

Company registration number 07837770 (England and Wales)

**THE EXCEL ACADEMY PARTNERSHIP  
(A COMPANY LIMITED BY GUARANTEE)**

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

# THE EXCEL ACADEMY PARTNERSHIP

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# THE EXCEL ACADEMY PARTNERSHIP

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

A Hopgood  
K Cromarty  
M Fleming  
S Scott

### Trustees

A F Darnell  
R McLauchlan (Resigned 31 August 2022)  
R Warneford  
A J Hopgood (Chair of Trustees)  
C Hillary  
K Passmore  
Dr P G Bennett  
Dr A Oidwai  
A M Byers (Accounting Officer) (Appointed 1 September 2021)  
S E Hall (Appointed 16 March 2022)  
D A J Rogers (Appointed 28 January 2022)  
V E Walton (Appointed 28 January 2022)

### Senior leadership team

- Head Teacher	A Byers (Accounting Officer)
- Deputy Head Teacher	J Rayson
- Business Director	W Pattison (Chief financial officer)
- Assistant Head Teacher	H Machin
- Assistant Head Teacher	F Ward
- Assistant Head Teacher	L Lutynski
- Assistant Head Teacher	L Mersh-Roberts
- Assistant Head Teacher	K O'Neill
- Director of Safeguarding	M Osbourne

### Company registration number

07837770 (England and Wales)

### Registered office

Newton Drive  
Durham  
DH1 5BQ  
United Kingdom

### Independent auditor

Azets Audit Services  
Wynyard Park House  
Wynyard Avenue  
Wynyard  
TS22 5TB  
United Kingdom

### Bankers

Lloyds Bank plc  
19 Market Place  
Durham  
County Durham  
DH1 3NL  
United Kingdom

# THE EXCEL ACADEMY PARTNERSHIP

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Solicitors

Womble Bond Dickinson  
St Anns Wharf  
112 Quayside  
Newcastle Upon Tyne  
Tyne And Wear  
NE1 3DX  
United Kingdom

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# THE EXCEL ACADEMY PARTNERSHIP

## TRUSTEES' REPORT

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

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

The trust operates an academy for pupils aged 11 - 18 serving an extensive area around central Durham. It has a capacity of 1,330 and had a roll of approximately 1300 students. After a somewhat rapid expansion over the last three years, the Academy is now full and has a growing sixth form.

#### **Structure, governance and management**

##### Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Directors of Excel Academy Partnership are also the directors of the charitable company for the purposes of company law.

The charitable company is known as The Excel Academy Partnership.

The trust was formed as a Multi-Academy Trust which has the infrastructure to govern a family of schools through their Local Governing Boards. At present, the trust has responsibility for one secondary school, Framwellgate School Durham, and has a vision for expansion in the coming years. Discussions are currently underway considering a number of options in line with the publication of the recent White Paper. 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 they ceased to be a member.

##### Trustees' indemnities

The academy has purchased a risk management arrangement to protect trustees from claims arising against negligent acts, errors or omissions occurring whilst on academy business. This is included in the DfE RPA scheme.

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

The term of office for any Director shall be 4 years, save that this time limit shall not apply to the Principal or any post held ex officio. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected. Any Chair or Vice Chair to any Board or Committee shall have a term of office of one year, which will be considered for re-election on an annual basis.

Recruitment of Trustees follows protocols outlined in the Standing Orders approved by the Board. When new Trustees are sought to fill a vacancy, the Nominations Committee shall consider any suggested nominations made by serving Trust Board Trustees, or by holders of senior posts, or through such other channels as it thinks fit and in line with the terms of reference for the organisation. Having reached the conclusion of its deliberations regarding any particular vacancy, the Nominations Committee shall report its findings to the Trust Board, including in confidence the names of those persons whom it has considered, and shall recommend the preferred nominee(s) for appointment. New appointments will be made in accordance with the Memorandum of Association.

