

**Company Registration No. 07900248 (England and Wales)**

**MAYFIELD GRAMMAR SCHOOL, GRAVESEND**

**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

# **MAYFIELD GRAMMAR SCHOOL, GRAVESEND**

## **CONTENTS**

---

	<b>Page</b>
Reference and administrative details	1
Trustees' report	2 - 8
Governance statement	9 - 11
Statement on regularity, propriety and compliance	12
Statement of Trustees' responsibilities	13
Independent auditor's report on the accounts	14 - 16
Independent reporting accountant's report on regularity	17 - 18
Statement of financial activities	19 - 20
Balance sheet	21
Cash flow statement	22
Notes to the accounts	23 - 41

---

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## REFERENCE AND ADMINISTRATIVE DETAILS

---

### Trustees

E D Wilson  
P K Patel  
A E Sewell  
D M Foulger  
M Weston  
V A Green (Chair)  
M Fielder-White  
D P Holton

### Members

V A Green (Chair)  
M Fielder-White  
D P Holton  
D M Foulger

### Senior Leadership Team

Headteacher  
Deputy Headteacher  
Assistant Headteacher  
Assistant Headteacher  
Assistant Headteacher  
Assistant Headteacher  
Assistant Headteacher  
Assistant Headteacher

E D Wilson  
C Kemp  
L Absolon  
R Boyce  
J Campbell-Dunlop (resigned 31/12/2022)  
E Mountcastle  
J Murfet  
J Frost  
W Valentine

### Company registration number

07900248 (England and Wales)

### Registered office

Mayfield Grammar School, Gravesend  
Pelham Road  
Gravesend  
Kent DA11 0JE

### Independent auditor

Baxter & Co  
Lynwood House  
Crofton Road  
Orpington  
BR6 8QE

### Bankers

Lloyds Bank  
78 New Road  
Gravesend  
Kent  
DA11 0AR

### Solicitors

Stone King  
Boundary House  
91 Charterhouse Street  
London  
EC1M 6HR

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

---

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

Mayfield Grammar School Gravesend (MGSG) is a selective school for pupils aged 11 to 18 serving a catchment area in Gravesend. It has a pupil capacity of 1,373 and had a roll of 1,346 in the school summer census on 18<sup>th</sup> May 2023.

#### Structure, governance and management

##### Constitution

MGSG is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of Mayfield Grammar School, Gravesend are also the directors of the charitable company for the purpose of company law. Details of the Trustees who served during the year 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 or within one year of when they ceased to be a member.

##### Trustees' Indemnities

No indemnities or guarantees have been provided to third parties by the charitable company in respect of any of its Trustees.

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

In accordance with the articles of association, the Trustees of the charitable company are appointed as follows:

- Up to 10 Trustees appointed by the Members
- A minimum of 2 Parent Trustees appointed by Members if no provision is made for at least 2 Parent Local Trustees on established Local Governing Bodies.
- Providing the Accounting Officer (AO) agrees so to act, the Members may appoint the AO as a Trustee.

Trustees (other than the Sponsors and the AO) serve for four years and are eligible for re-election.

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

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training in educational, safeguarding, legal and financial matters. All Trustees are provided with the information needed including policies, minutes and budgets to undertake their role as Trustees.

##### Organisational structure

The Governing Body (trustees), the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The Board meets at least three times a year and has a number of sub-committees:

- Finance and Premises Committee
- Curriculum and Staffing Committee
- Student Affairs, Community and Admissions Committee

Each committee is formally constituted with terms of reference and comprises appropriately qualified and experienced members. The Trust Board delegates specific responsibilities to its committees, the activities of which are reported to

---

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

---

and discussed at full Board of Trustee meetings. Trustees review the number and role of committees on a regular basis.

The Senior Leadership Team consists of the Headteacher, Deputy Headteacher and 6 Assistant Headteachers. These leaders control the school at executive level implementing the policies laid down by the Trustees, regularly reporting back to them. The Headteacher is the Accounting Officer and is responsible for the authorisation of spending within agreed budgets and the appointment of the majority of staff.

The school has no subsidiaries.

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

The Pay Policy is reviewed annually by school Trustees taking into account advice provided by the school's HR advisor. The policy is shared with all staff, including trade union representatives. Pay decisions are processed annually in the autumn term so that all members of staff who are entitled to be considered for discretionary pay awards are done so in a timely manner in line with the school's appraisal processes. A separate Headteacher Review is supported by an external consultant to set targets for the Headteacher and make final decisions on pay following the completion of the Headteacher's performance review.

#### Trade Union Facility Time

##### Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

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

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

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

Total Cost of facility time	0
Total Pay bill	£6,571k
Percentage of the total pay bill spent on facility time	0%

##### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0
--	---

#### Related Parties and other Connected Charities and Organisations

The school is connected to the following registered charity, being the school's voluntary and fundraising account: Mayfield Grammar School (charity number 1007778).

The accounts for this connected charity are audited separately and reported to the Charity Commission. An annual Trustee's Report & Statement is published to the Charity Commission.

