

Company Registration No. 07559285 (England and Wales)

DAME ALICE OWEN'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

DAME ALICE OWEN'S SCHOOL

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DAME ALICE OWEN'S SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

G Haigh (Chair of Governors)*
P Martin (Resigned March 2023)
R Fuller*
H Nemko (Head)*
C Tracy
J Robinson*
N Barnes*
D Burrowes
A Porter
G Taylor
M Mills-Bishop
T Balakrishna*
G Keating*
A Sykes*
P Bruno*
P J Wells (Appointed Oct 2022 Resigned Oct 2023)
A Harker
T Jackson
M Rose
J Buoy (Appointed Sep 2022)
R Bromley* (Appointed Nov 2022)

* members of the Finance and Audit Committee

Members

N Tindall
G Haigh
F McMullen

Senior leadership team

- Headteacher	H Nemko
- Deputy Headteacher	S Fry
- Deputy Headteacher	V Blackburn
- Assistant Headteacher	M Ewins
- Assistant Headteacher	L Common
- Assistant Headteacher	M James
- Assistant Headteacher	J McClean
- Business Manager	J Campbell

Company Secretary

L Hennigan

Company registration number

07559285 (England and Wales)

Registered office

Dame Alice Owen's School
Dugdale Hill Lane
Potters Bar
Hertfordshire
EN6 2DU

Independent auditor

Baxter & Co
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Bankers

Lloyds Bank PLC
Hatfield Branch
PO Box 1000
BX1 1LT

DAME ALICE OWEN'S SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Stone King LLP
Wellington House
East Road
Cambridge
CB1 1BH

DAME ALICE OWEN'S SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Governors (Trustees) present their annual report together with the financial statements and auditor's report of the charitable company for the year 01 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The principal activity of the Dame Alice Owen's Academy Trust is to provide a state education to boys/girls of different abilities between the ages of 11 to 19. The School still maintains a specialism for Languages, Science and Music, whilst providing an overall excellent education. Funding is obtained from the Department for Education (DfE) through the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. It has a pupil capacity of 1,433 and had a roll of 1,457 in the school census in October 2022.

Structure, governance and management

Constitution

The Charitable Company is a company limited by guarantee incorporated on 10 March 2011, and the predecessor school converted to academy status on 1 April 2011.

The Governors (Trustees) are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Dame Alice Owen's School is an Academy Trust registered under the Companies Act 2006, as a company limited by guarantee without a share capital.

The Academy is an exempt charity. The company's memorandum and articles of association are the primary governing documents of the Academy Trust.

Members' liability

Each member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member. The liability of the members is limited to £10 each for the debts and liabilities contracted before they ceased to be a member.

Governors' Indemnities

The trust has not given any indemnity to any third party in respect of any Governors.

Method of recruitment and appointment or election of Governors

The Governing Body comprises the following Governors:

- a) Up to thirteen Governors appointed by the Trustee (Foundation)
- b) Up to three staff Governors elected by the staff;
- c) Minimum of three parent Governors elected by parents;
- d) The Head is an ex-officio Governor;
- e) Further Governors may be appointed by the Secretary of State.
- f) Up to three additional Governors may be co-opted by the Board

The Members are entitled to nominate or appoint new trustees. The Members are

- a) The Clerk to the Worshipful Company of Brewers
- b) The Chair of Governors of Dame Alice Owen's School
- c) The Renter Warden of the Worshipful Company of Brewers

Policies and procedures adopted for the induction and training of Governors

The training and induction provided for new Governors will depend on their existing experience. Where necessary, induction will provide training in charity and educational legal and financial matters. All Governors are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as Governors. The Academy also purchases the Governor Training Scheme run by the local authority.

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Organisational structure

The Board of Governors, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The Board meets at least three times a year and has several committees, including a Finance and Audit Committee, plus additional sub-committees with specific roles. Governors' committees include: Admissions Committee, Personnel & Remuneration Committee, Curriculum Committee, Finance and Audit Committee, Facilities Management Committee. All of these Committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

The Board of Governors delegates specific responsibilities to its Committees, the activities of which are reported to and discussed at full Board Meetings. Day to day management of the Academy is undertaken by the Head supported by the Senior Leadership Team.

The school has one subsidiary, Dame Alice Owen's Music Centre Ltd, company number 02836987. There are two Directors, the Headteacher and the First Deputy Headteacher. The Headteacher controls more than 75% of the voting rights. The function of the subsidiary is to raise funds from non-curricular school activities, with all profits being donated to the school at the end of each year.

Arrangements for setting pay and remuneration of key management personnel

The senior leadership team (SLT) are the key management personnel of the trust. Where staff trustees are in place, they receive remuneration for their role as staff and their pay is determined in the same way as applicable to all other staff. Further details of remuneration paid to staff who are trustees is set out within the notes to the accounts.

The pay of the Head is set annually by the Personnel Committee, having regards to performance against objectives set the previous year. Pay of other SLT members is also set by the Personnel Committee again having regard to performance against previously agreed objectives and any recommendations made by the Head.

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	2

Percentage of time spent on facility time

Percentage of time	Number of Employees
0%	2
1% - 50%	0
51% - 99%	0
100%+	0

Percentage of pay bill spent on facility time

Total Cost of facility time	£0
Total Pay bill	£8,188k
Percentage of the total pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0%
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Related Parties and other Connected Charities and Organisations

The Dame Alice Owen's Music Centre Limited is the trading company set up by the Governors in 1993 for dealing with income from concerts and exam paper sales.

Old Owen's Association and Sports Club Ltd is an independent charitable sports club providing facilities for past students of Dame Alice Owen's School. The Head of Dame Alice Owen's School serves on the Board of the company.

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The Worshipful Company of Brewers is a related party as explained in the related party transactions note to the accounts.

Details of transactions with related parties are set out in the relevant note to the accounts.

Employee Involvement

Academy staff are empowered to elect colleagues to sit and serve as Governors. Two teacher Governors and one staff Governor are elected as members of the current Governing Body.

Disabled Persons

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to many of the main areas of the Academy. The policy of the Academy is to support recruitment and retention of students and employees with disabilities.

The Academy does this by adapting the physical environment as and when resources become available, or buildings are replaced, by making support resources available and through training and career development.

Objectives and activities

Objects and aims

The principal object of the company is to advance for the public benefit, education in the United Kingdom. It achieves this object through the operation of the Dame Alice Owen's Academy, providing a state education, free of charge, to pupils aged 11 to 19.

