

Company registration number 07925067 (England and Wales)

PEASLAKE FREE SCHOOL LIMITED
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023

PEASLAKE FREE SCHOOL LIMITED

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PEASLAKE FREE SCHOOL LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Andrew Clayton
James Cobb
Mark Foster

Governors

M Foster (Chairman)
S Dangerfield (Accounting Officer)
A Clayton
D Newman
M Jones
J Cobb
S Small
T Southee
J Weller
S Pride
E Riley
H Van Leeuwen (Resigned 27 March 2023)

Head Teacher

Ms S Dangerfield

Company Secretary

Mr D Newman

Company registration number

07925067 (England and Wales)

Principal and registered office

Colmans Hill Peaslake
Guildford
Surrey
GU5 9ST

Independent auditor

Alliotts LLP
Friary Court
13-21 High Street
Guildford
Surrey
GU1 3DL

PEASLAKE FREE SCHOOL LIMITED

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

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

The Academy operates as a free school for providing reception and years 1 and 2 education for the children of Peaslake and surrounding area. It had a pupil roll of 40 in the school census at 31 August 2023.

Structure, governance and management

Constitution

Peaslake Free School Limited (The Academy) was formed on 26 January 2012 and is a company limited by guarantee and an exempt charity. The school opened as an academy on 1 September 2013. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust,

The members of the Governing Body are the legal members of the charitable company. The trustees of Peaslake Free School Limited are also the directors of the charitable company for the purposes of company law.

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

Members' liability

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

Governors' indemnities

The Academy has opted into the Department for Education's risk protection assurance 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 Trust business and provides cover up to £10,000,000. It is not possible to quantify the Governors' indemnity element from the overall cost of the RPA.

Method of recruitment and appointment or election of Governors

The Academy looks to ensure a mix of skills and selects new governors on the basis of background, experience and specialist skills. Governors are recruited from academy contacts including parents and staff.

The Academy looks to maintain governors with a wide range of skills and experiences including the following:

- A member with a legal background.
- A member with a financial/accounting background.
- A member with education experience.
- A member with senior managerial or business experience.
- A member with estates experience.

It is likely that members will have expertise in more than one of these areas.

Policies and procedures adopted for the induction and training of Governors

Governors are provided with induction training and a wider programme of training events is organised according to needs.

PEASLAKE FREE SCHOOL LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Organisational structure

The day-to-day administration is undertaken within the policies and procedures written by the Board and approved by the Governors, which provide for significant personnel and expenditure decisions and major capital projects to be referred to the Governors for prior approval. These policies and procedures are based on guidance from DfE.

The Governors meet at least three times a year and delegate responsibilities to a number of sub-committees, including Finance and Estate, Curriculum, SEND and Safeguarding, and Parent and Community Liaison committees. Each committee works under the guidance of a trustee governor. The clerk to Governors co-ordinates the work of the Governors and committees. There is a full governance statement on the school website.

Arrangements for setting pay and remuneration of key management personnel

'Key management personnel' includes the Head Teacher and two governors: D Newman and M Foster (Chairman). The only key management personnel to receive any pay or remuneration is the Head Teacher, Sara Dangerfield.

The Head Teacher's remuneration is set by the Chair of Governors in accordance with national scale rates.

Related parties and other connected charities and organisations

The Peaslake Schools Trust, a registered charity, number 1034412, operated the school up until the end of August 2013, and continues to be responsible for the maintenance and up keep of the school buildings which have been leased to the Academy for a peppercorn rent. The Peaslake Schools Trust continues to operate a Nursery School from the same buildings. The Trust continues to liaise with the local community and conducts its own fund raising activities with regards to the infrastructure of the school.

The Trust has common trustees to the Academy.

Objectives and activities

Objects and aims

The company's objects, as set out in the Memorandum of Association, are to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing the school.

Peaslake School has been a vital part of the community for over 100 years. From 1994 to 2013 it was operated by the Peaslake Schools Trust as a charity school for children aged 3 to 7. It is now a Free School providing Reception and Years 1-2 education for the children of the village and surrounding areas.

Objectives, strategies and activities

The vision for the Academy is to:

- Provide excellent early years education in the community, close to where the children live;
- Have small class sizes where children can enjoy high levels of individual attention and child-centred teaching is a reality;
- Create a secure and enjoyable transition from nursery to infant school;
- Develop and conduct a flexible curriculum which meets core needs and takes full advantage of the position of the school in its forest environment and the surrounding countryside;
- Provide an outstanding transition to the next stage of education;
- Encourage high levels of parental involvement in school activities and;
- Maintain close connection of the school to the local community as a key contribution to its ongoing vibrancy.

PEASLAKE FREE SCHOOL LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The Governors have also set out clear goals for the Academy which include:

- Happy, fulfilled, confident and well-rounded children who are able to walk to school and enjoy the company of peers;
- Continuity of high-quality early years provision in the village with SATs results which exceed regional and national standards and
- Successful progression of children to the next stage; and
- A more diverse and inclusive school which attracts parents in the village of all circumstances and working lives.

Public benefit

The Trustees consider that the Academy has continued to comply with the requirements to operate for the public benefit by providing educational services to the children in the local community.

