

Company Registration No. 07740516 (England and Wales)

**ABBHEY COLLEGE, RAMSEY**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

# **ABBHEY COLLEGE, RAMSEY**

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# ABBAY COLLEGE, RAMSEY

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

M A Jackson (Chair of Trustees)  
A J Dods  
J A R Chrisp  
L J Williamson

### Trustees

J A R Chrisp (Trustee)  
A Christoforou (Accounting Officer)  
R Cox (Trustee)  
A J Dods (Trustee)  
E J Edwards (Trustee)  
C Greyson (Trustee)  
M A Jackson (Trustee)  
K Johnston (Trustee) (Resigned 3 June 2022)  
G Jones (Trustee) (Resigned 31 December 2021)  
M Lynch (Trustee)  
N Robinson (Trustee) (Resigned 8 February 2022)  
J F Stevens (Trustee)  
F Traynor (Trustee) (Resigned 1 December 2021)  
L J Williamson (Trustee)  
G Gregory (Trustee) (Appointed 23 February 2022 and resigned 16 May 2022)  
E Welsh (Trustee) (Appointed 23 February 2022)  
M Womersley-Carter (Trustee) (Appointed 18 March 2022)  
A McFarlane (Trustee) (Appointed 17 June 2022)  
L Gregory (Trustee) (Appointed 1 September 2022)  
T Huggins (Trustee) (Appointed 7 September 2022)

### Senior management team

- Headteacher and Accounting Officer	A Christoforou
- Deputy headteacher	C Powell
- Assistant headteacher	G Craig
- Assistant headteacher	J Warne
- Assistant headteacher	E Wibberley
- Assistant headteacher	S Noble
- Assistant headteacher	J Oswell

### Company registration number

07740516 (England and Wales)

### Registered office

Abbey Road  
Ramsey  
Huntingdon  
Cambridgeshire  
PE26 1DG  
United Kingdom

### Independent auditor

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

# ABBAY COLLEGE, RAMSEY

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Bankers

Lloyds Bank PLC  
99 High Street  
Huntingdon  
Cambridgeshire  
PE29 3DU  
United Kingdom

# ABBHEY COLLEGE, RAMSEY

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2022

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The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in Ramsey, Cambridgeshire. It has an annual pupil admission number of 210, a capacity of 1200 and had a roll of 1016 in the school in September 2021.

#### **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 Abbey College, Ramsey are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Abbey College, Ramsey.

##### Members' liability

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

The members of the Charitable Company are:

M A Jackson  
A J Dods  
J Chrisp  
L Williamson

Details of the trustees who served during the year were:

J Chrisp  
A Christoforou (Accounting Officer)  
R Cox  
A Dods  
E Edwards  
G Gregory - appointed 23 February 2022 and resigned 16 May 2022  
C Greyson  
M Jackson  
K Johnston - resigned 3 June 2022  
G Jones - resigned 31 December 2022  
M Lynch  
A McFarlane - appointed 15 October 2021, resigned 18 January 2022 and appointed 17 June 2022  
N Robinson - resigned 8 February 2022  
J Stevens  
F Traynor - resigned 1 December 2021  
E Welsh - appointed 23 February 2022  
L Williamson  
M Womersley-Carter - appointed 18 March 2022

Associate Governors (no Trustee rights and are invited to advise governors from an aspect of specialist knowledge)

M Woods  
T Farrant

##### Trustees' indemnities

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business.

# ABBHEY COLLEGE, RAMSEY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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

The articles of association require the appointment of at least 3 trustees but may appoint up to 2 community Trustees, 4 staff Trustees, a maximum of 7 parent Trustees, 5 foundation Trustees, the head teacher and may co-opt up to 3 additional Trustees as required. Trustees may invite Associate Governors with specialist knowledge to advise the Governing body.

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

Staff Trustees are appointed through an election process. Foundation Trustees are appointed by the Trustees of the Ramsey foundation. Parent Trustees are appointed by the board of Trustees if there are fewer candidates than there are vacancies. Otherwise parent Trustees are elected by parents. Staff Trustees are appointed by the board of Trustees if there are fewer candidates than there are vacancies. Otherwise staff Trustees are elected by a secret ballot of all staff employed by the academy.

New governors attend an induction meeting with the Headteacher, Chair and Clerk, receive an induction pack of information and visit the school. New governors attend full governing body meetings and subsequently populate committees, often according to interests and personal expertise. All governors are encouraged to attend the County Council's induction training and further training as appropriate.

No Trustee has a beneficial interest in the academy.

#### Organisational structure

Abbey College, Ramsey operates as a single academy, governed by a board of Trustees. Levels of delegation have been made by the board of Trustees to committees of the board, which are Operations and Learner Progress and Engagement. Delegated powers are also vested in the Head teacher. Financial responsibilities are delegated in line with the Academies Financial Handbook and Articles of Association. Strategic development of the academy is governed by the board of Trustees and is overseen at operational level by the Head teacher and senior staff. The Senior Leadership Team is responsible for the day to day operations of the academy.

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

Pay for the senior leadership team is set by the governing body pay committee and is reviewed in line with staff performance appraisals and national guidance. The size of the Senior Leadership Team is benchmarked against that of a local school trust (Meridian Trust) and is composed of permanent staff and those on secondments. In addition, the school undertook a SRMA review and utilised the metrics within to compare a number of curriculum and staffing costs to achieve best value for money.

# ABBHEY COLLEGE, RAMSEY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Trade union facility time

##### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period	3
Full-time equivalent employee number	2.60

##### *Percentage of time spent on facility time*

Percentage of time	Number of employees
0%	3
1%-50%	-
51%-99%	-
100%	-

##### *Percentage of pay bill spent on facility time*

Total cost of facility time	-
Total pay bill	-
Percentage of the total pay bill spent on facility time	-

##### *Paid trade union activities*

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

The college has a working relationship with Meridian Trust and the Trustees of The Ramsey Foundation.