# THE EXCEL ACADEMY PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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

The training and induction provided for new trustees depends on their existing experience. Where necessary induction and training is provided on a range of subject areas including charity, educational, legal and financial matters. All new trustees are given the opportunity to tour the academy and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role. The Trust has a developed governance training programme, in line with work also undertaken by the Local Governing Board. This has taken account of skills, and knowledge gaps. The Local Governing Board and Trust undertook a skills audit and have a targeted training schedule in place which will help to address any gaps in knowledge. Trustees of the Trust Board have undertaken specific targeted training to further strengthen overall and specific areas of knowledge. More details around governance, skills and training are available on the dedicated governance page on the school website at. Training over recent years has included financial management, teaching and learning and curriculum based sessions, and will be refreshed as an when necessary to ensure Trustees and Governors are up to date with relevant information to allow them to successfully discharge their duties. Through a recent review of the Trust Board, training will be provided to Trustees around curriculum, teaching and learning and safeguarding over the coming months to support them in discharging their duties being the responsible body for these matters.

#### Organisational structure

The governance and leadership structure within the Academy Trust consist of three levels: the Trust Board, the Local Governing Board of schools within the multi-academy trust (presently Framwellgate School Durham) and the senior leadership team, supported by the local workforce. The aim of the management structure is to provide a clear framework of accountability, encouraging involvement in strategic decision making at all levels.

The Head teacher of Framwellgate School Durham and the senior leadership team are responsible for supporting the Academy Trust at an executive level, implementing policies laid down by the trustees and reporting back to them. The sub committee structure facilitates this. As a group the senior leadership team are bound by the Academy Trust's scheme of delegation, which provides a clear framework for the delegation of authority and responsibility within the organisation. The scheme of delegation and supporting terms of reference and standing orders were reviewed across the year and updated to reflect amendments to the Academies Financial Handbook, and best practice operated within the Academy. Furthermore, the Trust operates a policy management schedule which ensures correct delegation of duties allowing policies and procedures to be updated and considered in the most appropriate way.

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

Pay is determined in line with the Academy's pay policy which is reviewed and ratified annually by the Personnel Committee of the Trust Board. The pay policy for teaching and leadership staff complies with Teachers' Pay and Conditions, and performance related increments are based on successful performance achieved through the application of the Academy appraisal system. Support staff pay has already undergone a thorough job evaluation process, with any new positions or significant changes to roles mid year being job evaluated to ensure consistency of grade and responsibility. Support staff pay, including for senior leadership posts, is applied in line with Green Book pay and conditions, and is not performance related. The Academy does not pay governors or trustees.

#### Related parties and other connected charities and organisations

##### Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2018, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The Excel Academy Partnership did not employ any union officials who undertook official union duties during 20221-22. As a result there is no cost or time associated with such responsibilities during the financial year.

##### Related parties and other connected charities and organisations

There are no related parties or other connected charities or organisations linked with Framwellgate School Durham.

All details are stated in note 23 to the Financial Statements.

# THE EXCEL ACADEMY PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### **Objectives and activities**

##### Objects and aims

The principal object and activity of the charitable company is the operation of Framwellgate School Durham to provide education for students of all abilities between the ages of 11 and 18.

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

##### Objectives, strategies and activities

The main objectives of the academy during the year ended 31 August 2022 are detailed below:

- Respond to the needs of students and families coming out of the Covid-19 pandemic
- To provide enhanced pastoral care for students where needed in response to the impact of the previous two years on disrupted learning
- Implement catch-up plans which support those in need
- To return to a face to face learning environment
- To respond to areas for improvement and consideration as identified in the 2021 Ofsted inspection
- To consider our capital strategy including the need to rally for a new school
- Ensure there is a whole school focus on improving oracy and generative learning
- Implement an instructional coaching model to improve teaching quality
- Carry out a curriculum review across all subjects
- Implement a whole school reading programme
- Improve use of summative and diagnostic assessments to inform teaching and departmental planning
- Continue to improve the provision and teaching for students with SEND
- Implement a targeted revision and intervention programme for Y11 and Y13
- Ensure high quality tuition is in place to support PP students and all vulnerable groups
- Ensure wider participation in extra curricular and enrichment activities across all year groups
- Improve parental engagement in home learning
- Increase the use and frequency of external visits and visitors to support the curriculum
- Improve attendance of vulnerable groups