The Academy continues to provide an excellent education to children in the village and the surrounding area. Children benefit from being able to walk and ride to school. The Academy supports the community in local events and provides opportunities for local rural communities to integrate and support other amenities within the area.

The Academy therefore plays a key role in the vibrancy and ongoing refreshing of the local community by providing an amenity for younger families moving into the area.

Strategic report

Key performance indicators

The Academy's Key Performance Indicators are:

- The proportion of the children in the local community who attend our school;
- The end of Key Stage 1 expectation we achieve and the value we add over the life of a child in our school;
- The fulfilment of national OFSTED expectations around Quality of Education, Behaviour & Attitudes, Personal Development, Leadership & Governance, Early Years Provision and Safeguarding;
- The qualifications and skills of our teaching staff in relation to current national benchmarks and their career progress;
- The breadth of our curriculum and, in particular, the degree to which we embrace the power of new technologies in our provision;
- The quality of our facilities and their fitness for purpose;
- The number of ways that we interact with our local community; and
- The robustness of our financial management.

PEASLAKE FREE SCHOOL LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Achievements and performance

Outcomes against the Academy's KPI's:

- We believe that more than 75% of all children aged 5-7 in the village attend the school. The school has significantly increased the number of parents putting it as first or second choice. The school is full and operating close to its PAN;
- The SATS tests this year met or exceeded regional and national averages reinforced by external benchmarking with other schools in the region leads us to believe that we have continued to perform well;
- The school's last OFSTED was Section 5 assessment in September 2022 which was Requires Improvement. The key areas of improvement noted were Quality of Teaching and Learning and Behaviour and Attitudes; The school is working on deepening the core subject curriculum and solving for behaviour challenges post Covid. We have made several representations to OFSTED leadership about the quality and conduct of the OFSTED inspection which the Trustees do not feel reflected the strengths of the school.
- We have strengthened the school staff team with the bedding in of our Year 2 teacher and the hiring of a new Year 1 teacher from September 2022. The new three class model for the school has been put in place. We have increased the pay on the basis of enhanced skills and experience for the majority of our teaching staff;
- We have implemented the new Little Wandle phonics scheme and continued to provide iPads for all pupils. Use of technology is fully embedded across the curriculum;
- The Governing Body has undertaken a full review by the NGA and implemented many recommendations to reinforce the structures and policies relating to governance. The NGA produced a very positive follow-up report;
- We have reinstated a robust social and fundraising calendar to reconnect with the local community and raise funds above expectations;
- The school is in a robust financial position, whilst providing excellence in education and improving the school facilities. The Governing Body assesses this performance in each meeting;
- The school continued to deliver on the outcomes outlined above despite the challenges of the end of the COVID situation and adapted very well to the return to school.

Going concern

The Governors have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern. For this reason, the Governing Body continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

PEASLAKE FREE SCHOOL LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Financial review

In the financial year ended 31 August 2023 a deficit of funds of £5,777 (2022: £19,966) has been achieved before an actuarial gain in the pension deficit of £12,000 (2022: £136,000).

The main source of funding for the Academy is derived from the ESFA General Annual Grant (GAG), and the unused funding can only be carried forward to future periods if allowed under the terms of the Funding Agreement.

The Academy's total income for the year ended 31 August 2023 amounted to £418,017 (2022: £372,169) of which £310,954 (2022: £300,665) related to the ESFA General Annual Grant.

Total expenditure in the year ended 31 August 2023 amounted to £423,794 (2022: £392,135).

At 31 August 2023, the balance of unrestricted funds and general restricted funds (excluding the pension reserve and fixed asset fund) was £83,987 (2022: £87,309).

LGPS pension asset

The actuarial report for the local government pension scheme at 31 August 2023 shows an actuarial gain of £10,000 which has resulted in a pension asset at the same date. We have not recognised the pension asset as a positive position but have instead shown a break-even position as there is insufficient evidence to conclude that the 'asset' may be available to reduce future payments. An asset should only be recognised to the extent that the Trust is able to recover the surplus either through reduced contribution in the future or refunds from the plan.

Reserves policy

The Trust's reserves policy is to have at least two months spending to cover delays between spending and the receipt of grants and to provide a cushion to deal with unexpected costs, such as urgent maintenance. Covid-19 had a minimal impact on the trust's finances, requiring some additional cleaning costs, but did not materially impact income.

Total reserves at the end of the period amounted to £101,629 (2022: £95,406). This balance includes unrestricted reserves of £12,300 (free reserves) and restricted income funds of £71,687, giving a total of £83,987 (2022: £87,309).

The fixed asset fund balance was £17,642 (2022: £14,097).

Investment policy

The Academy's investment policy is zero risk based and funds will only be lodged with organisations with the highest possible credit rating. Fixed term deposits will only be taken out where we are sure the funds will not be required during the duration of the term.

Principal risks and uncertainties

The Governing Body has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the free school's significant risks that have been in place for the period from 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The Governors consider that a contrary change to existing government policy towards academy schools could have an adverse impact on the school. This includes pressure to become part of a MAT.

The Governing Body continues to review the major strategic, operational, financial and external risks which the school faces, and to manage these risks for the benefit of the school.