The Trustees have assessed the major risks to which the academy is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### **Objectives and activities**

##### Objects and aims

The academy's principal activity is to advance for the public benefit, education in the Ramsey area, in particular by establishing, maintaining, carrying on, managing and developing an academy school offering a broad and balanced curriculum, high academic standards and a safe and enjoyable environment for its students, staff and visitors. The policies adopted in furtherance of these objectives are agreed and reviewed regularly by Trustees and there has been no material change in these during the period.

The academy has provided education to students of mixed ability between the ages of 11 to 18 years in line with the current curriculum. In addition, a year 6 moving up opportunity exists for new students to experience the college life as part of their transition process.

The academy has delivered on its ambition to maintain Ofsted 'Good' status in this academic year and is now working towards being an outstanding school.

##### Objectives, strategies and activities

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the academy should undertake.

##### Public benefit

In September 2011, Abbey College, Ramsey became an academy, taking responsibility for shaping its own future in the context of the new freedoms to make educational choices. There are many areas in which Abbey College, Ramsey has achieved excellence and the school plays a leading role in the local community.

# ABBHEY COLLEGE, RAMSEY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Strategic report

##### Achievements and performance

The school is currently rated as Good by Ofsted in all 5 categories. In March 2021, this was reaffirmed again that the school had maintained the standards.

Due to the cancellation of GCSE and A level exams, results in 2021 were decided by school determined Centre Assessed Grades and Teacher Assessed Grades. The outcomes for both A level and GCSE were evidence based and moderated at several stages, including a statistical package, external verification by another school and by the examination board to ensure they represented both the 2021 cohort and the progress over time that the school has made.

The final grades awarded represent excellent progress and a continuing upward trend in results at both A-level and GCSE.

Abbey College will not be publishing 2020 achievement data. This is in agreement with other Cambridgeshire schools.

Abbey College, Ramsey Academy achieved the following GCSE and A level results in the year 2021-22:

##### GCSE

	2018 (%)	2019 (%)	2021 (%)	2022 (%)
Basics Grade 4+ (E+M)	62	70	73	69
Basics Grade 5+ (E+M)	41	51	52	52

\*The school's progress measure has increased, although the value for 2021 are based on an statistical algorithm, as there are no official published Progress Measures for schools.

##### A Level

	2018	2019	2021	2022
%A*-A	26	40	58	50
%A*-B	49	54	79	64
%A*-C	71	78	92	84
%A*-E	97	99	100	98

Please note that we have not published results for 2020 and 2021 as these were based on either Centre Assessed Grades or Teacher Assessed Grades and no actual externally assessed examinations were taken.

##### Attendance

Given the national closure owing to Covid-19, school attendance was lower than expected across the country. Below shows how well the school did versus the nationally collected data within Fisher Family Trust group of schools.

	National (FFT) Secondary	Regional (FFT) Secondary	Abbey College
Overall % July 21	74.7%	90.6%	91.6%



# ABBEY COLLEGE, RAMSEY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 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 financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

There is a projected increasing gap between income and expenditure over the next 3 years owing to the volatility in student intake numbers in both Year 7 and Post 16. For Year 7, the intake numbers according to the statistical forecast model showing a decline in forms of entry for three successive years, and then a projected increase (bulge year). Staffing costs will need to be reduced to manage the finances going forward. In addition, Post 16 intake is a concern as we require approximately 100 pupils per year group to break even, and again courses may need to be cut in order to maintain the 6th form provision. In addition, essential works on the school buildings coupled with the increase in teacher salaries will make 2022/3 a challenge. The Academy Trust and Trustees will make use of the SRMA recommendations to reduce in-year costs.

#### **Financial review**

Most of the income is derived from the Education Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants from the ESFA and the associated expenditure are shown as restricted funds in the statement of financial activities.

The academy also received funding for capital expenditure from the ESFA: these amounts are shown as restricted income in the fixed asset funds.

Despite Cambridgeshire Authority schools being historically underfunded and the per pupil funding being static the school has controlled costs leading to the in year surplus.

#### Reserves policy

The academy achieved a deficit on GAG funds in the year of £77k, which has reduced available funds to £248k. The trustees have planned to build up reserves over the course of a few years, in the light of further anticipated budget pressures, in order to manage the impact of those pressures over the coming years. The trustees consider that maintaining reserves at 5-10% of total expenditure, approximately equating to between £300k and £600k. In light of the risk in respect of The Abbey as outlined in note 23 of the accounts the Trustees consider it prudent to set up a sinking fund for the potential liability and have earmarked £20k of this year's GAG surplus to that fund. This amount has been retained within the General Annual Grant restricted general fund but internally ringfenced.

#### Investment policy

The Academy Trust ensures that all surplus cash balances are invested in interest bearing accounts to maximize interest earning potential.

#### Principal risks and uncertainties

The Trustees have reviewed major risks and uncertainties to which the academy trust is exposed and identified:

Financial – The Academy is reliant on the level of funding received from Government through the Education Skills Funding Agency. Future Government funding policies, practices and terms are not assured.

# **ABBHEY COLLEGE, RAMSEY**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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Failures in governance and / or management – arising from the potential failure to manage the Academy finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks and the academy appoints independent auditors to regularly review the finances.

Reputational - the continuing success of the academy is dependent on continuing to attract sufficient numbers of pupils by maintaining the highest educational standards. The Trustees ensure student success and achievement are regularly monitored and continually improved upon.

Safeguarding and Child Protection – The Trustees continue to ensure the highest standards of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline. There is a safeguarding risk inherited from Cambridgeshire County Council on transfer relating to the dual site usage, shared access arrangements and general public access to the grounds. The Trustees are mitigating this risk with staff training, staff monitoring, gated access, CCTV and signage, and regular external reviews of Safeguarding and H&S.

Fraud / Mismanagement of funds – The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff are kept up to date with financial practices and regularly review expenditure.

The Academy continues to strengthen its risk management process throughout the year by adapting policies and procedures and creating staff awareness.

#### **Fundraising**

The school undertakes fundraising for a number of charitable events and activities, for example: Children in Need day, Teenage Cancer Trust and similar special causes. All fundraising activities are completely voluntary and no student is forced to participate or disadvantaged from not participating.