Objectives, strategies and activities

The Governors have agreed the following areas of strategic planning:

- 1) The Governors seek to further extend student success at a time of financial uncertainty and continued changes to the exam system. We seek to build on our strong teaching and learning by creative a culture of reflective teachers and learners and promote equality and celebrate diversity throughout the school. Careful monitoring of the School Improvement Plan ensures this happens.
- 2) The Governors have a strategic staffing plan to maintain adequate staffing, at a time of increased salary costs and a shortage of high quality teachers, to ensure the continuation of outstanding exam results and education at the school. This includes monies for the retention of outstanding teachers, the recruitment of teachers through initial teacher training programmes, ensuring all teaching staff teach their specialist subjects, and promoting wellbeing programmes for all staff.
- 3) A Masterplan and Estates Strategy for the replacement or refurbishment of dilapidated buildings, including the main block and Sports Hall, and the decarbonisation of the campus. Monies are planned to be set aside every year to match bids to the Dame Alice Owen Foundation and the Education and Skills Funding Agency (ESFA)

Public Benefit

In setting our objectives and planning our activities the Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

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GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and Performance

The school was faced, this year, with continuing challenges resulting from the COVID pandemic and the impact of the lockdown & further disruptions, particularly those of attendance and continued mental health issues. After painstaking hard work and effort from our Deputy Head responsible for Pastoral, and the wider pastoral team, our attendance figures across the school, incredibly, were back to pre-Covid levels by the end of the year. Students also achieved outstanding exam results, again, this year.

In our GCSE results:

- 67% of all GCSEs sat were awarded 9-7
- 93% of all GCSEs sat were awarded 9-5
- Progress 8 was 0.63, compared to the national figure of -0.03

In our 6th form, from the Year 13 cohort:-

- 61.5% of all A Levels were awarded a grade A* or A
- 185 took a place at university, including one overseas university
- 160 went to their first choice university, and 133 of which were Russell Group
- 4 students undertook the one of the new Degree Apprenticeships
- 17 students, including 2 disadvantaged, took up a place at Oxford or Cambridge
- 12 students went gained a place to study medicine

In addition to the incredible outcomes for our 6th form leavers, there were many other outstanding achievements throughout the school, with a number of successes across a variety of departments including recognition in a number of national sporting and academic competitions.

Non academically, a projected £300k in year deficit was overturned throughout the course of the year with strict monitoring of both the energy usage and staffing structure, although this did not happen without affecting workload, staff motivation and wellbeing.

Key performance indicators

- With attendance greatly affected by Covid in previous years, our pastoral team have worked tirelessly with students suffering from mental health issues caused by the effects of the Covid lockdowns and disruptions. Our team have worked diligently with students suffering long term absences and have seen great results, with attendance levels for 2022-23 (94.6%) returning to near pre-covid levels (95.4% in 2019), and far higher than the national average for the same year (90.8%)
- A Level results were outstanding again with 83% of all entries graded A*-B. This year 14 students achieved 3 or more A* grades, with 7 students achieving 4 A* and a further student achieving 5 A*s including their EPQ.
- GCSE results for five subjects graded 9-4 including English and Maths increased to 97%, compared with last year's figures of 95%
- Ofsted grading maintained as 'Outstanding' in all areas.
- Teacher retention rates remained above 90%

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the accounts.

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Financial review

We receive our income from a number of different sources. A majority of our income comes from central government via the Education and Skills Funding Agency (ESFA) who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant -GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to close any attainment gap between pupils attracting such funds and the school as a whole). These appear in the accounts as DfE (Department for Education)/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as other government grants. Such income is collectively referred to as "Restricted Funds". Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme (LGPS) deficit / surplus must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

The following balances were held at 31 August:

Fund	Category	2023 £'000	2022 £'000
GAG	Restricted General Funds	68	116
Other DfE/ESFA Grants	Restricted General Funds	-	4
Other Income	Restricted General Funds	3,622	3,378
Sub-total General Restricted Funds		3,690	3,498
Unspent Capital Funds	Restricted Fixed Asset Fund	33	-
Other Income	Unrestricted General Fund	196	434
Sub-Total Spendable Funds		3,919	3,932
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	31,119	31,745
Capital loan	Restricted Fixed Asset Fund	(589)	(715)
Share of LGPS Deficit / Surplus	Restricted Pension Reserve	-	(237)
Total All Funds		34,449	34,725

During the year under review there was an increase of £192k (2022: increase of £81k) on general restricted funds, a decrease of £238k (2022: no change) on unrestricted funds and after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall decrease of £276k (2022: increase of £1,559k).

There were no significant events this year that have affected the financial performance or position of the trust.

The school has identified that the biggest risk to the school is that government funding is not sufficient to cover large, previously un-forecast, pay awards and the huge increase in energy prices caused by this year's energy crisis. This means the school could be looking at an in-year deficit for the first time in 2023/24, which would have an impact on the future education provision of the school. The lack of notice of assumptions and actuals has made forecasting

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FOR THE YEAR ENDED 31 AUGUST 2023

impossible and this in turn creates a risk that the school does not act quickly enough to be able to mitigate any deficit or, conversely, acts too quickly. To mitigate these risks, the school has resorted to using as little energy as possible, meaning buildings are either too warm in the summer and too cold in the winter. The school is also constantly reviewing staffing structures and the curriculum offer to ensure we have the most cost-effective structure.

The biggest factors likely to affect the school's financial position going forward are pay awards and pension contribution increases not being fully funded, and energy prices remaining high. Current government funding is not sufficient to be able cover the huge increase in salaries and energy costs. If the level of funding remains, we will have to start using reserves to cover expenditure. This will obviously have a negative impact on our balance sheet.

The value in the 'creditors falling due after more than one year' shows the decreasing value of the CIF loan, which was awarded in 2017 to help fund the new teaching block building that was opened in 2019. The total loan amount awarded was £842k and is due to be paid off in August 2026. The value of the tangible fixed assets has reduced due to depreciation being deducted in the year.

Reserves policy

The reserves policy divides reserves into committed and uncommitted reserves. Committed reserves are held for specific purposes such as new building projects, the replacement of sporting facilities, minibuses and main boilers and uncommitted reserves are held to deal with unexpected events and emergencies and should cover at least 1 month's expenditure and capital commitments. Over the past 5 years, we have been building up reserves in the capital building fund to help finance the school's impending Curtain Walling Replacement project of the main block, and a major refurbishment of the Sports Building. Once these projects have been carried out, in 2023/24 and 2024/25 cash reserve levels will diminish considerably, in line with the school reserves policy.

Investment policy

There are no investments held beyond cash and fixed term deposits retained with the major UK clearing banks. Speculative investments are not permitted.