The Academy has a pension asset of £Nil (2022: deficit of £6,000) with the Local Government Pension Scheme that is reflected in the financial statements.

PEASLAKE FREE SCHOOL LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Fundraising

The Academy does not use external fundraisers. All fundraising undertaken during the year was monitored by the Governing Body.

Plans for future periods

The Academy has continued plans to enhance the quality of the teaching and learning in the school. The Improvement Plan for 2023/24 contains the following aims:

- To provide excellent early years education in the community, close to where the children live;
- To have small class sizes where the children can enjoy high levels of individual attention and child-centred learning is a reality;
- To provide children with a wide range of experiences through a flexible curriculum, which meets the core needs and takes full advantage of the position of the school and the surrounding countryside;
- To inspire a love of learning that encourages children to develop their own interests and a curiosity about the world around them;
- To take advantage of our forest location;
- To provide an outstanding transition to the next stage of education;
- To encourage high levels of parental involvement in school activities.

PEASLAKE FREE SCHOOL LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The key objectives for the year 2023/24 are:

Leadership and management

- Build leadership capacity within the staff team to ensure high expectations and high standards
- To monitor the impact of teaching and learning within the school in order to improve outcomes for pupils
- To work collaboratively with other schools to share expertise and CPD development for all staff
- To continue to develop high levels of governance to provide appropriate support and challenge
- To monitor well-being and workload/life balance of staff whilst building new curriculum;
- To continue the development of the Trustee body with skills and additional competences.

Quality of Education

- Embed year specific teaching model of core subjects and some foundation subjects;
- Consolidate teaching of the systematic synthetic phonics scheme, Little Wandle, and use as the primary resource for teaching phonics and reading in the school. Introduce new Little Wandle processes for Year 2;
- Monitor the use of high-quality literature within all subjects, to embed a culture of reading for pleasure across the school;
- Embed high quality teaching and learning in KS1 and EYFS to improve outcomes for all pupils;
- Strengthen the teaching of subject specific vocabulary to enable all pupils to articulate their understanding of subjects across the curriculum
- To continue to trial skills assessment formats for the foundation subjects, so that teachers can quickly monitor what/who has been learnt and to have evidence to present to Governors;
- Implement the Mastering Number daily programme alongside the White Rose Maths scheme to further mathematical opportunities during the school week;
- Teaching staff to start the foundation year mastery of number training to strengthen subject knowledge and enhance mathematics within the school;
- Map out the key knowledge and skills progression for each subject, appoint subject leads for all subjects

PEASLAKE FREE SCHOOL LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Personal development

- Offer a broad and balanced curriculum which promotes independence, motivation and creativity amongst pupils
- Promote responsibility, respect, caring attitudes and tolerance for all others
- Build links with other local schools to work on a joint project: Connecting Classrooms through Global Learning

Behaviour and Attitudes

- Improve independence and develop resilience in learning
- Revise expectations across the school to maintain good behaviour and attitude of pupils
- Promote parental engagement to support the work of the school

Early Years Provision:

- Introduce new systematic synthetic phonics scheme, Little Wandle Revised Letters and Sounds and use as the primary resource for teaching phonics and reading in the school;
- Further develop the Early Years curriculum to embed the changes to the EYFS curriculum using Development Matters guidance, specifically extending and developing vocabulary skills across all 7 areas of learning;
- To provide a stimulating reading corner and develop the outside learning facilities in Reception class;
- Develop opportunities for children to follow own line of enquiry and encourage more in-depth investigations;
- Continue to use the outdoor space and opportunities to deepen learning experiences and engage the children;
- Develop opportunities for the children to write independently and follow their own interests;
- New school model of year specific teaching will allow more focus on Early Years provision;
- Implement the mastering number programme alongside the White Rose Maths scheme to enhance maths provision.

Safeguarding

- Ensure the School's systems are robust and follow the correct procedure for reporting Safeguarding concerns;
- Staff and Governors all have up to date Safeguarding training.

Detailed action plans have been developed to take each of these areas forward and the Development Plan and Self-Assessment have been updated.

Covid-19 Impact

Covid-19 had a minimal impact on the trust's finances. There has been a need to employ additional TA support to help children with learning and socialisation challenges to overcome medium term impacts of lockdown.

PEASLAKE FREE SCHOOL LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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 Governing Body, as the company directors, on and signed on its behalf by:

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M Foster

Chairman

PEASLAKE FREE SCHOOL LIMITED

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Peaslake Free School Limited 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 Governing Body has delegated the day-to-day responsibility to the Head Teacher, 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 Peaslake Free School Limited and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Governing Body 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 Governing Body has formally met three times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governors	Meetings attended	Out of possible
M Foster (Chairman)	4	4
S Dangerfield (Accounting Officer)	3	4
A Clayton	4	4
D Newman	4	4
M Jones	4	4
J Cobb	3	4
S Small	3	4
T Southee	4	4
J Weller	4	4
S Pride	4	4
E Riley	4	4
H Van Leeuwen (Resigned 27 March 2023)	0	0

The Governing body undertook an independent review of its effectiveness during the year with the NGA and it assessed that it was meeting the needs of the school well with some areas for improvement.