#### **Plans for future periods**

The Regional Schools Commissioner for East of England continues to encourage academies to become members of Multi Academy Trusts and the Trustees are engaging with Meridian Trust is one avenue that the Academy is investigating in developing this ideal.

The College is investigating numerous avenues to develop the College facilities and buildings in conjunction with the Education and Skills Funding Authority (ESFA), the DfE, Hunts District Council and Cambridge County Council. Further efficiencies and cost savings are being developed through school building consolidation and financial initiatives. Additional sources of income from non-core activities continue to be pursued.

The overriding priorities for Abbey College Ramsey during 2021/22 academic year including those set by Ofsted are:

- Improve the quality of teaching and accelerate pupils' progress by ensuring that: – non-specialist subject teachers, particularly in science, develop their knowledge and skills – staff provide a consistently high level of challenge for all pupils, and particularly for those who are most able.
- Improve the quality of leadership and management by: – ensuring that all middle leaders tackle inconsistencies in the quality of teaching and hold staff to account more effectively – precisely evaluating the impact of the strategies put in place to ensure that disadvantaged pupils always achieve as well as they can.
- To ensure that our provision for well-being, personal development, behaviour and inclusion is outstanding through new initiatives aligned to the school values.
- To continue to develop long term strategy of the facilities in conjunction with Education Skills Funding.
- To establish consistently good behaviour and positive attitudes to learning for all pupils, ensuring that communications provide all stakeholders with a clear understanding of school leaders' raised aspirations for pupils and the standards of behaviour expected.

# ABBAY COLLEGE, RAMSEY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### Auditor

The board of trustees have confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

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.

Azets Audit Services was appointed auditor to the charitable company. A resolution proposing re-appointment will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 6/12/22 and signed on its behalf by:

  
.....  
M A Jackson

Trustee

# ABBAY COLLEGE, RAMSEY

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Scope of responsibility

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

The board of Trustees has delegated the day to day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Abbey College, Ramsey, and the Secretary of State for Education. This includes the responsibility for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
J A R Chrisp (Trustee)	2	4
A Christoforou (Accounting Officer)	4	4
R Cox (Trustee)	3	4
A J Dods (Trustee)	4	4
E J Edwards (Trustee)	3	4
C Greyson (Trustee)	2	4
M A Jackson (Trustee)	4	4
K Johnston (Trustee) (Resigned 3 June 2022)	3	3
G Jones (Trustee) (Resigned 31 December 2021)	1	2
M Lynch (Trustee)	4	4
N Robinson (Trustee) (Resigned 8 February 2022)	0	2
J F Stevens (Trustee)	2	2
F Traynor (Trustee) (Resigned 1 December 2021)	1	2
L J Williamson (Trustee)	2	4
G Gregory (Trustee) (Appointed 23 February 2022 and resigned 16 May 2022)	1	1
E Welsh (Trustee) (Appointed 23 February 2022)	2	2
M Womersley-Carter (Trustee) (Appointed 18 March 2022)	1	2
A McFarlane (Trustee) (Appointed 17 June 2022)	0	1
L Gregory (Trustee) (Appointed 1 September 2022)	0	0
T Huggins (Trustee) (Appointed 7 September 2022)	0	0

# ABBAY COLLEGE, RAMSEY

## GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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The Operations Committee met 6 times during the year.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
J A R Chrisp (Trustee)	6	6
A Christoforou (Accounting Officer)	6	6
R Cox (Trustee)	5	6
A J Dods (Trustee)	6	6
E J Edwards (Trustee)	4	6
M A Jackson (Trustee)	6	6
K Johnston (Trustee) (Resigned 3 June 2022)	3	3
J F Stevens (Trustee)	4	6
F Traynor (Trustee) (Resigned 1 December 2021)	1	2
L J Williamson (Trustee)	5	6
E Welsh (Trustee) (Appointed 23 February 2022)	1	2
M Womersley-Carter (Trustee) (Appointed 18 March 2022)	2	3

### Review of value for money

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

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

### Improving Educational Results:

Over the course of the year, the College has ensured that resources are directed where they are most needed and most effective in meeting educational requirements, for example by:

- Targeting resources in line with the School Improvement Plan priorities.
- Professional development for all staff to implement curriculum and assessment processes and further improve subject knowledge.
- Developing procedures, tracking and monitoring processes to ensure that data is used to inform planning, target interventions and support differentiation, including regular internal and Senior Leadership Team meetings to review progress and impact of interventions for different groups of pupils.
- Continuously improving staff appraisal processes for effective monitoring of performance and pay progression.
- Using Pupil Premium to increase our levels of progress and support our strategies to improve attendance, reduce poor learning habits, and continue with KS3 & 4 interventions.
- Commissioning external reviews such as the SRMA audit to provide a detailed review of value for money against the curriculum and school's improvement objectives, which are shared with Governors and Trustees.

# ABBAY COLLEGE, RAMSEY

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Financial Governance and Oversight:

Examples of steps taken to ensure value for money when purchasing include:

- Exploring alternative purchasing options, both on- line and direct through suppliers, to obtain the best value.
- Working with other local schools in partnership to identify products and services that can be procured across several schools in order to drive down cost and/or negotiate favourable rates.
- Governors and school managers have developed procedures for assessing need and obtaining goods/ services which provide "best value" in terms of suitability, efficiency, time and cost. Measures in place include: competitive tendering procedures, high value purchases require three written quotes, procedures for accepting "best value" quotes, which are not necessarily the cheapest where suitability for purpose and quality of workmanship are required, benchmarking of suppliers, procedures which minimize office time by the purchase of goods/services direct for known reliable suppliers.
- All contracts are reviewed on an annual basis at time of renewal to ensure that they are fit for purposes and give best value to the school.

#### Reviewing Controls and Managing Risks:

The Operations Committee, College Business Manager, Budget Holders and the Senior Leadership Team have reviewed regular budget reports. This has ensured that spending is within budget and forward plans are agreed and implemented when there has been any variance.

Actions taken to manage risks include the appropriate level of insurance cover. Professional advice for HR and legal service providers has also been sought when needed.

#### 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 Abbey College, Ramsey for the period 1st September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

#### Capacity to handle risk

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

#### The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Operations 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.