Principal risks and uncertainties

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to academic performance/finances/child welfare/admissions. The Governors have implemented a number of systems to assess risks that the Academy faces, and have developed policies and procedures to mitigate those risks. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Statement on Internal Control.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), Governors consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

A Discretions Policy has been implemented by the Personnel Committee, outlining the Governors' response to special requests for a change to the normal pension payments to be made, in order to minimise any unexpected costs in the pension scheme.

The risk management process has been codified in a risk register implemented by the Senior Management Team and overseen by the Board of Governors.

Governors keep spendable reserves under constant review to ensure that they have sufficient income to run the Academy on an efficient basis without affecting the quality of teaching and learning.

Our fundraising practices

The school organises fundraising events and appeals and co-ordinates the activities of our supporters both in the school and in the wider community on behalf of the school.

The school does not use professional fundraisers or involve commercial participators.

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FOR THE YEAR ENDED 31 AUGUST 2023

There have been no complaints about fundraising activity this year.

The trust complies with the Fundraising Regulator's Code of Fundraising Practice.

All fundraising is undertaken by the trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through social media, email, school newsletters, our websites and via students.

Plans for future periods

The priority for the school for the coming year is to maintain outstanding teaching and learning, whilst dealing with the financial challenges of the energy crisis and underfunded staff pay awards, and trying to reduce the prospect of an in year deficit. The school continues to prioritise the implementation of strategies to close attainment gaps suffered by our disadvantaged students, using Pupil Premium funding and the additional funding for tutoring and grants from the Worshipful Company of Brewers. The school will continue to promote and sustain excellent student behaviour within the school. The school has a fully costed School Improvement Plan to ensure it has identified the priorities for the coming year and has the strategies in place to ensure these are implemented

The school will commence a capital project to replace the curtain walling to the Main block, which houses the RE, History & Safeguarding departments, alongside our catering function, in line with the Estates Strategy and Decarbonisation plan for the school, to increase the energy efficiency of the building and reduce future energy bills. There is also a concern regarding the asbestos contained within the main block and sports block. Although currently well managed, there is a concern that these areas will become more vulnerable to the risk of exposure over time. The school will bid to the DfE for CIF funding to help fund the removal of all asbestos and contribute to the replacement of the curtain walling. The school will work closely with architects and contractors to ensure all projects represent good value for money and are managed effectively.

Funds Held as Custodian Trustee on Behalf of Others

No funds are held as Custodian Trustee on behalf of any third parties.

Auditor

In so far as the Governors are aware:

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

The Governors' Report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 04 December 2023 and signed on its behalf by:


.....
G Haigh
Chair of Governors

DAME ALICE OWEN'S SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

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

The Board of Governors has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Dame Alice Owen's School and the Secretary of State for Education. The Headteacher is also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Full Board of Governors has formally met 4 times during the year, with 5 separate committees meeting a further 3 times each in the year. Monthly Management finance reports were uploaded to the governor portal for all governors to interrogate. Attendance during the year at meetings of the Board of Governors was as follows:

Governors Attendance at Committees September 2022- July 2023

Name	Full Governing Body	Personnel & Remuneration Committee	Curriculum Committee	Facilities Management Committee	Finance & Audit Committee	Admissions Committee
	(4 meetings held)	(3 meetings held)	(3 meetings held)	(3 meetings held)	(3 meetings held)	(3 meetings held)
	Attendance:	Attendance:	Attendance:	Attendance:	Attendance:	Attendance:
Tristan Balakrishna	4			3	3	
Nick Barnes	4			2	2	
Ruth Bromley	3			2	2	
Patricia Bruno	4		2	3	3	
Jon Buoy	4			3	2	1/1
David Burrowes	4	1	1			2
Richard Fuller	2					
Gary Haigh	4	3	3	3	3	3
Amy Harker	4	1	1			2
Tania Jackson	4		1/1			
Gill Keating	4			3	3	
Peter Martin	2/2	2/2	2/2			2/2
Mark Mills- Bishop	3	2	2			
Hannah Nemko	4	3	3	3	3	3
Andrew Porter	4	2	3			1
Jonathan Robinson	3	1	1	1		
Michael Rose	4	3	2			
Adrian Sykes	3	3	3	2	2	2
Glenn Taylor	4		3	3		
Charles Tracy	4	3	3			
Peter Wells	4					

There were no changes to the composition of the Governing Body this year. There was one resignation from the Board and 3 appointments in the year. The Governing Board met three times to review all aspects of the School's operation, receive reports on key matters and to approve policies as required. Additionally, the Curriculum, Personnel, Admissions, Finance and Facilities Committees also met three times – once per terms. The Salary and Remuneration Committee met in October 2022 to approve the annual salary awards. Nine Governors acted as Link Governors, meeting with members of the School's Senior Leadership Team to review key strategic areas in depth each term and their findings were circulated to the whole board and discussed at meetings. Additionally, each staff leaver was interviewed by a Governor and the findings were reported back to the Board.

The Board discharged all of its statutory and fiduciary duties and no challenges were highlighted.

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FOR THE YEAR ENDED 31 AUGUST 2023

The Board and Committees reviewed data reports on various aspects of the School (Safeguarding, Examinations, Attendance, Behaviour, etc) and deemed the quality of data to be good enough to enable appropriate governance.

The School Budget is reviewed at each Finance Committee and each Full Governing Body meeting (so, six times in total). Additionally, a report of financial performance versus budget is circulated to the whole Governing Board each month.

Conflict of interest

A register of interest is maintained by the school and records any potential conflict of interests amongst staff and the Governing Body. This register is updated annually and again when any new members of staff or trustees join the school. At the start of each governing body committee meeting and full governing body meeting, a further register of interests is taken and any conflict of interests are discussed and mitigated.

Governance reviews

The Governing Board conducted a skills and training audit in January 2023. The skills capability was deemed to be in line with requirements and training was also in line with requirements and up to date. Training focus for 2023/24 was agreed to be around curriculum and equalities and this training will be undertaken in December 2023.

An external review of governance was undertaken in February 2023 by Herts for Learning and the report was presented to the Full Governing Board in June 2023. Several minor improvements were recommended which have all been actioned. Two longer term projects (governor induction and Governing Board stakeholder connection) are in hand. Progress is being reviewed with the external provider in December 2023.

The Governing Board will conduct another self-evaluation in 2024/25.

The Finance and Audit Committee is a sub-committee of the main Board of Governors. The Finance and Audit committee has decision-making powers within the scheme of delegation. Its purpose is to assist and support the governing body, ensuring that sound oversight is exercised over the management of the academy's finances and resources.