The Governing body convenes the following sub-committees comprising members of the Trustees:

The Curriculum, SEND and Safeguarding Committee, the Finance, Audit & Estate Committee and the Parent and Community Liaison, Nursery and Fundraising Committee.

These committees meet termly and report their meetings to the Governors meeting later that term. The board considers, given the nature and size of the school, that meeting once a term is sufficient to allow it to maintain effective oversight. A Performance Management Committee is convened by the Chair once a year, or more frequently as required. The Terms of Reference of the Committees and the relationship between the various governing entities is outlined in the Governance Policy.

Conflicts of interest

During the year the Academy has continued to maintain an up to date and complete register of interests utilising this to monitor and manage any possible conflicts of interest.

To ensure good governance is in place, where necessary Governors and Key management personnel are required to absent themselves where discussions and decisions are being made that would otherwise result in a conflict of interest.

PEASLAKE FREE SCHOOL LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Review of value for money

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

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

- Resources are directed where they are most needed and most effective in meeting education requirements. Resources have been targeted to provide individual support to pupils with language difficulties and specific learning difficulties.
- Contracts are regularly reviewed to ensure best value.
- The Academy carefully monitors pupils progress to ensure resources are targeted appropriately and pupil premium expenditure is assessed to show effectiveness in improving the attainment of students on Free School Meals.

The purpose of the system of internal control

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

Capacity to handle risk

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Governing Body.

The risk and control framework

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

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

The Governing Body has appointed an appropriately qualified governor, M Jones, to perform internal scrutiny. She implemented an internal assurance programme that incorporates responses to these risk areas. This review of core controls forms part of the annual cycle of internal scrutiny.

The schedule of work was delivered as planned, and performed a range of checks on the Academy's financial systems. No material failures or weaknesses were identified during the year as a result of the assurance work and remedial action has been taken to resolve any reported issues or areas for improvement.

PEASLAKE FREE SCHOOL LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

In addition to the internal scrutiny programme, David Newman (Governor) acts as the Chief Financial Officer. This role includes giving advice on financial matters and performing a range of checks on the academy's financial systems.

The Chief Financial Officer performs monthly checks on the school's financial systems to ensure accuracy and a robust approach to financial risk management. The Chief Financial Officer is independent from the day-to-day financial running of the school but carries out a month end reconciliation to confirm the accuracy of the school records. The Chief Financial Officer ensures that the school adheres to its Financial Control policy.

On a termly basis, the Chief Financial Officer reports to the board of Trustees through the Finance, Audit and Estates committee, which is chaired by an independent Trustee, on the operation of the system of controls and on the discharge of the board of Trustees' financial responsibilities.

The appointee has delivered their schedule of work as planned. There are no material control issues arising as a result of the appointee's work and no remedial action is required.

Review of effectiveness

As Accounting Officer, the Head Teacher 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 internal scrutiny programme;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Governing Body on and signed on its behalf by:

M Foster
Chairman

S Dangerfield
Accounting Officer

PEASLAKE FREE SCHOOL LIMITED

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

As Accounting Officer of Peaslake Free School Limited, I have considered my responsibility to notify the Academy Governing Body 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 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.

I confirm that I and the Academy's Governing Body are able to identify any material irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy'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 Governing Body and ESFA.

S Dangerfield
Accounting Officer

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PEASLAKE FREE SCHOOL LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

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

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

In preparing these accounts, the Governors are required to:

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

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

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

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

Approved by order of the members of the Governing Body on and signed on its behalf by:

M Foster
Chairman

PEASLAKE FREE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PEASLAKE FREE SCHOOL LIMITED

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

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

In our opinion the accounts:

- give a true and fair view of the state of the 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 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 accounts' section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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'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 accounts and our auditor's report thereon. The Governors are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the 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 accounts 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.

PEASLAKE FREE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PEASLAKE FREE SCHOOL LIMITED (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 accounts are prepared is consistent with the accounts; and
- the Governors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

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

In preparing the accounts, the Governors are responsible for assessing the Academy'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 accounts

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

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

PEASLAKE FREE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PEASLAKE FREE SCHOOL LIMITED (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, the Charities Act 2011, the Academy Trust Handbook 2022, the Academies Accounts Direction 2022 to 2023, safeguarding prevent/protect, Ofsted, taxation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

Audit response to risks identified

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of the Governing Body;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with the ESFA and HMRC.

PEASLAKE FREE SCHOOL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PEASLAKE FREE SCHOOL LIMITED (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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

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

A further description of our responsibilities 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.

Stephen Meredith BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Alliot's LLP

.....

Chartered Accountants
Statutory Auditor

Friary Court
13-21 High Street
Guildford
Surrey
GU1 3DL

PEASLAKE FREE SCHOOL LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PEASLAKE FREE SCHOOL LIMITED 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 November 2021 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 Peaslake Free School Limited 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 Peaslake Free School Limited and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Peaslake Free School Limited 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 Peaslake Free School Limited and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Peaslake Free School Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Peaslake Free School Limited's funding agreement with the Secretary of State for Education dated 9 August 2013 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's income and expenditure.