# ABBEY COLLEGE, RAMSEY

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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The board of Trustees has appointed The Centre for Education and Finance Management (CEFM), as internal auditor. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. Termly, the Operations committee receives an internal audit report on the systems of control, and on the discharge of the board of Trustees financial responsibilities.

The internal auditor has delivered their schedule of work as planned. No major issues were identified during the course of that work but trustees have reviewed minor recommendations and take on board any relevant remedial action.

In addition to the work on financial controls, an external review of Safeguarding and Child Protection procedures has been undertaken and all minor recommendations have been acted upon by the trustees and senior team as a continued matter of priority.

The Trustees work closely with the team at Meridian Trust to look at best practice in other areas including IT security with reports and recommendations provided and reviewed in a timely manner.

The trustees accept that conflicts of interest can bring decision-making into disrepute and that the perception of conflict is enough to cause concern. Any reputational damage in this regard, could undermine public confidence in the integrity of the Academy.

They are clear on the understanding of a conflict of interest, in that it exists when the duties owed by an individual to the Academy conflict with, or may possibly conflict with a personal, financial or other interest or duty that the individual holds and/or by the interests of someone who has a close personal connection to the individual. The existence of a conflict of interest does not therefore depend on whether the individual is actually influenced in their duties or decisions. It arises whenever an interest could reasonably be perceived as affecting, or having the capacity to affect, an individual's ability to make impartial decisions on the Academies behalf.

The trustees of the academy accept the Governing Board Code of Conduct and disclose all conflicts of, and/or pecuniary interests. Each Trustee is therefore required to complete a pecuniary interest form at the beginning of the year or upon joining the governing body. These are added to the register of interests and displayed on the school website. Declarations of interest are a standing item at the beginning of every Committee meeting, so that attendees can declare any conflicts of interest in relation to that specific agenda. The Chair decides on the course of action for managing each conflict. Both the declarations and any mitigating actions are minuted.

#### Review of effectiveness

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

- the work of the responsible officer;
- the work of the external auditors;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the Senior Leadership Team 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 results of their review of the system of internal control to the Operations committee and has advised a plan to address weaknesses (if relevant) and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 6/12/22... and signed on its behalf by:



A Christoforou  
Accounting Officer



M A Jackson  
Trustee

# ABBEY COLLEGE, RAMSEY

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2022

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As accounting officer of Abbey College, Ramsey, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding 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 Financial Handbook 2021.

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

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



A Christoforou  
Accounting Officer

6.12.2022



# ABBHEY COLLEGE, RAMSEY

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2022**

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The trustees (who are also the directors of Abbey College, Ramsey for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

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

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

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

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

Approved by order of the members of the board of trustees on 6/12/22 and signed on its behalf by:

M A Jackson  
Trustee

# **ABBEY COLLEGE, RAMSEY**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEY COLLEGE, RAMSEY**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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### **Opinion**

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

In our opinion the accounts:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

# ABBEY COLLEGE, RAMSEY

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEY COLLEGE, RAMSEY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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

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

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

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

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

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

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

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

# ABBHEY COLLEGE, RAMSEY

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBHEY COLLEGE, RAMSEY (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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

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

#### Use of our report

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



**Mr Mark Jackson FCA DChA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

6.12.2022

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

Ruthlyn House  
90 Lincoln Road  
Peterborough  
United Kingdom  
PE1 2SP

# **ABBEY COLLEGE, RAMSEY**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ABBEY COLLEGE, RAMSEY AND THE EDUCATION AND SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2022***

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In accordance with the terms of our engagement letter dated 5 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Abbey College, Ramsey during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of Abbey College, Ramsey's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Abbey College, Ramsey's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academies Financial Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

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

# ABBEY COLLEGE, RAMSEY

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ABBEY COLLEGE, RAMSEY AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### Conclusion

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



### Reporting Accountant

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

Dated: ...16.12..2022..

# **ABBAY COLLEGE, RAMSEY**

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

**FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	Unrestricted funds £	General £	Restricted funds: Fixed asset £	Total 2022 £	Total 2021 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	26,600	29,837	56,437	429,950
Charitable activities:						
- Funding for educational operations	4	294,804	6,198,876	-	6,493,680	6,280,393
Other trading activities	5	4,861	-	-	4,861	4,161
Investments	6	111	-	-	111	86
<b>Total</b>		<b>299,776</b>	<b>6,225,476</b>	<b>29,837</b>	<b>6,555,089</b>	<b>6,714,590</b>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	8	279,522	6,664,092	714,872	7,658,486	6,952,325
<b>Total</b>	<b>7</b>	<b>279,522</b>	<b>6,664,092</b>	<b>714,872</b>	<b>7,658,486</b>	<b>6,952,325</b>
<b>Net income/(expenditure)</b>		<b>20,254</b>	<b>(438,616)</b>	<b>(685,035)</b>	<b>(1,103,397)</b>	<b>(237,735)</b>
Transfers between funds	18	-	(139,351)	139,351	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	3,519,000	-	3,519,000	(386,000)
<b>Net movement in funds</b>		<b>20,254</b>	<b>2,941,033</b>	<b>(545,684)</b>	<b>2,415,603</b>	<b>(623,735)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		57,504	(2,602,495)	26,333,432	23,788,441	24,412,176
Total funds carried forward		77,758	338,538	25,787,748	26,204,044	23,788,441