The Finance and Audit Committee were able to, again, produce a balanced budget for the year in spite of increased salary costs and additional extraordinary expenditure due to COVID-19. The work involved in producing this is in addition to the normal business of dealing with the statutory accounts, budget monitoring, risk control, capital projects, Foundation bid, investments, reserves and internal audit. The committee also carried out regular internal audits of the finance and facilities departments to ensure compliance with the Academies Trust Handbook and Health and Safety legislation.

Review of Value for Money

As Accounting Officer the Head Teacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

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 Governors where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the academy trust has delivered improved value for money during the year as described hereunder.

In light of the budgetary pressures on the school this year, staffing was reviewed regularly for potential efficiency savings. Maternity absences were covered internally, saving on recruitment and agency fees. Whilst vacant positions were not always filled to save money, recruitment continued to be a major challenge for the school, as it is nationally.

The catering function has been heavily scrutinised this year, following a large increase in the running costs in recent years, due to the increase in the minimum wage, a large hike in the price of food, consumables and energy together with lacklustre sales. In order to improve this function, the catering manager was replaced and is now managed by a chef with a great passion for good, healthy home cooked food, and who is able to motivate the catering staff. The result has been a substantially improved catering offer with greatly increased sales. The use of take away consumables has been drastically decreased, further improving costs and the sustainability of the function. The aging

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GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

industrial ovens were also replaced with modern intelligent equivalents, using the additional government capital grant awarded to schools for sustainability projects. These ovens work on the same premise as air fryers, allowing multiple items to be cooked together but at different temperatures, and vastly reducing the cooking time needed in general, thereby reducing overall energy consumption and costs.

Due to last year's energy crisis and the huge increase in energy rates, energy consumption was tightly controlled to minimise the impact on an already tight budget. This resulted in staff having to work in much colder environments than usual, which was hard for both students and staff alike. Although consumption was indeed greatly reduced compared to the previous year's energy consumption, energy costs were still at an all time high for the school and nearly double those of the previous year.

In the summer it became evident, during the annual inspection of our astroturf floodlights, that the aging posts holding the floodlights were beginning to suffer structural malfunctions, resulting in a major health and safety risk of the posts not being able to hold up the floodlights. This meant the cross arms holding up the lights had to be replaced immediately. Although, not a major cost in itself to rectify, a decision was made to bring forward the proposed capital project of replacing the old floodlights to new, more energy efficient, LED lights by a couple of years and complete this at the same time as replacing the cross arms. Completing the two projects together saved the school money in the long term, and replacing the aging floodlights with new LED lights should again cut energy consumption significantly, further cutting costs in the longer term and providing a more sustainable campus. These new lights will also be more attractive to lettings and we hope to see an upturn in lettings income as a result.

This year the school invested in an Employee Assistance Programme (EAP) for all school employees, which provides free support for mental health issues, physiotherapy, and access to a private GP, amongst a number of other benefits. Whilst helping to improve the mental health and wellbeing of our employees was the key driver in investing in an EAP, we hope that a natural outcome of this investment will be lower staff absence and sickness rates.

Over the summer the 6th form building saw a major refurbishment and decorative overhaul. We worked closely with three design companies to come up with a final, best value solution. As a result, we now have a fully refurbished common room and Self Access Learning Centre, providing a much more pleasant and functional environment in both areas, for students and staff alike, that we can be proud to show to prospective students. All redecoration, including new flooring was undertaken by our in house caretakers, rather than contracted out. Our team worked diligently over the summer and subsequently saved the school substantial money on this project.

Regular internal audits of the finance department, alongside regular reviews of the budget and management accounts by the finance committee ensured probity and transparency between the governing body and the finance department. The school also appointed an independent auditor, Buzzacotts, to carry out termly internal scrutiny reviews of various areas of school procedures and processes.

The school's latest external audit reported sound financial management and no concerns that rules laid down in the Academies Trust Handbook were not being followed.

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 Dame Alice Owen's School for the period 01 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Governors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 01 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors.

DAME ALICE OWEN'S SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

The risk and control framework

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

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

The Board of Governors has considered the need for a specific internal audit function and has appointed Buzzacotts, a firm of auditors to the education sector, to carry out internal scrutiny on behalf of the Governing Body, based on a programme of works compiled by the Governing Body. The very experienced Chairs of the Finance and Facilities committees also carried out termly audits, including those of compliance, and Health and Safety.

The reviewer's role includes giving advice on financial, H&S and other procedural matters, and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- Review of Reserves
- Review of Benchmarking
- Review of Risk Management
- Review of Website Compliance
- Review of Health and Safety Compliance in high risk departments

On a termly basis, the internal scrutineers report to the Governing Body, through the Finance and Audit Committee, on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities

In each of the areas above, no material control weaknesses were identified and all findings have been reported to Governors. Governors are satisfied that this audit role has been delivered effectively.

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 auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

Approved by order of the members of the Board of Governors on 04 December 2023 and signed on its behalf by:


.....
G Haigh
Chair of Governors


.....
H Nemko
Headteacher & Accounting Officer

DAME ALICE OWEN'S SCHOOL

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

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

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

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



Mrs H Nemko
Accounting Officer

04 December 2023

DAME ALICE OWEN'S SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

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

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

In preparing these Financial Statements, the Governors are required to:

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

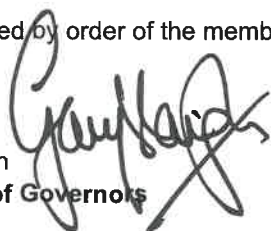
The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the Financial Statements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

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

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

Approved by order of the members of the Board of Governors on 04 December 2023 and signed on its behalf by:

G Haigh
Chair of Governors



DAME ALICE OWEN'S SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAME ALICE OWEN'S SCHOOL

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

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

In our opinion the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 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 2022 to 2023.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

DAME ALICE OWEN'S SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAME ALICE OWEN'S SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' 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 Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the statement of Governors' responsibilities, the Governors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error. In preparing the Financial Statements, the Governors are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal assurance reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

DAME ALICE OWEN'S SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAME ALICE OWEN'S SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.



Louise Hallsworth FCA (Senior Statutory Auditor)
for and on behalf of Baxter & Co

12 December 2023
.....

Chartered Certified Accountants
Statutory Auditor

Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

DAME ALICE OWEN'S SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DAME ALICE OWEN'S SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 26 May 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Dame Alice Owen's School during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Dame Alice Owen's School's accounting officer and the reporting accountant

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

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of internal scrutiny implemented by the Academy Trust in order to comply with its obligations under 3.1 of the Academy Trust Handbook 2022, issued by the ESFA.

DAME ALICE OWEN'S SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2023

Conclusion

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

Baxter & Co.