---

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### Objectives and activities

#### Objects and aims

The Objects of the school are specifically restricted to:

- Provide public benefit education by offering a broad and balanced curriculum.
- The provision of facilities for recreation and leisure to affiliated sports, clubs and associations.

The Aims of the school:

- To stimulate and challenge the minds of our students in order for them to attain the highest possible academic and personal standards.
- For our students to succeed at the highest level possible in public examinations at GCSE and A-level.
- For all students to successfully access the next stage of their career on leaving school.

#### Objectives, strategies and activities

Our objectives for the year ended 31 August 2023 were as follows:

- Achieve a successful pass rate (in excess of Government National floor targets) at GCSE and A-level examinations;
- To continue to develop our personal education programme and develop plans for enrichment for sixth form students;
- Student progress is regularly tracked, monitored, analysed and targeted to ensure there are no gaps in learning.

#### Public benefit

The Trustees have given consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

In addition to the commitment to achieving the primary objectives of the Academy the Trustees have agreed for the following public benefit support to be provided by the Academy:

- To continue to develop the excellent pastoral care we provide for our pupils.

### Strategic Report

#### Achievements and performance

##### **Summer Examination results 2023**

Congratulations to all students at Mayfield Grammar School, Gravesend who sat examinations this summer. A tremendous thank you must go to all our staff and parents / carers who have supported and encouraged the students towards achieving another year of excellent results, despite the challenges that were faced since March 2020.

We are delighted for the students themselves who have worked extremely hard and have shown resilience throughout their GCSE and A Level courses. They thoroughly deserved their success and have laid firm foundations for future achievements.

At A Level, almost 1 in 5 grades were an A\*-A with 70% of grades at a Grade C or higher. Overall, the Average Point Score per student was 31.43.

At GCSE, 9% of grades were at Grade 9 with 42% of grades at a Grade 7 or higher. The proportion of students achieving 5 Grades 9 – 5 including Mathematics and English was 90.4%. 62.6% of our students entered the EBacc this year, with 50.3% of our students attaining an EBacc Strong Pass. The Average Point Score for the EBacc was 6.03. However, we will continue to maintain a broad and balanced curriculum for all students who have considerable success in all subjects at GCSE.

Overall, our GCSE Attainment 8 score was 64.24 with a provisional Progress 8 score of +0.35. 99.5% of our Key Stage 4 students stayed in education and training or moved into employment after Key Stage 4.

---

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### Key Performance Indicators

#### **Governance KPIs**

1. All members and trustees understand their duties as company directors and charity trustees as laid out in the Companies Act 2006 and Charity Commission guidance as amplified in a skills audit.
2. The school has a full complement for its Governing body, with an appropriate skill set and experience.

#### **Financial KPIs**

1. Accounts filed with Companies House for public access and on the Trust website by 31 January of the following year.
2. The school to submit audited financial statements, auditors management letter and accounts submission by 31 December to the ESFA.
3. All statutory returns to be submitted on time.
4. Ensure value for money with the use of school funds.

The school continues to be a popular and over-subscribed school and has, in collaboration with the Local Authority, agreed to expand pupil numbers accommodating increasing demand for places.

### Going concern

After making appropriate enquiries, the Governing Body of Mayfield Grammar School confirm that the school is a viable going concern and has a reasonable expectation that the school has adequate resources to continue in operational existence for the foreseeable future. The rationale for this is outlined in the Going Concern Statement which was reviewed and approved by trustees. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

### **Financial review**

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as other government grants. Such income is collectively referred to as "Restricted Funds".

Other income is received from parents (for example as contributions to trips or other costs) and from third parties (for example from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the Trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending. Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of Trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

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

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The following balances held were held at 31 August:

Fund	Category	2023 £'000	2022 £'000
GAG	Restricted General Funds	-	489
Other DfE/ESFA Grants	Restricted General Funds	-	-
Other Government Grants	Restricted General Funds	-	-
Other restricted funds	Restricted General Funds	-	-
	<b>Sub-total – General Restricted Funds</b>	<b>-</b>	<b>489</b>
Unspent Capital Grants	Restricted Fixed Asset Fund	48	-
Salix Loan	Restricted Fixed Asset Fund	(20)	(24)
Other Income	Unrestricted General Fund	193	106
	<b>Sub-Total – Spendable Funds</b>	<b>221</b>	<b>571</b>
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	18,099	18,373
Share of LGPS Deficit	Restricted Pension Reserve	-	(310)
	<b>Total – All Funds</b>	<b><u>18,320</u></b>	<b><u>18,634</u></b>

During the year under review there was a decrease of £489k (2022: increased by £185k) on general restricted funds, an increase of £87k (2022: increased by £6k) on unrestricted funds and after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall decrease of £314k (2022: increased by £8,150k).

There have been significant events during the academic year which have impacted the school's financial performance. The school continued to have expenditure relating to the planned building expansion. The school's cashflow was adversely affected by a gas leak in the Spring term, however this was limited, as the school has managed to maintain a healthy bank balance throughout the year. In the 2022 Autumn statement, the Government pledged £2 billion funding into the Education sector. The first instalment being received in May 2023 and was a step to support the school with growing utility costs due to the energy crisis. We will be reviewing our supplier contract to ensure we are receiving the best value in the coming year.