PEASLAKE FREE SCHOOL LIMITED

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

FOR THE YEAR ENDED 31 AUGUST 2023

The work undertaken to draw to our conclusion includes:

- analytical review of the Academy's general activities to ensure that they are within the Academy's framework of authorities;
- consideration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance;
- review of the general control environment for the Academy on financial statements and on regularity;
- sample testing of expenditure transactions to ensure the activity is permissible within the Academy's framework of authority;
- confirmation that a sample of expenditure has been appropriately authorised in accordance with the Academy's delegated authorities;
- formal representations obtained from the Board of Governors and the Accounting Officer acknowledging the responsibilities, including disclosing all non-compliance with laws and regulations specific to the authorising framework;
- confirmation that any extra-contractual payments such as severance and compensation payments have been appropriately authorised;
- review of credit card expenditure for any indication of personal use by staff, Head Teacher or Governors;
- review of specific terms of grant funding within the funding agreement;
- review of related party transactions for connections with the Head Teacher or Governors;
- review of income received in accordance with the activities permitted within the Trust's charitable objectives

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.

Reporting Accountant

Alliotts LLP

Dated:

PEASLAKE FREE SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2023 £	Total 2022 £
Income and endowments from:						
Donations and capital grants	3	-	12,500	15,087	27,587	4,382
Charitable activities:						
- Funding for educational operations	4	-	369,722	-	369,722	346,813
Other trading activities	5	8,795	11,902	-	20,697	20,963
Investments	6	11	-	-	11	11
Total		<u>8,806</u>	<u>394,124</u>	<u>15,087</u>	<u>418,017</u>	<u>372,169</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	10,092	406,565	7,137	423,794	392,135
Total	7	<u>10,092</u>	<u>406,565</u>	<u>7,137</u>	<u>423,794</u>	<u>392,135</u>
Net income/(expenditure)		(1,286)	(12,441)	7,950	(5,777)	(19,966)
Transfers between funds	16	-	4,405	(4,405)	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	18	-	12,000	-	12,000	136,000
Net movement in funds		<u>(1,286)</u>	<u>3,964</u>	<u>3,545</u>	<u>6,223</u>	<u>116,034</u>
Reconciliation of funds						
Total funds brought forward		13,586	67,723	14,097	95,406	(20,628)
Total funds carried forward		<u>12,300</u>	<u>71,687</u>	<u>17,642</u>	<u>101,629</u>	<u>95,406</u>

PEASLAKE FREE SCHOOL LIMITED

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	Restricted funds:		Total
		funds	General	Fixed asset	2022
		£	£	£	£
Income and endowments from:					
Donations and capital grants	3	-	-	4,382	4,382
Charitable activities:					
- Funding for educational operations	4	-	346,813	-	346,813
Other trading activities	5	8,662	12,301	-	20,963
Investments	6	11	-	-	11
Total		<u>8,673</u>	<u>359,114</u>	<u>4,382</u>	<u>372,169</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	8,472	377,255	6,408	392,135
Total	7	<u>8,472</u>	<u>377,255</u>	<u>6,408</u>	<u>392,135</u>
Net income/(expenditure)		201	(18,141)	(2,026)	(19,966)
Transfers between funds	16	-	(4,794)	4,794	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	18	-	136,000	-	136,000
Net movement in funds		201	113,065	2,768	116,034
Reconciliation of funds					
Total funds brought forward		13,385	(45,342)	11,329	(20,628)
Total funds carried forward		<u>13,586</u>	<u>67,723</u>	<u>14,097</u>	<u>95,406</u>

PEASLAKE FREE SCHOOL LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		10,541		14,097
Current assets					
Debtors	13	27,945		12,088	
Cash at bank and in hand		87,649		94,555	
		115,594		106,643	
Current liabilities					
Creditors: amounts falling due within one year	14	(24,506)		(19,334)	
Net current assets			91,088		87,309
Net assets excluding pension liability			101,629		101,406
Defined benefit pension scheme liability	18		-		(6,000)
Total net assets			101,629		95,406
Funds of the Academy:					
Restricted funds	16				
- Fixed asset funds			17,642		14,097
- Restricted income funds			71,687		73,723
- Pension reserve			-		(6,000)
Total restricted funds			89,329		81,820
Unrestricted income funds	16		12,300		13,586
Total funds			101,629		95,406

The accounts on pages 22 to 42 were approved by the Governors and authorised for issue on and are signed on their behalf by:

.....
M Foster
Chairman

Company registration number 07925067 (England and Wales)

PEASLAKE FREE SCHOOL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	19		(18,423)		7,704
Cash flows from investing activities					
Dividends, interest and rents from investments		11		11	
Capital funding received from sponsors and others		15,087		4,382	
Purchase of tangible fixed assets		(3,581)		(9,176)	
Net cash provided by/(used in) investing activities			11,517		(4,783)
Net (decrease)/increase in cash and cash equivalents in the reporting period			(6,906)		2,921
Cash and cash equivalents at beginning of the year			94,555		91,634
Cash and cash equivalents at end of the year			87,649		94,555

PEASLAKE FREE SCHOOL LIMITED

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

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 accounts.