Reporting Accountant

Baxter & Co
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 12 December 2023

DAME ALICE OWEN'S SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £000	Restricted funds: General £000	Fixed asset £000	Total 2023 £000	Total 2022 £000
Income and endowments from:						
Donations and capital grants	4	262	1,049	89	1,400	1,314
Charitable activities:						
- Funding for educational operations	5	-	9,349	-	9,349	8,464
Other trading activities	6	125	-	-	125	121
Investments	7	-	39	-	39	-
Total		<u>387</u>	<u>10,437</u>	<u>89</u>	<u>10,913</u>	<u>9,899</u>
Expenditure on:						
Raising funds	8	-	510	-	510	251
Charitable activities:						
- Educational operations	9	625	9,415	991	11,031	10,762
Total	8	<u>625</u>	<u>9,925</u>	<u>991</u>	<u>11,541</u>	<u>11,013</u>
Net income/(expenditure)		(238)	512	(902)	(628)	(1,114)
Transfers between funds	19	-	(435)	435	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	21	-	352	-	352	2,673
Net movement in funds		(238)	429	(467)	(276)	1,559
Reconciliation of funds						
Total funds brought forward		434	3,261	31,030	34,725	33,166
Total funds carried forward		<u>196</u>	<u>3,690</u>	<u>30,563</u>	<u>34,449</u>	<u>34,725</u>

DAME ALICE OWEN'S SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted funds £000	Restricted funds: General £000	Fixed asset £000	Total 2022 £000
Income and endowments from:					
Donations and capital grants	4	270	1,013	31	1,314
Charitable activities:					
- Funding for educational operations	5	12	8,452	-	8,464
Other trading activities	6	121	-	-	121
Total		<u>403</u>	<u>9,465</u>	<u>31</u>	<u>9,899</u>
Expenditure on:					
Raising funds	8	44	207	-	251
Charitable activities:					
- Educational operations	9	38	9,755	969	10,762
Total	8	<u>82</u>	<u>9,962</u>	<u>969</u>	<u>11,013</u>
Net income/(expenditure)		321	(497)	(938)	(1,114)
Transfers between funds	19	(321)	127	194	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	21	-	2,673	-	2,673
Net movement in funds		-	2,303	(744)	1,559
Reconciliation of funds					
Total funds brought forward		434	958	31,774	33,166
Total funds carried forward		<u>434</u>	<u>3,261</u>	<u>31,030</u>	<u>34,725</u>

DAME ALICE OWEN'S SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £000	2022 £000
Fixed assets			
Tangible assets	13	31,119	31,745
Current assets			
Debtors	15	261	245
Cash at bank and in hand		4,765	4,305
		5,026	4,550
Current liabilities			
Creditors: amounts falling due within one year	16	(1,233)	(744)
Net current assets		3,793	3,806
Total assets less current liabilities		34,912	35,551
Creditors: amounts falling due after more than one year	17	(463)	(589)
Net assets excluding pension liability		34,449	34,962
Defined benefit pension scheme liability	21	-	(237)
Total net assets		34,449	34,725
Funds of the Academy Trust:			
Restricted funds	19		
- Fixed asset funds		30,563	31,030
- Restricted income funds		3,690	3,498
- Pension reserve		-	(237)
Total restricted funds		34,253	34,291
Unrestricted income funds	19	196	434
Total funds		34,449	34,725

The Financial Statements on pages 21 to 48 were approved by the Governors and authorised for issue on 04 December 2023 and are signed on their behalf by:

G Haigh
Chair of Governors

Company registration number 07559285 (England and Wales)

DAME ALICE OWEN'S SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £000	£000	2022 £000	£000
Cash flows from operating activities					
Net cash provided by operating activities	22		823		44
Cash flows from investing activities					
Dividends, interest and rents from investments		39		-	
Capital grants from DfE Group		89		31	
Purchase of tangible fixed assets		(365)		(98)	
Net cash used in investing activities			(237)		(67)
Cash flows from financing activities					
Repayment of long term bank loan		(126)		(127)	
Net cash used in financing activities			(126)		(127)
Net increase/(decrease) in cash and cash equivalents in the reporting period			460		(150)
Cash and cash equivalents at beginning of the year			4,305		4,455
Cash and cash equivalents at end of the year			4,765		4,305

DAME ALICE OWEN'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

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

1.1 Basis of preparation

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

1.2 Going concern

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

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.

DAME ALICE OWEN'S SCHOOL

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

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 Financial Statements until they are sold. This income is recognised within 'Income from other trading activities'.

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.

1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £25,000) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Leasehold land and buildings	2%
Computer equipment	20%
Fixtures, fittings & equipment	10%
Motor vehicles	10%

DAME ALICE OWEN'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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.

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 and the liabilities 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.

DAME ALICE OWEN'S SCHOOL

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

1 Accounting policies

(Continued)

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 Governors.

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

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

1.12 Agency Arrangement

Where the Academy Trust acts as agent in collecting and / or distributing from the ESFA or others, and subsequent disbursements are excluded from the Statement of Financial Activities as the Trust does not have control over charitable application of the funds. The funds received and paid, and any balances held are disclosed in note 28.

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.

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

Critical areas of judgement

In preparing these Financial Statements, the Governors have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

DAME ALICE OWEN'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

3 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Academy Trust was subject to limits at 31 August 2023 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy Trust has not exceeded these limits during the year ended 31 August 2023.

4 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Capital grants	-	89	89	31
Other donations	262	1,049	1,311	1,283
	<u>262</u>	<u>1,138</u>	<u>1,400</u>	<u>1,314</u>

DAME ALICE OWEN'S SCHOOL

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

5 Funding for the Academy Trust's charitable activities

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
DfE/ESFA grants				
General annual grant (GAG)	-	8,152	8,152	7,776
Other DfE/ESFA grants:				
- Pupil premium	-	134	134	131
- Others	-	459	459	230
	<u>-</u>	<u>8,745</u>	<u>8,745</u>	<u>8,137</u>
Other government grants				
Local authority grants	-	207	207	175
	<u>-</u>	<u>207</u>	<u>207</u>	<u>175</u>
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	30	30	29
Non-DfE/ESFA				
Other COVID-19 funding	-	-	-	22
	<u>-</u>	<u>30</u>	<u>30</u>	<u>51</u>
Other funding				
Trips income	-	367	367	89
Other incoming resources	-	-	-	12
	<u>-</u>	<u>367</u>	<u>367</u>	<u>101</u>
Total funding	<u>-</u>	<u>9,349</u>	<u>9,349</u>	<u>8,464</u>

The Academy Trust has been eligible to claim additional funding in the year from government support schemes in response to the Coronavirus outbreak. The funding received is shown above under "COVID-19 additional funding".