The Kent Scheme Pay award for 23/24 was approved in March at a higher rate than budgeted for. It was recognised by KCC that support staff were being negatively impacted by the economic crisis and a general pay award would be seen as appropriate. This had an impact on the budgeted outturn of support staff costs.

The principal risks and uncertainties have been documented in the risk register and are reviewed by the trustees and auditors. Risks predominantly relate to external financial pressures. The planned teacher's pay award poses a risk to the financial position; however the subsequent Teacher Pay Grant is welcomed and will ease the pressure this decision has made.

Most of the company's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

### Reserves policy

The Trustees review the level of reserves annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. It is the Trustees' policy to maintain a surplus of unrestricted reserves which can be used to assist in the funding of the School Improvement Plan. The Trustees will ensure that the reserves policy continues to conform to the requirements laid down in the Academy Trust Handbook produced by the Education and Skills Funding Agency.



# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

---

### Investment policy

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

### Principal risks and uncertainties

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

The principal financial risk faced by the company is that ongoing pressure on funding results in a risk that deficits may be experienced. The budgeting and reporting process, including scrutiny by the Trustees of actual financial performance, mitigates the risk.

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

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

Economic events in 2023 have led to inflationary risk where salaries, pay scales and pay rises, energy costs, and consumables are all increasing by amounts in excess of those previously experienced or predicted. These increases are outside the control of the school, yet the costs will have to be met. There is a risk that the increased costs could adversely affect the budget leading to an in-year deficit despite a balanced budget being set. Furthermore, there is a risk that salaries and payroll may become a burden and could exceed the funding received from the ESFA as the school expands and needs to recruit teachers and support staff to deliver the curriculum. Despite these ongoing challenges the school continues to robustly monitor expenditure and achieved a surplus position at the end of the financial year.

### **Our fundraising practices**

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

There have been no complaints about fundraising activity this year.

### Streamlined energy and carbon reporting (SECR)

As the school has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

### **Plans for future periods**

MGSG will continue with its aim of delivering an outstanding education for students in the local community and to meet the increasing demand for places.

The school has worked in collaboration with both the Local Authority and the DoE to implement the phased plan of capital investment and development of new facilities which are meeting the needs of students within the local community.

The school's improvement priorities for the future will include:

- Teaching for All: to embed best practice for inclusive teaching.
- School Values: to celebrate and embed into the rewards system.
- To further enhance Careers provision.
- Pupil Premium Strategy: the effective use of Pupil Premium funding across all areas of school life.

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### **Funds held as custodian trustee on behalf of others**

The Trust does not hold funds as custodian trustee on behalf of others.

### **Auditor**

In so far as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 4<sup>th</sup> December 2023 and signed on the Board's behalf by:



V A Green  
Chair of Trustees

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### Scope of responsibility

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

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

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
V A Green	3	3
M Fielder-White	2	3
D P Holton	3	3
D M Foulger	3	3
P K Patel	2	3
A E Sewell	2	3
M Weston	3	3
E D Wilson	3	3

The school manages effective oversight of funds by the delegation of financial matters to the Finance and Premises committee which meets quarterly. This committee reviews financial performance in depth and reports back to the Full Governing Body. The Accounting Officer and all trustees, including Chair of Governor, receive a full set of management reports monthly.

### Conflict of interest

At the AGM the governors are all asked to complete a declaration of interest. Any absences are followed up by the Governance professional to ensure the declarations are completed. At subsequent meetings of both the FGB and the committees all governors are asked to update their declarations.

### Governance reviews

The Board of Trustees completed a governance review during the year which comprised a skills audit. Where gaps were identified, plans were implemented to address these through Trustee training.

The school was selected to be part of the ESFA's annual programme of assurance and was subject to a Finance Management & Governance review. The findings were an assurance that the trust has appropriate financial management, governance, and control arrangements in place. The governing body support the effective and efficient running of the school. It also ensured that funds paid are being used for the purposes intended and operate within the ESFA accountability framework.

The Finance and Premises Committee is a committee to which the main Board of Trustees has delegated responsibility. Its purpose is:

- Regular monitoring of actual income and expenditure
  - Receive, consider and approve the allocation of the school's delegated budget
  - Review the reports of the auditors on the effectiveness of the financial procedures and controls
  - Act as the school's Audit & Risk committee, reviewing the risk register and external audit reports, management letter and overseeing the annual programme of internal scrutiny.
-

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

Attendance during the year at meetings of the Finance & Premises Committee was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
V A Green	4	4
P K Patel	3	4
D P Holton (Chair)	4	4
E D Wilson	4	4

### **Review of Value for Money**

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

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

- Launching of MGSG Preloved uniform service, providing an affordable alternative to school uniform. It has eased the requirement to use Pupil Premium funding to supply uniform to a targeted group. This offer is also lessening the school's environmental impact on uniform production and disposal.
- Continuing with the appointment of D Foulger to complete the process of internal scrutiny for all financial aspects of the school, at no cost to the school.
- Ensured robust tendering process conducted to achieve value for money re the appointment of contractor for dining provision.

### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Mayfield Grammar School, Gravesend for the period 01 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

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

### **The risk and control framework**

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability.

In particular it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
  - regular reviews of reports by the Finance and Premises Committee
  - setting targets to measure financial and other performance;
  - clearly defined purchasing (asset purchase or capital investment) guidelines;
  - delegation of authority and segregation of duties;
  - identification and management of risks.
-

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

The board of Trustees has considered the need for a specific internal audit function and has decided:

- not to appoint an auditor for the purpose of internal financial scrutiny. However, the trustees have appointed Dawn Foulger, a fellow trustee, to carry out a programme of internal checks. Dawn is an experienced governor, the chair of Student Affairs committee with experience in internal controls from her work as a Business Improvement Manager.

The areas reviewed this academic year included:

- testing of banking
- testing of purchasing systems and the recording of expenditure
- checks on income collection and its recording
- testing of payroll controls and processes.

Annually, the internal scrutiny report is presented to the Finance and Premises Committee, on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities.

### Review of effectiveness

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

- the work of the internal auditor.
- the work of the external auditor.
- the work of an independent external consultant
- the financial management and governance self-assessment process
- the work of managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Premises Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 4<sup>th</sup> December 2023 and signed on its behalf by:



V A Green  
Chair of Trustees



E D Wilson  
Accounting Officer

# **MAYFIELD GRAMMAR SCHOOL, GRAVESEND**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

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

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

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



Mrs E Wilson  
**Accounting Officer**

04 December 2023

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

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

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

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

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

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

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

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

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



Mrs V Green  
Chair of Trustees

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAYFIELD GRAMMAR SCHOOL, GRAVESEND

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### Opinion

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

In our opinion the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

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

We have nothing to report in this regard.



# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAYFIELD GRAMMAR SCHOOL, GRAVESEND (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 Trustees' report including the incorporated strategic report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

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

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

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

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

### Responsibilities of Trustees

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

### Auditor's responsibilities for the audit of the Financial Statements

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

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

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

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAYFIELD GRAMMAR SCHOOL, GRAVESEND (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

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

### **Use of our report**

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



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

13 December 2023  
.....

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

Lynwood House  
Crofton Road  
Orpington  
Kent  
BR6 8QE

# **MAYFIELD GRAMMAR SCHOOL, GRAVESEND**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MAYFIELD GRAMMAR SCHOOL, GRAVESEND AND THE EDUCATION AND SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2023***

---

In accordance with the terms of our engagement letter dated 26 May 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Mayfield Grammar School, Gravesend 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 Mayfield Grammar School, Gravesend and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Mayfield Grammar School, Gravesend 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 Mayfield Grammar School, Gravesend and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Mayfield Grammar School, Gravesend's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Mayfield Grammar School, Gravesend's funding agreement with the Secretary of State for Education dated 1 February 2012 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

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

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MAYFIELD GRAMMAR SCHOOL, GRAVESEND AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

### **Conclusion**

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

*Baxter & Co.*

### **Reporting Accountant**

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

Dated: 13 December 2023  
.....

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £'000	Restricted funds: General    Fixed asset £'000    £'000		Total 2023 £'000	Total 2022 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	6	-	122	128	6,442
Charitable activities:						
- Funding for educational operations	4	214	7,855	-	8,069	7,561
Other trading activities	5	63	-	-	63	50
<b>Total</b>		<u>283</u>	<u>7,855</u>	<u>122</u>	<u>8,260</u>	<u>14,053</u>
<b>Expenditure on:</b>						
Raising funds	6	6	-	-	6	4
Charitable activities:						
- Educational operations	7	190	8,280	484	8,954	7,879
<b>Total</b>	6	<u>196</u>	<u>8,280</u>	<u>484</u>	<u>8,960</u>	<u>7,883</u>
<b>Net income/(expenditure)</b>		87	(425)	(362)	(700)	6,170
Transfers between funds	15	-	(140)	140	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	17	-	386	-	386	1,980
<b>Net movement in funds</b>		87	(179)	(222)	(314)	8,150
<b>Reconciliation of funds</b>						
Total funds brought forward		106	179	18,349	18,634	10,484
Total funds carried forward		<u>193</u>	<u>-</u>	<u>18,127</u>	<u>18,320</u>	<u>18,634</u>

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2022	Notes	funds £'000	General £'000	Fixed asset £'000	2022 £'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	-	6,442	6,442
Charitable activities:					
- Funding for educational operations	4	187	7,374	-	7,561
Other trading activities	5	50	-	-	50
<b>Total</b>		<u>237</u>	<u>7,374</u>	<u>6,442</u>	<u>14,053</u>
<b>Expenditure on:</b>					
Raising funds	6	4	-	-	4
Charitable activities:					
- Educational operations	7	152	7,260	467	7,879
<b>Total</b>	6	<u>156</u>	<u>7,260</u>	<u>467</u>	<u>7,883</u>
<b>Net income</b>		81	114	5,975	6,170
Transfers between funds	15	-	(207)	207	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	17	-	1,980	-	1,980
<b>Net movement in funds</b>		81	1,887	6,182	8,150
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>25</u>	<u>(1,708)</u>	<u>12,167</u>	<u>10,484</u>
Total funds carried forward		<u>106</u>	<u>179</u>	<u>18,349</u>	<u>18,634</u>