# **ABBAY COLLEGE, RAMSEY**

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

**FOR THE YEAR ENDED 31 AUGUST 2022**

<b>Comparative year information</b>		<b>Unrestricted</b>	<b>Restricted funds:</b>		<b>Total</b>
<b>Year ended 31 August 2021</b>		<b>funds</b>	<b>General</b>	<b>Fixed asset</b>	<b>2021</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income and endowments from:</b>					
Donations and capital grants	<b>3</b>	-	12,704	417,246	429,950
Charitable activities:					
- Funding for educational operations	<b>4</b>	212,833	6,067,560	-	6,280,393
Other trading activities	<b>5</b>	4,161	-	-	4,161
Investments	<b>6</b>	86	-	-	86
<b>Total</b>		<b>217,080</b>	<b>6,080,264</b>	<b>417,246</b>	<b>6,714,590</b>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	<b>8</b>	212,127	6,092,423	647,775	6,952,325
<b>Total</b>	<b>7</b>	<b>212,127</b>	<b>6,092,423</b>	<b>647,775</b>	<b>6,952,325</b>
<b>Net income/(expenditure)</b>		<b>4,953</b>	<b>(12,159)</b>	<b>(230,529)</b>	<b>(237,735)</b>
Transfers between funds	<b>18</b>	-	23,857	(23,857)	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	<b>24</b>	-	(386,000)	-	(386,000)
<b>Net movement in funds</b>		<b>4,953</b>	<b>(374,302)</b>	<b>(254,386)</b>	<b>(623,735)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		52,551	(2,228,193)	26,587,818	24,412,176
Total funds carried forward		57,504	(2,602,495)	26,333,432	23,788,441



# ABBHEY COLLEGE, RAMSEY

## BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	13		25,933,827		26,422,421
<b>Current assets</b>					
Debtors	15	224,909		239,948	
Cash at bank and in hand		775,117		711,900	
		1,000,026		951,848	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	16	(605,809)		(429,923)	
<b>Net current assets</b>			394,217		521,925
<b>Total assets less current liabilities</b>			26,328,044		26,944,346
Creditors: amounts falling due after more than one year	17		(124,000)		(106,905)
<b>Net assets before defined benefit pension scheme liability</b>			26,204,044		26,837,441
Defined benefit pension scheme liability	24		-		(3,049,000)
<b>Total net assets</b>			26,204,044		23,788,441
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	18				
- Fixed asset funds			25,787,748		26,333,432
- Restricted income funds			338,538		446,505
- Pension reserve			-		(3,049,000)
<b>Total restricted funds</b>			26,126,286		23,730,937
<b>Unrestricted income funds</b>	18		77,758		57,504
<b>Total funds</b>			26,204,044		23,788,441

The accounts on pages 21 to 44 were approved by the trustees and authorised for issue on 6/12/2022 and are signed on their behalf by:



M A Jackson  
Trustee

Company Number 07740516

# **ABBAY COLLEGE, RAMSEY**

## **STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	21		236,496		370,133
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		111		86	
Capital grants from DfE Group		21,517		368,113	
Capital funding received from sponsors and others		8,320		-	
Purchase of tangible fixed assets		(226,278)		(391,393)	
<b>Net cash used in investing activities</b>			(196,330)		(23,194)
<b>Cash flows from financing activities</b>					
New long term bank loan		-		30,000	
Repayment of long term bank loan		23,051		(6,543)	
<b>Net cash provided by financing activities</b>			23,051		23,457
<b>Net increase in cash and cash equivalents in the reporting period</b>			63,217		370,396
Cash and cash equivalents at beginning of the year			711,900		341,504
<b>Cash and cash equivalents at end of the year</b>			775,117		711,900

# ABBHEY COLLEGE, RAMSEY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies

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

##### 1.1 Basis of preparation

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

##### 1.2 Going concern

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts. The trustees believe that they do have adequate resources to continue in operational existence for the foreseeable future and therefore they continue to adopt the going concern basis of accounting in preparing the accounts.

##### 1.3 Income

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

##### Grants

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

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

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

##### Donations

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

##### Other income

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

# ABBHEY COLLEGE, RAMSEY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies

(Continued)

##### Donated goods, facilities and services

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

##### Donated fixed assets

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

#### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

##### Governance costs

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

#### 1.5 Tangible fixed assets and depreciation

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

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

# ABBHEY COLLEGE, RAMSEY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies

(Continued)

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Leasehold land and buildings	50 years
IT equipment	3 years
Fixtures, fittings & equipment	10 years
Motor vehicles	5 years

The land and buildings from which the academy operate are partly under a licence to occupy from the local authority, and partly leased from a number of other bodies, including the trustees of the Ramsey Foundation. A valuation was undertaken on the property as at 31 August 2012 on a depreciated replacement cost basis by a professional valuer, commissioned by the ESFA. Depreciation is charged in accordance with the accounting policies set out above.

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

#### 1.6 Liabilities

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

#### 1.7 Leased assets

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

#### 1.8 Financial instruments

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

##### Financial assets

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

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

##### Financial liabilities

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

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

#### 1.9 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.

# ABBEEY COLLEGE, RAMSEY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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### 1 Accounting policies

(Continued)

#### 1.10 Pensions benefits

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

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

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

#### 1.11 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 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 and Department for Education.

### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

# **ABBEEY COLLEGE, RAMSEY**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

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

**(Continued)**

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### **3 Donations and capital grants**

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Private sponsorship	-	26,600	26,600	12,704
Donated fixed assets	-	-	-	49,133
Capital grants	-	29,837	29,837	368,113
	-	56,437	56,437	429,950

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

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	5,431,835	5,431,835	5,048,778
Other DfE/ESFA grants:				
Pupil premium	-	211,011	211,011	199,364
Teachers pension grants	-	24,642	24,642	197,387
Teachers pay grants	-	8,721	8,721	69,853
Others	-	172,535	172,535	37,205
	-	5,848,744	5,848,744	5,552,587
<b>Other government grants</b>				
Local authority grants	-	284,975	284,975	304,120
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Other DfE/ESFA COVID-19 funding	-	13,462	13,462	110,890
Other incoming resources	294,804	51,695	346,499	312,796
<b>Total funding</b>	294,804	6,198,876	6,493,680	6,280,393

# **ABBHEY COLLEGE, RAMSEY**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 AUGUST 2022**

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

**(Continued)**

The academy trust has been eligible to claim additional funding from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

- The funding received for coronavirus exceptional support covers costs incurred in mass testing and in helping pupils catch up on missed education. These costs are included in notes 7 and 8 below as appropriate.