# THE EXCEL ACADEMY PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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The academy's main objectives continue to be encompassed in its mission statement which is:

Excellence, compassion and respect for all

"Our school promotes academic excellence and embraces the shared values of honesty, integrity, respect and compassion. We want our students to be ambitious, kind, resilient and hardworking, and have a genuine passion for learning. We want them to change the world with the knowledge, skills and confidence they have learned here; to champion fairness, build friendships for life, and have pride in our school. Above all, we want our students to be happy."

Following the successful Ofsted inspection of 2021, a detailed School Improvement Plan was written to ensure further improvement. The key objectives were to:

- Ensure a whole school focus on oracy
- Implement an instructional coaching model to further improve teaching quality
- Carry out a curriculum review across all subjects and consider a proposal to return to a 2-year Key Stage 3
- Implement a whole school reading programme
- Improve the use of summative and diagnostic assessments
- Continue to improve the provision for pupils with SEND
- Implement a targeted revision and intervention programme for Years 11 and 13
- Ensure high quality 1:1 and small group tuition
- Ensure wider participation in extra-curricular activities
- Improve parental engagement
- Improve attendance for vulnerable groups of students

The academic year 2021/22 was particularly challenging. The Covid-19 pandemic continued to have a significant impact on staff and student absence and temporary recruitment (supply staff) and permanent recruitment were as challenging as they have ever been. Exams at both GCSE and A Level returned, and students were well prepared despite the challenges they faced. Despite the difficulties, there have been some significant developments in school this year

- A new Director of Safeguarding took up post and joined our senior leadership team, alongside a newly appointed Assistant Headteacher
- Following a detailed curriculum review we decided, from September 2022 to revert to a three-year Key Stage 3 and change the timing of the school day. The key features of our new curriculum include:
  - A 28-period week (6 periods on Tues-Thurs)
  - A whole class reading lesson for Year 7 and 8 students
  - The removal of our half-hour STEP period and a new dedicated Personal Development lesson once per week
  - A new enrichment hour (Period 6 on Thursdays) to ensure that all students (Pupil Premium in particular) are taking part in a weekly enrichment activity
  - A longer (40 minute) lunchtime to support staff and student wellbeing
- In June 2022 the school was notified by the DfE that we had been successful in our bid to be part of the Schools Rebuilding Programme. At the time of writing, we hope this will lead to a total rebuild (except the sports hall) for opening in September 2025

Following the pandemic student attendance remains a significant concern and will be a key priority over the next 12 months (2022/23). Student recruitment remains strong, and our roll continues to grow with a larger 6th form and Years 7-11 all being above PAN in September 2022 for the first time. The education landscape continues to present significant challenges; the energy crisis, unfunded pay rises and a continued recruitment crisis all put pressure on budgets in 2021/22 and will continue to do so for the foreseeable future.

Outcomes for 2021/22 were mixed. A-Level outcomes were the best on record with the average A Level grade achieved by students being a B, 41% of all A Level grades being an A\* or A, and 60% of all A Level grades being A\*-B. At GCSE level, outcomes were mixed but published data (Autumn 2022) will exclude GCSEs achieved during the pandemic in 2021 as all students in Year 11 took one of their options early. The uneven impact of Covid across departments, schools and regions, makes reliable comparison impossible.



# THE EXCEL ACADEMY PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### Public benefit

The academy's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the trustees have considered this guidance in deciding what activities the academy should undertake

### **Strategic report**

#### **Achievements and performance**

Outcomes for the academic year have, once again, been affected by the Covid-19 pandemic. Although GCSE and A-Level exams were taken this year, following two years of teacher and centre assessed grades being used, Ofqual adjusted grade boundaries and provided some additional information for students, which make comparisons with previous years difficult. Despite the uneven impact of the pandemic the Government will publish performance tables in the Autumn of 2022 although not all our students' results will be recognised in these tables, as those GCSEs taken early (in 2021) will not be counted.