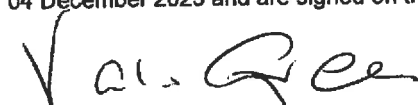
# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## BALANCE SHEET

AS AT 31 AUGUST 2023

		2023		2022	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	11		18,099		18,373
<b>Current assets</b>					
Debtors	12	128		167	
Cash at bank and in hand		505		829	
		<u>633</u>		<u>996</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	13	(396)		(405)	
<b>Net current assets</b>			237		591
<b>Total assets less current liabilities</b>			18,336		18,964
Creditors: amounts falling due after more than one year	14		(16)		(20)
<b>Net assets excluding pension liability</b>			18,320		18,944
Defined benefit pension scheme liability	17		-		(310)
<b>Total net assets</b>			<u>18,320</u>		<u>18,634</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	15				
- Fixed asset funds			18,127		18,349
- Restricted income funds			-		489
- Pension reserve			-		(310)
<b>Total restricted funds</b>			<u>18,127</u>		<u>18,528</u>
<b>Unrestricted income funds</b>	15		193		106
<b>Total funds</b>			<u>18,320</u>		<u>18,634</u>

The Financial Statements on pages 19 to 41 were approved by the Trustees and authorised for issue on 04 December 2023 and are signed on their behalf by:



Mrs V Green  
Chair of Trustees

Company registration number 07900248 (England and Wales)

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £'000	£'000	2022 £'000	£'000
<b>Cash flows from operating activities</b>					
Net cash (used in)/provided by operating activities	18		(232)		543
<b>Cash flows from investing activities</b>					
Capital grants from DfE Group		77		26	
Capital funding received from sponsors and others		45		202	
Purchase of tangible fixed assets		(210)		(546)	
<b>Net cash used in investing activities</b>			(88)		(318)
<b>Cash flows from financing activities</b>					
Repayment of long term bank loan		(4)		(4)	
<b>Net cash used in financing activities</b>			(4)		(4)
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>			(324)		221
Cash and cash equivalents at beginning of the year			829		608
<b>Cash and cash equivalents at end of the year</b>			<u>505</u>		<u>829</u>



# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

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

---

### 1 Accounting policies

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

#### 1.1 Basis of preparation

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

#### 1.2 Going concern

The Trustees 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 Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the Financial Statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

#### 1.3 Income

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

##### Grants

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

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

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

##### Donations

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

##### Other income

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

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

---

### 1 Accounting policies

(Continued)

#### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

#### 1.5 Tangible fixed assets and depreciation

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

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

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

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

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

#### 1.6 Liabilities

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

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

---

### 1 Accounting policies (Continued)

#### 1.7 Leased assets

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

#### 1.8 Financial instruments

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

##### Financial assets

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

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

##### Financial liabilities

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

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

#### 1.9 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 1.10 Pensions benefits

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

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

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

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

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

### 1 Accounting policies

(Continued)

#### 1.11 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the 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 Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### Critical areas of judgement

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

### 3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Donated fixed assets	-	-	-	6,214
Capital grants	-	77	77	26
LA capital grants	-	45	45	202
Other donations	6	-	6	-
	<u>6</u>	<u>122</u>	<u>128</u>	<u>6,442</u>

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	7,127	7,127	6,461
Other DfE/ESFA grants:				
- Pupil premium	-	116	116	101
- Others	-	376	376	182
	<u>-</u>	<u>7,619</u>	<u>7,619</u>	<u>6,744</u>
<b>Other government grants</b>				
Other LA grants	-	121	121	474
	<u>-</u>	<u>121</u>	<u>121</u>	<u>474</u>
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Other DfE/ESFA COVID-19 funding	-	48	48	84
<b>Non-DfE/ESFA</b>				
Other COVID-19 funding	-	-	-	19
	<u>-</u>	<u>48</u>	<u>48</u>	<u>103</u>
<b>Other funding</b>				
Catering income	214	-	214	187
Other incoming resources	-	67	67	53
	<u>214</u>	<u>67</u>	<u>281</u>	<u>240</u>
<b>Total funding</b>	<u>214</u>	<u>7,855</u>	<u>8,069</u>	<u>7,561</u>

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

The funding received for coronavirus exceptional support covers £48k of national tutoring grant funding and recovery premium funding. These costs are included in notes 6 and 7 below as appropriate.