The Governors have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

Grants

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

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

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

Sponsorship income

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

Donations

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

PEASLAKE FREE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of any irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the Academy 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's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

1.5 Tangible fixed assets and depreciation

Assets costing £150 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

PEASLAKE FREE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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

Computer equipment	25% Straight line
Fixtures, fittings & equipment	25% Straight line

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 anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods of 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 only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy 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 is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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 are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy.

PEASLAKE FREE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy 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 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.

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 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 18, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 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.

PEASLAKE FREE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	15,087	15,087	4,382
Other donations	-	12,500	12,500	-
	-	27,587	27,587	4,382

4 Funding for the Academy's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
DfE/ESFA grants				
General annual grant (GAG)	-	310,954	310,954	300,665
Other DfE/ESFA grants:				
- UIFSM	-	15,475	15,475	13,475
- Pupil premium	-	-	-	3,628
- Others	-	30,190	30,190	22,731
	-	356,619	356,619	340,499
Other government grants				
Local authority grants	-	13,103	13,103	6,314
Total funding	-	369,722	369,722	346,813

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Other income	8,795	11,902	20,697	20,963

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Short term deposits	11	-	11	11

PEASLAKE FREE SCHOOL LIMITED

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

7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2023 £	Total 2022 £
		Premises £	Other £		
Academy's educational operations					
- Direct costs	256,409	-	70,373	326,782	279,851
- Allocated support costs	35,854	22,269	38,889	97,012	112,284
	<u>292,263</u>	<u>22,269</u>	<u>109,262</u>	<u>423,794</u>	<u>392,135</u>

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Depreciation of tangible fixed assets	7,137	6,408
Fees payable to auditor for:		
- Audit	7,620	6,800
- Other services	3,750	3,400
Net interest on defined benefit pension liability	-	2,000
	<u> </u>	<u> </u>

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Direct costs				
Educational operations	10,092	316,690	326,782	279,851
Support costs				
Educational operations	-	97,012	97,012	112,284
	<u>10,092</u>	<u>413,702</u>	<u>423,794</u>	<u>392,135</u>

	2023 £	2022 £
Analysis of support costs		
Support staff costs	35,854	54,444
Depreciation	7,137	6,408
Technology costs	1,381	1,299
Premises costs	15,132	14,438
Other support costs	21,416	21,597
Governance costs	16,092	14,098
	<u>97,012</u>	<u>112,284</u>

PEASLAKE FREE SCHOOL LIMITED

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

9 Staff

Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	217,891	182,866
Social security costs	14,112	9,904
Pension costs	51,022	61,168
	<hr/>	<hr/>
Staff costs - employees	283,025	253,938
Agency staff costs	9,238	4,392
	<hr/>	<hr/>
	292,263	258,330
Staff development and other staff costs	10,438	12,403
	<hr/>	<hr/>
Total staff expenditure	302,701	270,733
	<hr/> <hr/>	<hr/> <hr/>

Staff numbers

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

	2023 Number	2022 Number
Teachers	3	3
Administration and support	4	5
Management	1	1
	<hr/>	<hr/>
	8	9
	<hr/> <hr/>	<hr/> <hr/>

Higher paid staff

There were no employees whose annual remuneration was £60,000 or more.

Key management personnel

The key management personnel of the Academy comprises of two Governors and the Head Teacher as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £48,757 (2022: £45,764).

PEASLAKE FREE SCHOOL LIMITED

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

10 Governors' remuneration and expenses

Two of the Governors have been paid remuneration from employment with the Academy. The Head Teacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Head Teacher 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:

S Dangerfield			
Remuneration	£30,000 - £35,000	(2022: £30,000 - £35,000)	
Employer's pension contribution	£10,000 - £15,000	(2022: £10,000 - £15,000)	
J Weller			
Remuneration	£10,000 - £15,000	(2022: £15,000 - £20,000)	
Employer's pension contribution	£0 - £5,000	(2022: £0 - £5,000)	

During the year, no travel and subsistence expenses were reimbursed to Governors (2022: nil) .

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

11 Governors' and officers' insurance

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

12 Tangible fixed assets

	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 September 2022	25,231	18,537	43,768
Additions	-	3,581	3,581
	-----	-----	-----
At 31 August 2023	25,231	22,118	47,349
	-----	-----	-----
Depreciation			
At 1 September 2022	20,348	9,323	29,671
Charge for the year	3,315	3,822	7,137
	-----	-----	-----
At 31 August 2023	23,663	13,145	36,808
	-----	-----	-----
Net book value			
At 31 August 2023	1,568	8,973	10,541
	=====	=====	=====
At 31 August 2022	4,883	9,214	14,097
	=====	=====	=====