Our students continue to perform well at 18 and the A Level results in 2022 were the best in the school's recent history. At KS4, the headline figures were lower than in 2019 (when exams were last taken) but as noted above, those early entry GCSEs taken in 2021 were not counted so comparisons with other schools should be read with caution.

The school continues to be graded Good by Ofsted having been inspected at the end of the previous academic year.

# THE EXCEL ACADEMY PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Key performance indicators

To ensure our ongoing success and improvement, key performance indicators include regular reporting through senior leadership teams and the governing board and Trust Board through a well-structured meetings schedule.

The bespoke monthly finance outturn package developed by the academy includes all income and expenditure to date, and forecasts income and expenditure to year end including all accruals and prepayments. This allows regular reporting on the current and projected financial health of the academy, and the ability to analyse variances against budget headings.

The management accounts presented to all Trustees each month include a range of KPI's including:

- a breakdown of income from all income streams by %
- a breakdown of expenditure by %
- a breakdown of employee costs from all areas of staffing related expenditure, by %
- a monthly benchmarking report on any areas trustees wish to review given variances or concerns against budget. This has included this year detailed reporting on energy costs for example.

This has supported the academy when benchmarking against other establishments. To enrich benchmarking activities, work has also been undertaken by the Academy Business Director in benchmarking all key budget areas. This report provided by Azets was also circulated to Trustees for information and discussion. The report was distributed to all Trustees and discussed in detail with both the audit committee and full Trust Board.

The monthly management accounts are produced and circulated monthly to all Trustees which incorporates this information, all statutory information as determined in the ATH, and additional information to ensure Trustees are provided with an accurate and complete picture of current and projected financial health of the academy. This includes cash balances and free reserves. These are also discussed at each audit committee and Trust Board meeting.

Framwellgate School Durham is now full due, in part, to recent school successes and the improvement journey it is on. Being full will allow higher student numbers accessing sixth form which will also continue to support ongoing financial self-sustainability. Trustees regularly review our student numbers, and the impact on future funding, forecasted over several years. This has allowed Trustees to make informed decisions which have financial implications, understanding the longer term impact of decisions made today.

Senior leaders and Trustees review teacher salaries each year against performance and progress against expectations, and make recommendations for progressions via the Personnel Committee.

Support staff salaries have been reviewed and undergo a job evaluation prior to appointment to vacancies, and if there are significant changes to role mid year, to ensure consistency in grade and levels of responsibility.

Rigorous attendance monitoring is done monthly, with the application of the attendance management policy at all times. This allows the academy to improve attendance of staff whilst supporting individuals, supported by the sickness insurance policy in place at the academy.

Rigorous quality assurance of data and student progress, attainment and attendance is undertaken on a regular basis by senior leaders, and members of the governing board, and is reported upwards to the Trust Board.

All internal audits throughout 2021-22 show outstanding results with minimal issues identified. Two additional internal audit "deep dives" were commissioned by the Trust Board linked to their risk management action plan. Specifically these were:

The Academy operates an embedded integrated curriculum financial planning model, and uses this when planning future budgets and curriculum structures. This is done between the Head teacher (Accounting Officer/CEO) and Business Director (Chief Financial Officer), and discussed in detail with the Audit Committee and Trust Board.

The Trust Board uses the School Resource Management Toolkit to address curriculum and financial KPI information against national benchmarks. The toolkit in 2021-22 continues to demonstrate a very lean curriculum and financial model. This toolkit will be assessed at least on an annual basis by the Trust Board.