- The funding received for national tutoring programme covers £7k of staff and other costs.
- The funding received for recovery premium covers £23k of staff and other costs.

DAME ALICE OWEN'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

6 Other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Hire of facilities	50	-	50	31
Income from facilities and services	71	-	71	74
Other income	4	-	4	16
	<u>125</u>	<u>-</u>	<u>125</u>	<u>121</u>

7 Investment income

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Short term deposits	-	39	39	-
	<u>-</u>	<u>39</u>	<u>39</u>	<u>-</u>

8 Expenditure

	Staff costs £000	Non-pay expenditure Premises £000	Other £000	Total 2023 £000	Total 2022 £000
Expenditure on raising funds					
- Direct costs	29	-	481	510	251
Academy's educational operations					
- Direct costs	7,078	793	508	8,379	8,089
- Allocated support costs	1,096	1,222	334	2,652	2,673
	<u>8,203</u>	<u>2,015</u>	<u>1,323</u>	<u>11,541</u>	<u>11,013</u>

Net income/(expenditure) for the year includes:

	2023 £000	2022 £000
Operating lease rentals	4	4
Depreciation of tangible fixed assets	991	969
Fees payable to auditor for:		
- Audit	9	9
- Other services	6	6
Net interest on defined benefit pension liability	12	44
	<u>1,012</u>	<u>1,022</u>

DAME ALICE OWEN'S SCHOOL

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

8 Expenditure

(Continued)

Included within expenditure are the following transactions:

	Total	Individual items over £5,000
	2023	2023
	£	£
Gifts made by the Academy Trust - total	988	

Clarification – While the majority of disclosure in these accounts are rounded to £'000, the disclosure of gifts made is not. The value of gifts for the year is £988 (and not £988k).

9 Charitable activities

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Direct costs				
Educational operations	612	7,767	8,379	8,089
Support costs				
Educational operations	13	2,639	2,652	2,673
	625	10,406	11,031	10,762
Analysis of costs			2023 £000	2022 £000
Direct costs				
Teaching and educational support staff costs			7,078	6,798
Staff development			17	20
Depreciation			793	775
Technology costs			103	119
Educational supplies and services			188	175
Examination fees			162	174
Other direct costs			38	28
			8,379	8,089

DAME ALICE OWEN'S SCHOOL

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

9 Charitable activities

(Continued)

Support costs

Support staff costs	993	904
Defined benefit pension scheme - staff costs (FRS102 adjustment)	103	407
Depreciation	198	194
Technology costs	13	11
Maintenance of premises and equipment	312	311
Cleaning	236	232
Energy costs	266	152
Rent, rates and other occupancy costs	144	113
Insurance	36	33
Security and transport	37	29
Catering	156	105
Defined benefit pension scheme - finance costs (FRS102 adjustment)	12	44
Legal costs	8	4
Other support costs	117	118
Governance costs	21	16
	<u>2,652</u>	<u>2,673</u>

10 Staff

Staff costs

Staff costs during the year were:

	2023 £000	2022 £000
Wages and salaries	6,118	5,834
Social security costs	612	591
Pension costs	1,355	1,268
Defined benefit pension scheme - staff costs (FRS102 adjustment)	103	407
	<u>8,188</u>	<u>8,100</u>
Staff costs - employees	8,188	8,100
Agency staff costs	11	23
Staff restructuring costs	4	16
	<u>8,203</u>	<u>8,139</u>

Staff restructuring costs comprise:

Severance payments	4	12
Other restructuring costs	-	4
	<u>4</u>	<u>16</u>

DAME ALICE OWEN'S SCHOOL

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

10 Staff

(Continued)

Severance payments

The Academy Trust paid 1 severance payments in the year, disclosed in the following bands:

£0 - £25,000	1
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Special staff severance payments

Special staff severance payments are amounts paid to one employee outside of statutory and contractual requirements. Included in staff restructuring costs are special severance payments totalling £4,310 (2021: £12,415).

Staff numbers

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

	2023 Number	2022 Number
Teachers	117	114
Administration and support	97	92
Management	8	9
	<u>222</u>	<u>215</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2023 Number	2022 Number
Teachers	92	91
Administration and support	50	46
Management	8	9
	<u>150</u>	<u>146</u>

Higher paid staff

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

	2023 Number	2022 Number
£60,000 - £70,000	6	2
£70,001 - £80,000	2	1
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
	<u>9</u>	<u>4</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Governors and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £900,033 (2022: £973,564).

DAME ALICE OWEN'S SCHOOL

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

11 Governors' remuneration and expenses

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

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

H Nemko (Headteacher):

- Remuneration: £115,000 - £120,000 (2022: £100,000 - £110,000)
- Employer's pension contributions: £25,000 - £30,000 (2022: £25,000 - £30,000)

J Robinson (Staff Governor):

- Remuneration: £55,000 - £60,000 (2022: £50,000 - £55,000)
- Employer's pension contributions: £10,000 - £15,000 (2022: £10,000 - £15,000)

D Latham (Staff Governor - resigned 26 April 2022):

- Remuneration: not appointed (2022: £40,000 - £45,000)
- Employer's pension contributions: not appointed (2022: £10,000 - £15,000)

T Jackson (Staff Governor - appointed 09 November 2021):

- Remuneration: £15,000 - £20,000 (2022: £15,000 - £20,000)
- Employer's pension contributions: £0 - £5,000 (2022: £0 - £5,000)

During the year, expenses payments totalling £713 (2022: £1,288) were reimbursed or paid directly to 1 Governor (2022: 1 Governor) in respect of expenses incurred in performing their duties as academy employees.

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

12 Governors' and officers' insurance

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

DAME ALICE OWEN'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Tangible fixed assets

	Leasehold land and buildings £000	Computer equipment £000	Fixtures, fittings & equipment £000	Motor vehicles £000	Total £000
Cost					
At 1 September 2022	38,292	326	1,568	74	40,260
Additions	163	-	202	-	365
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2023	38,455	326	1,770	74	40,625
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 September 2022	7,488	213	770	44	8,515
Charge for the year	769	51	167	4	991
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2023	8,257	264	937	48	9,506
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 August 2023	30,198	62	833	26	31,119
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2022	30,804	113	798	30	31,745
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Leasehold land is included at a nominal value of £1, reflecting legal restrictions as to its use.

DAME ALICE OWEN'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

14 Fixed asset investments

Historical cost:

At 31 August 2023	2
At 31 August 2022	2

Holdings of more than 20%

The Academy Trust holds more than 20% of the share capital of the following undertakings:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Dame Alice Owen's School Music Centre Limited (company no. 02836987)	England	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principal activities	Capital and reserves £000	Profit/(loss) for the year £000
Dame Alice Owen's School Music Centre Limited (company no. 02836987)	Provision of music tuition and music concert productions, sales of exam papers to students and operation of vending machines.	2	34,721

Total profits of £34,721 have been donated to the Academy.