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

5	Other trading activities	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
	Hire of facilities	17	-	17	14
	Income from facilities and services	46	-	46	33
	Other income	-	-	-	3
		<u>63</u>	<u>-</u>	<u>63</u>	<u>50</u>

6	Expenditure	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2023 £'000	Total 2022 £'000
	Expenditure on raising funds					
	- Direct costs	4	2	-	6	4
	Academy's educational operations					
	- Direct costs	5,764	387	462	6,613	5,673
	- Allocated support costs	992	767	582	2,341	2,206
		<u>6,760</u>	<u>1,156</u>	<u>1,044</u>	<u>8,960</u>	<u>7,883</u>

Net income/(expenditure) for the year includes:	2023 £'000	2022 £'000
Operating lease rentals	36	41
Depreciation of tangible fixed assets	484	467
Fees payable to auditor for:		
- Audit	9	8
- Other services	11	8
Net interest on defined benefit pension liability	9	32
	<u>9</u>	<u>32</u>

Included within expenditure are the following transactions:

	Total	Individual items over £5,000
	2023	2023
	£	£
Gifts made by the Academy Trust - total	<u>1,349</u>	<u>      </u>

Clarification - While the majority of disclosure in these accounts are rounded to £'000, disclosure of gifts made are not. The value of gifts made for the year was £1,349 (and not £1,349k).

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

7 Charitable activities	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
<b>Direct costs</b>				
Educational operations	190	6,423	6,613	5,673
<b>Support costs</b>				
Educational operations	-	2,341	2,341	2,206
	<u>190</u>	<u>8,764</u>	<u>8,954</u>	<u>7,879</u>
<b>Analysis of costs</b>			<b>2023</b> £'000	<b>2022</b> £'000
<b>Direct costs</b>				
Teaching and educational support staff costs			5,764	4,975
Staff development			25	15
Depreciation			387	374
Educational supplies and services			245	125
Examination fees			167	160
Educational consultancy			1	4
Other direct costs			24	20
			<u>6,613</u>	<u>5,673</u>
<b>Support costs</b>				
Support staff costs			925	869
Defined benefit pension scheme - staff costs (FRS102 adjustment)			67	246
Depreciation			97	93
Technology costs			78	92
Maintenance of premises and equipment			305	122
Cleaning			18	15
Energy costs			193	113
Rent, rates and other occupancy costs			99	190
Insurance			33	30
Security and transport			24	4
Catering			170	127
Defined benefit pension scheme - finance costs (FRS102 adjustment)			9	32
Legal costs			5	3
Other support costs			298	254
Governance costs			20	16
			<u>2,341</u>	<u>2,206</u>

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 8 Staff

#### Staff costs

Staff costs during the year were:

	2023 £'000	2022 £'000
Wages and salaries	4,951	4,300
Social security costs	489	435
Pension costs	1,064	908
Defined benefit pension scheme - staff costs (FRS102 adjustment)	67	246
	<u>6,571</u>	<u>5,889</u>
Staff costs - employees	6,571	5,889
Agency staff costs	189	204
	<u>6,760</u>	<u>6,093</u>
Total staff expenditure	<u>6,760</u>	<u>6,093</u>

#### Staff numbers

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

	2023 Number	2022 Number
Teachers	76	68
Administration and support	70	67
Management	8	7
	<u>154</u>	<u>142</u>

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

	2023 Number	2022 Number
Teachers	71	62
Administration and support	48	47
Management	8	7
	<u>127</u>	<u>116</u>

#### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	5	6
£70,001 - £80,000	1	-
£80,001 - £90,000	1	1
£140,001 - £150,000	1	1
	<u>8</u>	<u>8</u>



# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 8 Staff

(Continued)

#### Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £956k (2022: £872k).

### 9 Trustees' remuneration and expenses

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

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

E D Wilson (Principal and Accounting Officer):

- Remuneration: £145,000 - £150,000 (2022: £145,000 - £150,000)
- Employer's pension contributions: £35,000 - £40,000 (2022: £30,000 - £35,000)

M Weston (Staff Trustee):

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

During the period ended 31 August 2023, expenses totalling £58 (2022: £75) were reimbursed or paid directly to 1 Trustee (2022: 1 Trustee). Reimbursements were made for expenses incurred in the normal course of employment.

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

### 10 Trustees' and officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to 31 August 2023.

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

11 Tangible fixed assets	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 September 2022	20,008	378	749	15	21,150
Additions	85	40	85	-	210
At 31 August 2023	<u>20,093</u>	<u>418</u>	<u>834</u>	<u>15</u>	<u>21,360</u>
<b>Depreciation</b>					
At 1 September 2022	2,292	228	242	15	2,777
Charge for the year	364	52	68	-	484
At 31 August 2023	<u>2,656</u>	<u>280</u>	<u>310</u>	<u>15</u>	<u>3,261</u>
<b>Net book value</b>					
At 31 August 2023	<u>17,437</u>	<u>138</u>	<u>524</u>	<u>-</u>	<u>18,099</u>
At 31 August 2022	<u>17,716</u>	<u>150</u>	<u>507</u>	<u>-</u>	<u>18,373</u>
<b>12 Debtors</b>				<b>2023</b>	<b>2022</b>
				<b>£'000</b>	<b>£'000</b>
Trade debtors				64	47
VAT recoverable				8	58
Other debtors				-	44
Prepayments and accrued income				56	20
				<u>128</u>	<u>167</u>
<b>13 Creditors: amounts falling due within one year</b>				<b>2023</b>	<b>2022</b>
				<b>£'000</b>	<b>£'000</b>
Government loans				4	4
Trade creditors				32	67
Other taxation and social security				112	103
Other creditors				168	142
Accruals and deferred income				80	89
				<u>396</u>	<u>405</u>