PEASLAKE FREE SCHOOL LIMITED

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

13 Debtors	2023	2022
	£	£
Trade debtors	1,179	-
VAT recoverable	12,020	8,105
Other debtors	6,020	-
Prepayments and accrued income	8,726	3,983
	<u>27,945</u>	<u>12,088</u>
	<u><u>27,945</u></u>	<u><u>12,088</u></u>
14 Creditors: amounts falling due within one year	2023	2022
	£	£
Trade creditors	1,010	1,189
Other creditors	2,100	65
Accruals and deferred income	21,396	18,080
	<u>24,506</u>	<u>19,334</u>
	<u><u>24,506</u></u>	<u><u>19,334</u></u>
15 Deferred income	2023	2022
	£	£
Deferred income is included within:		
Creditors due within one year	10,026	7,880
	<u>10,026</u>	<u>7,880</u>
	<u><u>10,026</u></u>	<u><u>7,880</u></u>
Deferred income at 1 September 2022	7,880	-
Released from previous years	(7,880)	-
Resources deferred in the year	10,026	7,880
	<u>10,026</u>	<u>7,880</u>
	<u><u>10,026</u></u>	<u><u>7,880</u></u>
Deferred income at 31 August 2023	10,026	7,880
	<u>10,026</u>	<u>7,880</u>
	<u><u>10,026</u></u>	<u><u>7,880</u></u>

At the balance sheet date the Academy Trust was holding funds received in advance for UIFSM and pupil premium for the 2023-24 academic year.

PEASLAKE FREE SCHOOL LIMITED

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

16 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	65,843	310,954	(309,515)	4,405	71,687
UIFSM	-	15,475	(15,475)	-	-
Other DfE/ESFA grants	7,880	30,190	(38,070)	-	-
Other government grants	-	13,103	(13,103)	-	-
Other restricted funds	-	24,402	(24,402)	-	-
Pension reserve	(6,000)	-	(6,000)	12,000	-
	<u>67,723</u>	<u>394,124</u>	<u>(406,565)</u>	<u>16,405</u>	<u>71,687</u>
Restricted fixed asset funds					
DfE group capital grants	2,793	15,087	(3,001)	-	14,879
Capital expenditure from GAG	11,304	-	(4,136)	(4,405)	2,763
	<u>14,097</u>	<u>15,087</u>	<u>(7,137)</u>	<u>(4,405)</u>	<u>17,642</u>
Total restricted funds	<u>81,820</u>	<u>409,211</u>	<u>(413,702)</u>	<u>12,000</u>	<u>89,329</u>
Unrestricted funds					
General funds	<u>13,586</u>	<u>8,806</u>	<u>(10,092)</u>	<u>-</u>	<u>12,300</u>
Total funds	<u>95,406</u>	<u>418,017</u>	<u>(423,794)</u>	<u>12,000</u>	<u>101,629</u>

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

General annual grant

This includes all monies received from the ESFA to carry out the objectives of the Trust. It includes the School Budget Share. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

Pension reserve

This represents the negative reserve in respect of the liability on the LGPS defined benefit pension scheme.

Other DfE/ESFA grants

Other grants include funding received from the DfE and ESFA for specific purposes.

Fixed asset funds

The fixed asset fund includes grants received from the DfE and other sources to finance the development and building of the academy and other tangible fixed assets, and the annual charges for depreciation of these assets.

Unrestricted funds

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

PEASLAKE FREE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

16 Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	72,658	300,665	(302,686)	(4,794)	65,843
UIFSM	-	13,475	(13,475)	-	-
Pupil premium	-	3,628	(3,628)	-	-
Other DfE/ESFA grants	-	22,731	(14,851)	-	7,880
Other government grants	-	6,314	(6,314)	-	-
Other restricted funds	-	12,301	(12,301)	-	-
Pension reserve	(118,000)	-	(24,000)	136,000	(6,000)
	<u>(45,342)</u>	<u>359,114</u>	<u>(377,255)</u>	<u>131,206</u>	<u>67,723</u>
Restricted fixed asset funds					
DfE group capital grants	1,066	4,382	(2,655)	-	2,793
Capital expenditure from GAG	10,263	-	(3,753)	4,794	11,304
	<u>11,329</u>	<u>4,382</u>	<u>(6,408)</u>	<u>4,794</u>	<u>14,097</u>
Total restricted funds	<u>(34,013)</u>	<u>363,496</u>	<u>(383,663)</u>	<u>136,000</u>	<u>81,820</u>
Unrestricted funds					
General funds	<u>13,385</u>	<u>8,673</u>	<u>(8,472)</u>	<u>-</u>	<u>13,586</u>
Total funds	<u>(20,628)</u>	<u>372,169</u>	<u>(392,135)</u>	<u>136,000</u>	<u>95,406</u>

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	10,541	10,541
Current assets	12,300	96,193	7,101	115,594
Current liabilities	-	(24,506)	-	(24,506)
Total net assets	<u>12,300</u>	<u>71,687</u>	<u>17,642</u>	<u>101,629</u>

PEASLAKE FREE SCHOOL LIMITED

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

17 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	14,097	14,097
Current assets	13,586	93,057	-	106,643
Current liabilities	-	(19,334)	-	(19,334)
Pension scheme liability	-	(6,000)	-	(6,000)
Total net assets	13,586	67,723	14,097	95,406

18 Pension and similar obligations

The Academy'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 Surrey 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.

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

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.

PEASLAKE FREE SCHOOL LIMITED

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

18 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £34,080 (2022: £26,936).