DAME ALICE OWEN'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

15 Debtors

	2023 £000	2022 £000
Trade debtors	22	5
VAT recoverable	36	47
Other debtors	-	61
Prepayments and accrued income	203	132
	<u>261</u>	<u>245</u>

16 Creditors: amounts falling due within one year

	2023 £000	2022 £000
Government loans	126	126
Trade creditors	260	-
Other taxation and social security	147	138
ESFA creditors	40	31
Other creditors	181	162
Accruals and deferred income	479	287
	<u>1,233</u>	<u>744</u>

17 Creditors: amounts falling due after more than one year

	2023 £000	2022 £000
Government loans	<u>463</u>	<u>589</u>
Analysis of loans	2023 £000	2022 £000
Wholly repayable within five years	589	715
Less: included in current liabilities	(126)	(126)
Amounts included above	<u>463</u>	<u>589</u>
Loan maturity		
Debt due in one year or less	126	126
Due in more than one year but not more than two years	126	126
Due in more than two years but not more than five years	337	379
Due in more than five years	-	84
	<u>589</u>	<u>715</u>

DAME ALICE OWEN'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Creditors: amounts falling due after more than one year

(Continued)

There are two loans, as follows:

- £484k (2022: £589k) relates to CIF capital loan received from the ESFA, to fund a capital project, repayable over 8 years commencing in 2019/20.
- £105k (2022: £126k) relates to Salix loan to fund an energy saving LED Lighting project, repayable over 8 years, commencing in 2020/21.

18 Deferred income

	2023 £000	2022 £000
Deferred income is included within:		
Creditors due within one year	182	112
	<u>182</u>	<u>112</u>
Deferred income at 1 September 2022	112	20
Released from previous years	(112)	(20)
Resources deferred in the year	182	112
	<u>182</u>	<u>112</u>
Deferred income at 31 August 2023	182	112
	<u>182</u>	<u>112</u>

Deferred income at 31 August 2023 comprises £165k (2022: £94k) of trips / visits income received in advance of activities taking place next year and £17k (2022: £18k) of other income received in advance.

DAME ALICE OWEN'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2023 £000
Restricted general funds					
General Annual Grant (GAG)	116	8,152	(8,041)	(159)	68
Pupil premium	-	134	(134)	-	-
Other DfE/ESFA COVID-19 funding	-	30	(30)	-	-
Other DfE/ESFA grants	4	459	(463)	-	-
Other government grants	-	207	(207)	-	-
Other restricted funds	3,378	1,455	(935)	(276)	3,622
Pension reserve	(237)	-	(115)	352	-
	<u>3,261</u>	<u>10,437</u>	<u>(9,925)</u>	<u>(83)</u>	<u>3,690</u>
Restricted fixed asset funds					
Inherited on conversion	19,702	-	(511)	-	19,191
DfE group capital grants	5,519	89	(181)	126	5,553
Capital expenditure from GAG and other funds	5,809	-	(299)	309	5,819
	<u>31,030</u>	<u>89</u>	<u>(991)</u>	<u>435</u>	<u>30,563</u>
Total restricted funds	<u>34,291</u>	<u>10,526</u>	<u>(10,916)</u>	<u>352</u>	<u>34,253</u>
Unrestricted funds					
General funds	<u>434</u>	<u>387</u>	<u>(625)</u>	<u>-</u>	<u>196</u>
Total funds	<u>34,725</u>	<u>10,913</u>	<u>(11,541)</u>	<u>352</u>	<u>34,449</u>

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

The Restricted General Funds are used to fund the general operating costs of the Academy.

Under the funding agreement with the Secretary of State, the Academy Trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2023. Note 3 confirms that the limit was not exceeded.

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit.

The Restricted Fixed Asset Fund represents investment in fixed assets net of related depreciation and unspent capital funds. When assets are purchased the fund is increased and depreciation charges reduce the fund. Disposals of assets reduce the value of the fund by the net book value of the assets disposed.

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes.

DAME ALICE OWEN'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Funds

(Continued)

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2022 £000
Restricted general funds					
General Annual Grant (GAG)	92	7,776	(8,043)	291	116
Pupil premium	-	131	(131)	-	-
Other DfE/ESFA COVID-19 funding	-	29	(29)	-	-
Other Coronavirus funding	-	22	(22)	-	-
Other DfE/ESFA grants	2	230	(228)	-	4
Other government grants	-	175	(175)	-	-
Other restricted funds	3,323	1,102	(883)	(164)	3,378
Pension reserve	(2,459)	-	(451)	2,673	(237)
	<u>958</u>	<u>9,465</u>	<u>(9,962)</u>	<u>2,800</u>	<u>3,261</u>
Restricted fixed asset funds					
Inherited on conversion	20,213	-	(511)	-	19,702
DfE group capital grants	5,536	31	(174)	126	5,519
Capital expenditure from GAG and other funds	6,025	-	(284)	68	5,809
	<u>31,774</u>	<u>31</u>	<u>(969)</u>	<u>194</u>	<u>31,030</u>
Total restricted funds	<u>32,732</u>	<u>9,496</u>	<u>(10,931)</u>	<u>2,994</u>	<u>34,291</u>
Unrestricted funds					
General funds	434	403	(82)	(321)	434
Total funds	<u>33,166</u>	<u>9,899</u>	<u>(11,013)</u>	<u>2,673</u>	<u>34,725</u>

20 Analysis of net assets between funds

	Unrestricted Funds £000	General £000	Restricted funds: Fixed asset £000	Total Funds £000
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	31,119	31,119
Current assets	196	4,797	33	5,026
Current liabilities	-	(1,107)	(126)	(1,233)
Non-current liabilities	-	-	(463)	(463)
Total net assets	<u>196</u>	<u>3,690</u>	<u>30,563</u>	<u>34,449</u>

DAME ALICE OWEN'S SCHOOL

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

20 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	31,745	31,745
Current assets	434	4,116	-	4,550
Current liabilities	-	(618)	(126)	(744)
Non-current liabilities	-	-	(589)	(589)
Pension scheme liability	-	(237)	-	(237)
Total net assets	434	3,261	31,030	34,725

21 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hertfordshire 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 2022.