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

14 Creditors: amounts falling due after more than one year

	2023 £'000	2022 £'000
Government loans	16	20
	<u>16</u>	<u>20</u>
	2023 £'000	2022 £'000
<b>Analysis of loans</b>		
Wholly repayable within five years	20	24
Less: included in current liabilities	(4)	(4)
	<u>16</u>	<u>20</u>
Amounts included above	<u>16</u>	<u>20</u>
<b>Loan maturity</b>		
Debt due in one year or less	4	4
Due in more than one year but not more than two years	4	4
Due in more than two years but not more than five years	12	16
	<u>20</u>	<u>24</u>

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 15 Funds

	Balance at 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2023 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	489	7,127	(7,486)	(130)	-
Pupil premium	-	116	(116)	-	-
Other DfE/ESFA COVID-19 funding	-	48	(48)	-	-
Other DfE/ESFA grants	-	376	(376)	-	-
Other government grants	-	121	(111)	(10)	-
Other restricted funds	-	67	(67)	-	-
Pension reserve	(310)	-	(76)	386	-
	<u>179</u>	<u>7,855</u>	<u>(8,280)</u>	<u>246</u>	<u>-</u>
<b>Restricted fixed asset funds</b>					
NBV of fixed assets	18,373	-	(484)	258	18,147
DfE group capital grants	-	77	-	(77)	-
Local authority capital	-	45	-	(45)	-
Salix Loan	(24)	-	-	4	(20)
	<u>18,349</u>	<u>122</u>	<u>(484)</u>	<u>140</u>	<u>18,127</u>
<b>Total restricted funds</b>	<u>18,528</u>	<u>7,977</u>	<u>(8,764)</u>	<u>386</u>	<u>18,127</u>
<b>Unrestricted funds</b>					
General funds	<u>106</u>	<u>283</u>	<u>(196)</u>	<u>-</u>	<u>193</u>
<b>Total funds</b>	<u>18,634</u>	<u>8,260</u>	<u>(8,960)</u>	<u>386</u>	<u>18,320</u>

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

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

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

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

The Restricted Fixed Asset Fund represents the net book value of fixed assets of £18,099k (2022: £18,349k) plus the unspent element of capital funds of £48k (2022: £nil), less the Salix loan element of £20k (2022: £24k). When assets are purchased the fund is increased and depreciation charges reduce the fund.

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

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 15 Funds

(Continued)

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

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	304	6,461	(6,112)	(164)	489
Pupil premium	-	101	(101)	-	-
Other DfE/ESFA COVID-19 funding	-	84	(84)	-	-
Other Coronavirus funding	-	19	(19)	-	-
Other DfE/ESFA grants	-	182	(182)	-	-
Other government grants	-	474	(431)	(43)	-
Other restricted funds	-	53	(53)	-	-
Pension reserve	(2,012)	-	(278)	1,980	(310)
	<u>(1,708)</u>	<u>7,374</u>	<u>(7,260)</u>	<u>1,773</u>	<u>179</u>
<b>Restricted fixed asset funds</b>					
NBV of fixed assets	12,195	-	(467)	6,645	18,373
DfE group capital grants	-	26	-	(26)	-
Local authority capital	-	6,416	-	(6,416)	-
Salix Loan	(28)	-	-	4	(24)
	<u>12,167</u>	<u>6,442</u>	<u>(467)</u>	<u>207</u>	<u>18,349</u>
<b>Total restricted funds</b>	<u>10,459</u>	<u>13,816</u>	<u>(7,727)</u>	<u>1,980</u>	<u>18,528</u>
<b>Unrestricted funds</b>					
General funds	<u>25</u>	<u>237</u>	<u>(156)</u>	<u>-</u>	<u>106</u>
<b>Total funds</b>	<u>10,484</u>	<u>14,053</u>	<u>(7,883)</u>	<u>1,980</u>	<u>18,634</u>

### 16 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	-	-	18,099	18,099
Current assets	193	392	48	633
Current liabilities	-	(392)	(4)	(396)
Non-current liabilities	-	-	(16)	(16)
<b>Total net assets</b>	<u>193</u>	<u>-</u>	<u>18,127</u>	<u>18,320</u>

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 16 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds:		Total Funds £'000
		General £'000	Fixed asset £'000	
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	18,373	18,373
Current assets	106	890	-	996
Current liabilities	-	(401)	(4)	(405)
Non-current liabilities	-	-	(20)	(20)
Pension scheme liability	-	(310)	-	(310)
<b>Total net assets</b>	<b>106</b>	<b>179</b>	<b>18,349</b>	<b>18,634</b>

### 17 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2022.

Contributions amounting to £118k were payable to the schemes at 31 August 2023 (2022: £104k) and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

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

##### Valuation of the Teachers' Pension Scheme

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

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 17 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £847k (2022: £747k).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 22.5% for employers and 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