### **5 Other trading activities**

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Lettings	4,861	-	4,861	4,161

### **6 Investment income**

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Short term deposits	111	-	111	86

### **7 Expenditure**

	Staff costs £	Premises & equipment £	Other costs £	Total 2022 £	Total 2021 £
<b>Academy's educational operations</b>					
- Direct costs	3,689,648	-	451,298	4,140,946	3,979,892
- Allocated support costs	1,610,916	976,769	929,855	3,517,540	2,972,433
	5,300,564	976,769	1,381,153	7,658,486	6,952,325
<b>Total expenditure</b>	5,300,564	976,769	1,381,153	7,658,486	6,952,325

#### **Net income/(expenditure) for the year includes:**

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	12,800	12,000
- Other services	2,786	2,675
Operating lease rentals	15,118	37,288
Depreciation of tangible fixed assets	714,872	647,775



# ABBAY COLLEGE, RAMSEY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Direct costs - educational operations	135,687	4,005,259	4,140,946	3,979,892
Support costs - educational operations	143,835	3,373,705	3,517,540	2,972,433
	<u>279,522</u>	<u>7,378,964</u>	<u>7,658,486</u>	<u>6,952,325</u>

# **ABBHEY COLLEGE, RAMSEY**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 AUGUST 2022**

### **8 Charitable activities (Continued)**

Analysis of costs	2022 £	2021 £
<b>Direct costs</b>		
Teaching and educational support staff costs	3,670,089	3,557,553
Staff development	19,559	12,437
Technology costs	9,597	23,208
Educational supplies and services	366,649	331,556
Other direct costs	75,052	55,138
	<u>4,140,946</u>	<u>3,979,892</u>
<b>Support costs</b>		
Support staff costs	1,610,916	1,385,259
Depreciation and amortisation	714,872	647,775
Technology costs	101,259	75,941
Maintenance of premises and equipment	261,897	176,908
Occupancy costs	247,833	229,439
Catering	210,343	164,281
Finance costs	54,000	42,000
Other support costs	149,100	128,583
Governance costs	167,320	122,247
	<u>3,517,540</u>	<u>2,972,433</u>

<b>9 Governance costs</b>	<b>Total</b>	<b>Total</b>
<b>All from restricted funds:</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts included in support costs</b>		
Legal costs	150,419	105,207
Auditor's remuneration		
- Audit of financial statements	12,800	12,000
- Other audit costs	2,786	2,675
Other governance costs	1,315	2,365
	<u>167,320</u>	<u>122,247</u>

# ABBAY COLLEGE, RAMSEY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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### 10 Trustees' remuneration and expenses

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

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

A Christoforou (headteacher and governor):

Remuneration £105,001 - £110,000 (2021: £105,001 - £110,000)

Employer's pension contributions £25,001 - £30,000 (2021: £25,001 - £30,000)

G Jones (staff governor - resigned 31 December 2021):

Remuneration £5,001 - £10,000 (2021: £20,001 - £25,000)

Employer's pension contributions £nil - £5,000 (2021: £nil - £5,000)

N Robinson (staff governor - resigned 8 February 2022):

Remuneration £10,001 - £15,000 (2021: £40,001 - £45,000)

Employer's pension contributions £nil - £5,000 (2021: £5,001 - £10,000)

K Johnston (staff governor - resigned 3 June 2022):

Remuneration £25,001 - £30,000 (2021: £30,001 - £35,000)

Employer's pension contributions £nil - £5,000 (2021: £5,001 - £10,000)

G Gregory (staff governor - appointed 23 February 2022 and resigned 16 May 2022):

Remuneration £5,001 - £10,000 (2021: £nil)

Employer's pension contributions £nil - £5,000 (2021: £nil)

E Welsh (staff governor - appointed 23 February 2022):

Remuneration £10,001 - £20,000 (2021: £nil)

Employer's pension contributions £nil - £5,000 (2021: £nil)

During the year, travel and subsistence payments totalling £66 (2021: £32) were reimbursed or paid directly to 1 trustee (2021: 1 trustees).

Other related party transactions involving the trustees are set out within the related parties note.

# ABBHEY COLLEGE, RAMSEY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 11 Staff

#### Staff costs

Staff costs during the year were:

	2022 £	2021 £
Wages and salaries	3,612,002	3,389,626
Social security costs	363,922	322,696
Pension costs	1,148,737	1,016,877
Amounts paid to employees	5,124,661	4,729,199
Agency staff costs	120,952	175,368
Amounts paid to staff	5,245,613	4,904,567
Staff development and other staff costs	54,951	50,682
Total staff expenditure	5,300,564	4,955,249

#### Staff numbers

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

	2022 Number	2021 Number
Teachers	57	51
Administration and support	60	70
Management	7	7
	124	128

#### Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	-	1
£70,001 - £80,000	1	1
£100,001 - £110,000	1	1

#### 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) received by key management personnel for their services to the academy trust was £621,638 (2021 - £569,249) representing 7 people (2021 - 8 people).

# ABBHEY COLLEGE, RAMSEY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 12 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year is included within the total insurance costs of £25,586 (2021: £27,163).

### 13 Tangible fixed assets

	Leasehold land and buildings £	IT equipment £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 September 2021	31,800,543	188,437	771,487	28,445	32,788,912
Additions	52,194	-	174,084	-	226,278
Disposals	-	-	(1,000)	-	(1,000)
At 31 August 2022	31,852,737	188,437	944,571	28,445	33,014,190
<b>Depreciation</b>					
At 1 September 2021	5,723,564	138,807	475,675	28,445	6,366,491
On disposals	-	-	(1,000)	-	(1,000)
Charge for the year	645,758	17,181	51,933	-	714,872
At 31 August 2022	6,369,322	155,988	526,608	28,445	7,080,363
<b>Net book value</b>					
At 31 August 2022	25,483,415	32,449	417,963	-	25,933,827
At 31 August 2021	26,076,979	49,630	295,812	-	26,422,421

### 14 Financial instruments

	2022 £	2021 £
<b>Carrying amount of financial assets</b>		
Accrued income	89,767	29,274
Bank and cash	775,117	711,900
	864,884	741,174
<b>Carrying amount of financial liabilities</b>		
Trade creditors	217,878	107,322
Other creditors	88,277	80,933
Accruals	140,702	121,181
Government loans	146,392	123,341
	593,249	432,777

# **ABBHEY COLLEGE, RAMSEY**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 AUGUST 2022**

### **15 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
VAT recoverable	48,199	15,178
Other debtors	20,517	18,433
Prepayments and accrued income	156,193	206,337
	<u>224,909</u>	<u>239,948</u>

### **16 Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Government loans	22,392	16,436
Trade creditors	217,878	107,322
Other taxation and social security	88,234	78,446
Other creditors	88,277	80,933
Accruals and deferred income	189,028	146,786
	<u>605,809</u>	<u>429,923</u>

Included within government loans are four interest free concessionary Salix loans of which £22,392 is payable within one year, and the balance of £124,000 after more than one year.

