27
Salary increase +0.1%	<u>3</u>	<u>2</u>

The academy trust's share of the assets in the scheme were:

	2023 £ 000	2022 £ 000
Equities	1,038	886
Other bonds	207	180
Property	119	115
Cash and other liquid assets	<u>119</u>	<u>103</u>
Total market value of assets	<u>1,483</u>	<u>1,284</u>

The actual return on scheme assets was £114,000 (2022 - £17,000).

Amounts recognised in the statement of financial activities

	2023 £ 000	2022 £ 000
Current service cost	(97)	(186)
Interest income	56	20
Interest cost	<u>(57)</u>	<u>(35)</u>
Total amount recognised in the SOFA	<u>(98)</u>	<u>(201)</u>

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Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

21 Pension and similar obligations (continued)

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

	2022/23 £ 000	2021/22 £ 000
At start of period	1,294	2,056
Current service cost	97	186
Interest cost	57	35
Employee contributions	21	18
Actuarial (gain)/loss	(168)	(985)
Benefits paid	(9)	(16)
At 31 August	<u>1,292</u>	<u>1,294</u>

Changes in the fair value of academy's share of scheme assets:

	2022/23 £ 000	2021/22 £ 000
At start of period	1,284	1,200
Interest income	56	20
Actuarial gain/(loss)	58	(3)
Employer contributions	73	65
Employee contributions	21	18
Benefits paid	(9)	(16)
At 31 August	<u>1,483</u>	<u>1,284</u>

Considering the impact of "asset ceiling" and that the pension scheme surplus cannot be recovered, the balance of the net defined pension scheme asset (£191,000) has been written of to the statement of financial activities. The net asset/liability is therefore Nil. This treatment is in accordance with FRS102 section 28. The actuarial gain recognised in the year is reduced by the value of the net pension asset of £226,000 to £35,000.

22 Related party transactions

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 8.

23 Member 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, as required in the academy trust's funding agreement, for the debts and liabilities contracted before they ceased to be a member.

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Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

24 Statement of Financial Activities for the Year Ended 31 August 2022

			Restricted	Restricted	
	Note	Unrestricted Funds £ 000	General Funds £ 000	Fixed Asset Funds £ 000	Total 2022 £ 000
Income and endowments from:					
Donations and capital grants	2	-	-	241	241
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	1,098	-	1,098
Other trading activities	4	182	40	-	222
Total		182	1,138	241	1,561
Expenditure on:					
Raising funds	5	102	-	-	102
<i>Charitable activities:</i>					
Academy trust educational operations	6	-	1,304	67	1,371
Total		102	1,304	67	1,473
Net income/(expenditure)		80	(166)	174	88
Transfers between funds		(28)	30	(2)	-
Other recognised gains/ (losses):					
Actuarial gains on defined benefit pension schemes	21	-	982	-	982
Net movement in funds		52	846	172	1,070
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021		73	(856)	2,317	1,534
Total funds/(deficit) carried forward at 31 August 2022		125	(10)	2,489	2,604