<b>Total contributions made</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Employer's contributions	212	160
Employees' contributions	54	42
	<hr/>	<hr/>
Total contributions	266	202
	<hr/>	<hr/>
<b>Principal actuarial assumptions</b>	<b>2023</b>	<b>2022</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	3.90	4.05
Rate of increase for pensions in payment/inflation	2.90	3.05
Discount rate for scheme liabilities	5.35	4.25
CPI inflation	2.90	3.05
	<hr/>	<hr/>

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 17 Pension and similar obligations

(Continued)

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

	2023 Years	2022 Years
Retiring today		
- Males	20.70	21.00
- Females	23.20	23.50
Retiring in 20 years		
- Males	22.00	22.30
- Females	24.60	24.90

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

	2023 £'000	2022 £'000
Discount rate + 0.1%	3,114	3,261
Discount rate - 0.1%	3,217	3,395
Life expectancy + 1 year	3,257	3,429
Life expectancy - 1 year	3,076	3,228
Salary rate + 0.1%	3,167	3,330
Salary rate - 0.1%	3,163	3,324
Pensions rate + 0.1%	3,216	3,392
Pensions rate - 0.1%	3,115	3,263

#### Defined benefit pension scheme net asset/(liability)

	2023 £'000	2022 £'000
Scheme assets	3,174	3,017
Scheme obligations	(3,174)	(3,327)
Net asset/(liability)	-	(310)

#### The Academy Trust's share of the assets in the scheme

	2023 Fair value £'000	2022 Fair value £'000
Equities	2,015	1,978
Bonds	439	399
Gilts	19	17
Cash	33	51
Property	320	355
Other assets	348	217
Total market value of assets	3,174	3,017

The actual return on scheme assets was £(22,000) (2022: £(38,000)).



# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

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

17 Pension and similar obligations	(Continued)	
Amount recognised in the statement of financial activities	2023 £'000	2022 £'000
Current service cost	277	404
Interest income	(132)	(49)
Interest cost	141	81
Administration expenses	2	2
	<u>288</u>	<u>438</u>
<b>Changes in the present value of defined benefit obligations</b>		<b>2023 £'000</b>
At 1 September 2022		3,327
Current service cost		277
Interest cost		141
Employee contributions		54
Actuarial (gain)		(540)
Benefits paid		(85)
		<u>3,174</u>
At 31 August 2023		<u>3,174</u>
<b>Changes in the fair value of the Academy Trust's share of scheme assets</b>		<b>2023 £'000</b>
At 1 September 2022		3,017
Interest income		132
Actuarial (loss)		(154)
Employer contributions		212
Employee contributions		54
Benefits paid		(85)
Administration expenses		(2)
		<u>3,174</u>
At 31 August 2023		<u>3,174</u>

The asset ceiling adjustment has been accounted for via FRS102 adjustment of £9k to the actuarial (gain) / loss.

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

18 Reconciliation of net (expenditure)/income to net cash flow from operating activities	Notes	2023 £'000	2022 £'000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		(700)	6,170
Adjusted for:			
Capital grants from DfE and other capital income		(122)	(6,442)
Defined benefit pension costs less contributions payable	17	67	246
Defined benefit pension scheme finance cost	17	9	32
Depreciation of tangible fixed assets		484	467
Decrease in stocks		-	3
Decrease in debtors		39	55
(Decrease)/increase in creditors		(9)	12
<b>Net cash (used in)/provided by operating activities</b>		<u>(232)</u>	<u>543</u>

19 Analysis of changes in net funds	1 September 2022 £'000	Cash flows £'000	31 August 2023 £'000
Cash	829	(324)	505
Loans falling due within one year	(4)	-	(4)
Loans falling due after more than one year	(20)	4	(16)
	<u>805</u>	<u>(320)</u>	<u>485</u>

### 20 Long-term commitments

#### Operating leases

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

	2023 £'000	2022 £'000
Amounts due within one year	23	28
Amounts due in two and five years	50	73
	<u>73</u>	<u>101</u>

# MAYFIELD GRAMMAR SCHOOL, GRAVESEND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Long-term commitments (Continued)

#### Other contractual commitments

At 31 August 2023 the total of the Academy Trust's future minimum lease payments under other contractual commitments was:

	2023 £'000	2022 £'000
Amounts due within one year	15	-
Amounts due in two and five years	15	-
	<u>30</u>	<u>-</u>

During the year the trust entered into a finance lease which has not been capitalised in accordance with FRS102.

### 21 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. The following related party transactions took place in the financial period.

E Wilson, Trustee is also a Trustee of Mayfield Grammar School (charity number 1007778). The Academy Trust received income from Mayfield Grammar School of £72k (2022: £90k) and made purchases of £85k (2022: £102k) from Mayfield Grammar School .

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

### 22 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he 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.

### 23 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2023 the Trust had an unspent amount brought forward of £37k (2022: £24k) received £20k (2022: £21k) and disbursed £8k (2022: £7k) from the fund. £1k (2022: £1k) was retained to cover administrations expenses. An amount of £50k (2022: £37k) is included within creditors: amounts falling due in less than one year relating to undistributed funds.