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 has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 20.1% 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	2022
	£	£
Employer's contributions	11,000	12,000
Employees' contributions	3,000	3,000
	<hr/>	<hr/>
Total contributions	14,000	15,000
	<hr/> <hr/>	<hr/> <hr/>

Principal actuarial assumptions	2023	2022
	%	%
Rate of increase in salaries	4.00	3.95
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	5.20	4.25
	<hr/> <hr/>	<hr/> <hr/>

PEASLAKE FREE SCHOOL LIMITED

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

18 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	2022
	Years	Years
Retiring today		
- Males	21.9	22.1
- Females	24.5	24.5
Retiring in 20 years		
- Males	22.6	23.1
- Females	26.3	26.2

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

	2023	2022
Discount rate + 0.1%	(6,000)	(4,000)
Discount rate - 0.1%	6,000	4,000
Mortality assumption + 1 year	10,000	7,000
Mortality assumption - 1 year	(10,000)	(7,000)
CPI rate + 0.1%	6,000	4,000
CPI rate - 0.1%	(6,000)	(4,000)

Defined benefit pension scheme net asset/(liability)

	2023	2022
	£	£
Scheme assets	255,000	178,000
Scheme obligations	(255,000)	(184,000)
Net asset/(liability)	-	(6,000)

The Academy's share of the assets in the scheme

	2023	2022
	Fair value	Fair value
	£	£
Equities	201,000	135,000
Bonds	32,000	25,000
Cash	11,000	4,000
Property	21,000	14,000
FRS 102 Asset ceiling	(10,000)	-
Total market value of assets	255,000	178,000

The actual return on scheme assets was £66,000 (2022: £(9,000)).

PEASLAKE FREE SCHOOL LIMITED

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

18 Pension and similar obligations	(Continued)	
Amount recognised in the statement of financial activities	2023 £	2022 £
Current service cost	17,000	34,000
Interest income	(8,000)	(3,000)
Interest cost	8,000	5,000
	<u>17,000</u>	<u>36,000</u>
Total operating charge	<u>17,000</u>	<u>36,000</u>
	<u>17,000</u>	<u>36,000</u>
Changes in the present value of defined benefit obligations	2023 £	2022 £
At 1 September 2022	184,000	292,000
Current service cost	17,000	34,000
Interest cost	8,000	5,000
Employee contributions	3,000	3,000
Actuarial loss/(gain)	46,000	(148,000)
Benefits paid	(3,000)	(2,000)
	<u>255,000</u>	<u>184,000</u>
At 31 August 2023	<u>255,000</u>	<u>184,000</u>
	<u>255,000</u>	<u>184,000</u>
Changes in the fair value of the Academy's share of scheme assets	2023 £	2022 £
At 1 September 2022	178,000	174,000
Interest income	8,000	3,000
Actuarial (gain)/loss	68,000	(12,000)
Employer contributions	11,000	12,000
Employee contributions	3,000	3,000
Benefits paid	(3,000)	(2,000)
FRS 102 Asset ceiling	(10,000)	
	<u>255,000</u>	<u>178,000</u>
At 31 August 2023	<u>255,000</u>	<u>178,000</u>
	<u>255,000</u>	<u>178,000</u>

The actuarial report for the local government pension scheme at 31 August 2023 shows an actuarial gain of £22,000 which has resulted in a pension asset at the same date.

We have not recognised the pension asset as a positive position but have instead shown a break-even position as there is insufficient evidence to conclude that the 'asset' may be available to reduce future payments.

An asset should only be recognised to the extent that the Trust is able to recover the surplus either through reduced contribution in the future or refunds from the plan.

We have made further disclosure in the Trustees Report and in the note on judgements to adequately reflect this.

PEASLAKE FREE SCHOOL LIMITED

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

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

	Notes	2023 £	2022 £
Net expenditure for the reporting period (as per the statement of financial activities)		(5,777)	(19,966)
Adjusted for:			
Capital grants from DfE and other capital income		(15,087)	(4,382)
Investment income receivable	6	(11)	(11)
Defined benefit pension costs less contributions payable	18	6,000	22,000
Defined benefit pension scheme finance cost	18	-	2,000
Depreciation of tangible fixed assets		7,137	6,408
(Increase)/decrease in debtors		(15,857)	275
Increase in creditors		5,172	1,380
Net cash (used in)/provided by operating activities		<u>(18,423)</u>	<u>7,704</u>

20 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	94,555	(6,906)	87,649
	<u>94,555</u>	<u>(6,906)</u>	<u>87,649</u>

21 Long-term commitments

Operating leases

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

	2023 £	2022 £
Amounts due within one year	1,079	360
Amounts due in two and five years	180	-
	<u>1,259</u>	<u>360</u>

PEASLAKE FREE SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

22 Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest.

All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following expenditure transactions took place:

A proportionate share of the employment costs incurred for a teaching assistant employed by the Peaslake Schools Trust (a registered charity, number 1034412, which shares common trustees with the Academy), is charged to the academy. During the year, £10,631 (2022: £10,268) was paid in relation to this.

The following income transaction took place:

Sara Dangerfield, Head Teacher and Governor of the Academy and a trustee of the Peaslake Schools Trust, spends part of her role dealing with the nursery education provided by the Peaslake Schools Trust and the Academy received £11,777 (2022: £12,301) from this arrangement as straight reimbursement of the proportion of her employment costs for the time involved.

Apart from the above, there were no further related party transactions.

23 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.