### **17 Creditors: amounts falling due after more than one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Government loans	124,000	106,905
	<u>124,000</u>	<u>106,905</u>

<b>Analysis of loans</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wholly repayable within five years	146,392	123,341
Less: included in current liabilities	(22,392)	(16,436)
	<u>124,000</u>	<u>106,905</u>

<b>Loan maturity</b>		
Debt due in one year or less	22,392	16,436
Due in more than one year but not more than two years	22,392	16,436
Due in more than two years but not more than five years	67,176	49,308
Due in more than five years	34,432	41,161
	<u>146,392</u>	<u>123,341</u>

# ABBEY COLLEGE, RAMSEY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 18 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	345,505	5,431,835	(5,369,451)	(139,351)	268,538
Pupil premium	20,000	211,011	(191,011)	-	40,000
Teachers pension grants	-	24,642	(24,642)	-	-
Teachers pay grants	-	8,721	(8,721)	-	-
Other DfE / ESFA grants	46,000	185,997	(231,997)	-	-
Other government grants	30,000	284,975	(284,975)	-	30,000
Other restricted funds	5,000	78,295	(83,295)	-	-
Pension reserve	(3,049,000)	-	(470,000)	3,519,000	-
	<u>(2,602,495)</u>	<u>6,225,476</u>	<u>(6,664,092)</u>	<u>3,379,649</u>	<u>338,538</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	24,047,153	-	(611,179)	-	23,435,974
DfE group capital grants	33,152	29,837	-	(62,676)	313
Capital expenditure from GAG	2,375,268	-	(103,693)	226,278	2,497,853
ESFA capital loans	(122,141)	-	-	(24,251)	(146,392)
	<u>26,333,432</u>	<u>29,837</u>	<u>(714,872)</u>	<u>139,351</u>	<u>25,787,748</u>
<b>Total restricted funds</b>	<u>23,730,937</u>	<u>6,255,313</u>	<u>(7,378,964)</u>	<u>3,519,000</u>	<u>26,126,286</u>
<b>Unrestricted funds</b>					
General funds	13,044	211,364	(204,470)	-	19,938
School fund	44,460	88,412	(75,052)	-	57,820
	<u>57,504</u>	<u>299,776</u>	<u>(279,522)</u>	<u>-</u>	<u>77,758</u>
<b>Total funds</b>	<u>23,788,441</u>	<u>6,555,089</u>	<u>(7,658,486)</u>	<u>3,519,000</u>	<u>26,204,044</u>

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

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

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

# ABBHEY COLLEGE, RAMSEY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 18 Funds

(Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	88,807	5,048,778	(4,815,937)	23,857	345,505
Pupil premium	-	199,364	(179,364)	-	20,000
Teachers pension grants	-	197,387	(197,387)	-	-
Teachers pay grants	-	69,853	(69,853)	-	-
Other DfE / ESFA grants	-	148,095	(102,095)	-	46,000
Other government grants	-	304,120	(274,120)	-	30,000
Other restricted funds	-	112,667	(107,667)	-	5,000
Pension reserve	(2,317,000)	-	(346,000)	(386,000)	(3,049,000)
	<u>(2,228,193)</u>	<u>6,080,264</u>	<u>(6,092,423)</u>	<u>(362,143)</u>	<u>(2,602,495)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	24,602,301	-	(555,148)	-	24,047,153
DfE group capital grants	7,299	368,113	-	(342,260)	33,152
Capital expenditure from GAG	2,076,502	-	(92,627)	391,393	2,375,268
ESFA capital loans	(98,284)	-	-	(23,857)	(122,141)
Assets donated to academy	-	49,133	-	(49,133)	-
	<u>26,587,818</u>	<u>417,246</u>	<u>(647,775)</u>	<u>(23,857)</u>	<u>26,333,432</u>
<b>Total restricted funds</b>	<u>24,359,625</u>	<u>6,497,510</u>	<u>(6,740,198)</u>	<u>(386,000)</u>	<u>23,730,937</u>
<b>Unrestricted funds</b>					
General funds	8,066	161,967	(156,989)	-	13,044
School fund	44,485	55,113	(55,138)	-	44,460
	<u>52,551</u>	<u>217,080</u>	<u>(212,127)</u>	<u>-</u>	<u>57,504</u>
<b>Total funds</b>	<u>24,412,176</u>	<u>6,714,590</u>	<u>(6,952,325)</u>	<u>(386,000)</u>	<u>23,788,441</u>



# ABBHEY COLLEGE, RAMSEY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

19	Deferred income	2022 £	2021 £
	Deferred income is included within:		
	Creditors due within one year	48,326	25,605
	Deferred income at 1 September 2021	25,605	13,361
	Released from previous years	(25,605)	(13,361)
	Amounts deferred in the year	48,326	25,605
	<b>Deferred income at 31 August 2022</b>	<b>48,326</b>	<b>25,605</b>

At the balance sheet date the academy was holding funds received in advance for the next school year for school trips and school meals.