Contributions amounting to £161k were payable to the schemes at 31 August 2023 (2022: £146k) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

DAME ALICE OWEN'S SCHOOL

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

21 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £1,098k (2022: £1,039k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 19.7% 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Total contributions made	2023 £000	2022 £000
Employer's contributions	260	231
Employees' contributions	77	68
Total contributions	337	299
Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.5	3.6
Rate of increase for pensions in payment/inflation	3.0	3.2
Discount rate for scheme liabilities	5.2	4.25

DAME ALICE OWEN'S SCHOOL

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

21 Pension and similar obligations

(Continued)

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

	2023 Years	2022 Years
Retiring today		
- Males	20.7	21.9
- Females	24.9	24.4
Retiring in 20 years		
- Males	21.3	22.9
- Females	26.0	26.0

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

	2023 £'000	2022 £'000
Discount rate - 0.1%	5,546	5,365
Pension rate + 0.1%	5,545	5,364
Salary rate + 0.1%	5,449	5,264

Defined benefit pension scheme net asset/(liability)	2023 £000	2022 £000
Scheme assets	5,446	5,025
Scheme obligations	(5,446)	(5,262)
Net asset/(liability)	-	(237)

The Academy Trust's share of the assets in the scheme	2023 Fair value £000	2022 Fair value £000
Equities	2,778	2,512
Bonds	1,307	1,156
Cash	599	603
Property	762	754
Total market value of assets	5,446	5,025

The actual return on scheme assets was £219,000 (2022: £(335,000)).

DAME ALICE OWEN'S SCHOOL

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

21 Pension and similar obligations		(Continued)
Amount recognised in the statement of financial activities	2023 £000	2022 £000
Current service cost	363	638
Interest income	(218)	(87)
Interest cost	230	131
Total operating charge	375	682
Changes in the present value of defined benefit obligations		2023 £000
At 1 September 2022		5,262
Current service cost		363
Interest cost		230
Employee contributions		77
Actuarial (gain)		(351)
Benefits paid		(135)
At 31 August 2023		5,446
Changes in the fair value of the Academy Trust's share of scheme assets		2023 £000
At 1 September 2022		5,025
Interest income		218
Actuarial gain		1
Employer contributions		260
Employee contributions		77
Benefits paid		(135)
At 31 August 2023		5,446

The asset ceiling adjustment has been accounted for via FRS102 adjustment of £219k to the actuarial (gain) / loss.

DAME ALICE OWEN'S SCHOOL

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

22 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2023 £000	2022 £000
Net expenditure for the reporting period (as per the statement of financial activities)		(628)	(1,114)
Adjusted for:			
Capital grants from DfE and other capital income		(89)	(31)
Investment income receivable	7	(39)	-
Defined benefit pension costs less contributions payable	21	103	407
Defined benefit pension scheme finance cost	21	12	44
Depreciation of tangible fixed assets		991	969
(Increase) in debtors		(16)	(72)
Increase/(decrease) in creditors		489	(159)
Net cash provided by operating activities		823	44

23 Analysis of changes in net funds

	1 September 2022 £000	Cash flows £000	31 August 2023 £000
Cash	4,305	460	4,765
Loans falling due within one year	(126)	-	(126)
Loans falling due after more than one year	(589)	126	(463)
	3,590	586	4,176

24 Long-term commitments

Operating leases

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

	2023 £000	2022 £000
Amounts due within one year	4	4

DAME ALICE OWEN'S SCHOOL

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

25 Capital commitments

	2023 £000	2022 £000
Expenditure contracted for but not provided in the Financial Statements	33	33

During the year ended 31 August 2022 the Academy Trust entered into a contract to purchase a minibus however due to a delay in the manufacturers being able to obtain supplies, the minibus was not received by 31 August 2023.

26 Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Governors have an interest. The following related party transactions took place in the financial period.

The Worshipful Company of Brewers is a related party by the virtue of the fact that some governors (R Fuller, R Bromley, P Wells and G Haigh) are members of the Worshipful Company of Brewers who are Trustees of the Dame Alice Owen's Foundation. During the year the Academy recorded income of £895k (2022: £841k) from the Worshipful Company of Brewers acting as Trustee for the Dame Alice Owen Foundation. There was £nil (2022: £nil) of accrued income recorded at the year end, included in debtors falling due within one year.

The FE Cleary Schools Fund is a related party by virtue of the fact the two governors (G Haigh and C Tracy) plus one Member (N Tindal) are Trustees of Dame Alice Owen's School. During the year the Academy recorded income of £36k (2022: £24k) from The FE Cleary Schools Fund. There was £nil (2022: £nil) of accrued income recorded at the year end, included in debtors falling due within one year.

The Owen's School Association is a related party by virtue of the fact that one governor (G Taylor) is a Trustee of Dame Alice Owen's School. During the year the Academy recorded income of £32k (2022: £36k) from the Owen's School Association. There was £nil (2022: £nil) of accrued income recorded at the year end, included in debtors falling due within one year.

The Nicholas Barnes Trust, a registered charity, is a related party by virtue of the fact that N Barnes is a trustee of the charity and also a governor of the Academy. During the year £3.5k was donated (2022: £nil) to the Academy. There was £nil (2022: £nil) of accrued income recorded at the year end, included in debtors falling due within one year.

The Academy also operates a trading subsidiary company Dame Alice Owen's School Music Centre Limited, a company incorporated in the UK (England and Wales), company number 02836987. The directors of the company are appointed by the Academy. The main activities of the company are the operation of concerts and sales of exam materials on behalf of the Academy. All profits of the company are donated to the Academy.

L Taylor, spouse of G Taylor (Governor) is employed by the Academy Trust. L Taylors's appointment was made in open competition and G Taylor was not involved in the decision-making process regarding appointment. L Taylor is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to G Taylor.

M Conte and C Conte, close family members of P Bruno (Governor) are employed by the Academy Trust. M Conte's and C Conte's appointment were made in open competition and P Bruno was not involved in the decision-making process regarding appointment. M Conte and C Conte are paid within the normal pay scale for her role and receive no special treatment as a result of her relationship to P Bruno.

DAME ALICE OWEN'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

26 Related party transactions

(Continued)

J Burrowes, close family member of D Burrowes (Governor) is employed by the Academy Trust. J Burrowes appointment was made in open competition and D Burrowes was not involved in the decision-making process regarding appointment. J Burrowes is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to D Burrowes.

In entering into the above transactions, the Academy Trust has complied with the requirements of ESFA's Academies Trust Handbook 2022.

27 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.

28 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2023 the Trust had an unspent amount brought forward of £48k (2022: £41k) received £21k (2022: £17k) and disbursed £15k (2022: £10k) from the fund. An amount of £21k (2022: £17k) is included within other creditors and £33k (2022: £31k) is included within creditors: amounts falling due in less than one year relating to undistributed funds that are repayable to the ESFA.