### 20 Analysis of net assets between funds

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	25,933,827	25,933,827
Current assets	111,565	877,642	10,819	1,000,026
Creditors falling due within one year	(33,807)	(539,104)	(32,898)	(605,809)
Creditors falling due after one year	-	-	(124,000)	(124,000)
<b>Total net assets</b>	<b>77,758</b>	<b>338,538</b>	<b>25,787,748</b>	<b>26,204,044</b>
	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2021 are represented by:</b>				
Tangible fixed assets	-	-	26,422,421	26,422,421
Current assets	64,615	878,731	8,502	951,848
Creditors falling due within one year	(7,111)	(406,376)	(16,436)	(429,923)
Creditors falling due after one year	-	(25,850)	(81,055)	(106,905)
Defined benefit pension asset	-	(3,049,000)	-	(3,049,000)
<b>Total net assets</b>	<b>57,504</b>	<b>(2,602,495)</b>	<b>26,333,432</b>	<b>23,788,441</b>

# ABBEY COLLEGE, RAMSEY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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

	2022 £	2021 £
Net expenditure for the reporting period (as per the statement of financial activities)	(1,103,397)	(237,735)
Adjusted for:		
Capital grants from DfE and other capital income	(29,837)	(368,113)
Investment income receivable	(111)	(86)
Defined benefit pension costs less contributions payable	416,000	304,000
Defined benefit pension scheme finance cost	54,000	42,000
Depreciation of tangible fixed assets	714,872	647,775
Decrease in debtors	15,039	16,535
Increase/(decrease) in creditors	169,930	(34,243)
<b>Net cash provided by operating activities</b>	<b>236,496</b>	<b>370,133</b>

### 22 Analysis of changes in net funds

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	711,900	63,217	775,117
Loans falling due within one year	(16,436)	(5,956)	(22,392)
Loans falling due after more than one year	(106,905)	(17,095)	(124,000)
	<b>588,559</b>	<b>40,166</b>	<b>628,725</b>

### 23 Contingent liabilities

The school leases The Abbey and part of its land for a peppercorn rent on a 99 year lease, expiring in 2035. The school has an obligation to return the property in good tenable repair and condition and therefore there may be a liability for any works that are required, but any liability that may exist has not been quantified.

### 24 Pensions 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 Cambridgeshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £88,277 (2021: £80,932) were payable to the schemes at 31 August 2022 and are included within creditors.

# ABBEY COLLEGE, RAMSEY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 24 Pensions and similar obligations

(Continued)

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in 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% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to the TPS in the period amounted to £557,256 (2021: £535,303).

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 18.5% for employers and 5.5 to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Total contributions made	2022 £	2021 £
Employer's contributions	184,000	198,000
Employees' contributions	59,000	61,000
Total contributions	243,000	259,000

# **ABBHEY COLLEGE, RAMSEY**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

#### **24 Pensions and similar obligations**

**(Continued)**

<b>Principal actuarial assumptions</b>	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>
Rate of increases in salaries	3.55	3.4
Rate of increase for pensions in payment	3.05	2.9
Discount rate	4.25	1.65

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

	<b>2022</b>	<b>2021</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
- Males	22.0	22.2
- Females	24.2	24.4
Retiring in 20 years		
- Males	22.9	23.2
- Females	26.0	26.2

<b>Sensitivity analysis</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
0.5% decrease in Real Discount Rate	700,000	692,000
0.5% increase in Salary Increase Rate	30,000	111,000
0.5% increase in the Pension Increase Rate	680,000	570,000

<b>The academy trust's share of the assets in the scheme</b>	<b>2022</b>	<b>2021</b>
	<b>Fair value</b>	<b>Fair value</b>
	<b>£</b>	<b>£</b>
Equities	5,314,400	5,043,090
Bonds	986,960	1,279,590
Cash	75,920	150,540
Property	1,214,720	1,053,780
Other assets	(895,000)	-
Total market value of assets	6,697,000	7,527,000
Actual return on scheme assets - gain/(loss)	(964,000)	1,239,000

# **ABBAY COLLEGE, RAMSEY**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2022**

24	Pensions and similar obligations	(Continued)	
Amounts recognised in the statement of financial activities		2022	2021
		£	£
Current service cost	600,000	502,000	
Interest income	(125,000)	(105,000)	
Interest cost	179,000	147,000	
Total operating charge	654,000	544,000	
Changes in the present value of defined benefit obligations		2022	2021
		£	£
Obligations at 1 September 2021	10,576,000	8,449,000	
Current service cost	600,000	502,000	
Interest cost	179,000	147,000	
Employee contributions	59,000	61,000	
Actuarial (gain)/loss	(4,608,000)	1,520,000	
Benefits paid	(109,000)	(103,000)	
At 31 August 2022	6,697,000	10,576,000	
Changes in the fair value of the academy trust's share of scheme assets		2022	2021
		£	£
Assets at 1 September 2021	7,527,000	6,132,000	
Interest income	125,000	105,000	
Actuarial loss/(gain)	(194,000)	1,134,000	
Employer contributions	184,000	198,000	
Employee contributions	59,000	61,000	
Benefits paid	(109,000)	(103,000)	
Asset not recognised	(895,000)	-	
At 31 August 2022	6,697,000	7,527,000	

The actuarial valuation prepared under FRS102 in respect of the Local Government Pension Scheme indicated that the Trust's share of the scheme was in surplus as at the year end to the value of £895,000. At the time of approving the accounts, the trustees have no indication that this will result in either a refund of contributions or a material reduction in future contributions and therefore the corresponding asset has not been reflected in these accounts.

# ABBNEY COLLEGE, RAMSEY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 25 Long-term commitments, including operating leases

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

	2022 £	2021 £
Amounts due within one year	19,698	10,194
Amounts due in two and five years	24,297	17,804
	<u>43,995</u>	<u>27,998</u>

#### 26 Capital commitments

	2022 £	2021 £
Expenditure contracted for but not provided in the accounts	-	35,094

At the year end, capital commitments were in place amounting to £nil (2021: £35,094) in relation to the roof project. Capital grants had been received to meet these commitments.

#### 27 Related party transactions

Owing to the nature of the academy's operations and the composition of the board of the trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

During the period, a donation amounting to £2,255 (2021: £4,880) was received from Ramsey Tennis Club, of which E J Edwards, an academy trustee, is a member.

During the period, donations amounting to £24,345 (2021: £7,824) were received from the Ramsey Foundation. Four of the academy trustees are also trustees of the Ramsey Foundation.

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

#### 28 Members' liability

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

No individual has a controlling interest in the charitable company.