# THE EXCEL ACADEMY PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Going concern

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

#### **Financial review**

Most of the academy's income is obtained from the Department of education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy also receives grants for fixed assets from the DfE/ESFA. In accordance with The Charities Statement of Recommended practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

In addition the school generates funding from the use of its own resources such as the use of the Sjovoll Centre, lettings, and working in partnership with other Education providers in the delivery of some training programmes. Furthermore, the Academy Business Director delivers training to support Local Authority Governor Training Programmes, to Local Authorities across the region and throughout the year, and this generates funding for the academy. Due to Covid, this will continue in a virtual training environment and has proven very successful this year attracting more delegates to each session. The lettings income has returned to pre-pandemic levels for both the Sjovoll Centre, Sports Centre and playing fields and is likely to continue to grow.

The academy was successfully awarded both CIF projects applied for in 2021-22, subject to the Schools Rebuilding Programme result. The Academy was awarded a new build during the summer term and it is therefore unlikely the CIF projects will go ahead. Trustees will consider future opportunities when considering the overall MAT strategy considering the new build announcement in order to not waste funding whilst ensuring the environment remains safe for our students, staff and visitors alike. Work is being undertaken now and will continue with the DfE to consider feasibility and options which will include the location of a new build and how this will blend with any remaining buildings on site considering the vast layout. It is expected that any new build will be handed over in the region of late 2025.

During the year ended 31 August 2022, total expenditure of £8,102,723 (excluding depreciation and the LGPS adjustments) was less than recurrent grant funding from the DfE/ESFA together with other incoming resources. The excess of income over expenditure for the year (before transfers and actuarial gains) was £534,133.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the academies objectives.

At 31 August 2022 the net book value of fixed assets was £7,636,025 and movements in tangible fixed assets are shown in note 12 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy.

The provisions of FRS102 have been applied in full, resulting in a deficit of £829,000 being recognised on the balance sheet.

The academy held fund balances at 31 August 2022 of £1,643,559 comprising 1,078,070 of restricted funds and £565,489 of unrestricted funds.

# THE EXCEL ACADEMY PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### Reserves policy

The academy holds restricted and unrestricted funds (the attached financial statements detail these funds). Unrestricted funds are held:

- to support the academy's risk management plan
- to cover urgent purchases / emergencies
  - to provide funds which can be designated to specific areas to support priorities in the school
- to cover ongoing costs in relation to the running of the academy including infrastructure upgrades
- to support the maintenance and repair of an aging building to the point of new build
- to support emerging priorities across the course of an academic year
- to support families who are in need of financial support
- to increase capacity within the Academy to support other schools in an operational MAT

to cover late announcements over no more than a one year period for such areas as unfunded pay awards.

In the short term, this is considered sufficient to cover:

- a) unplanned activities
- b) emergency repairs/maintenance
- c) longer term financial planning
- d) a salary safety net
- e) student number fluctuation
- f) a release of staffing capacity to respond to emerging MAT expansion priorities

The academy's current level of free reserves are in surplus by £585,489 and are deemed to meet the ideal level of reserves required for the ongoing needs of the academy.

The academy set a balanced budget in 2021-22 with an expected surplus to pay back into academy reserves initially released over previous year to support the growth in student numbers. During the year, despite challenges (mainly external) which applied pressure to the budget, the target has been achieved and exceeded due to additional funding and natural savings. The overall expected surplus was achieved and the academy has been able to return funds to reserves. The trustees continue to consider additional activities related to the academy's objectives to which excess reserves may be achieved by:

- a) seeking to make savings from non-salary areas wherever possible
- b) seeking to achieve additional income through use of school staff to deliver training across the region
- c) ensuring that budget planning and curriculum design processes are integrated
- d) maximising lettings opportunities using all available space
- e) striving to secure value for money in all purchases
- f) reviewing contracts regularly to demand value for money
- g) reviewing benchmarking analysis with Trustees to identify any areas of surprise which require additional investigation
- h) identifying areas for additional scrutiny linking the risk management plan with the internal audit programme

The trust board will review the reserves policy annually or more frequently, to ensure the academy remains a going concern. Should the policy need to be amended to support additional unexpected costs this will be considered whenever necessary.

The level of reserves is reviewed by the trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of the academy is reviewed by the trustees on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the levels of uninsurable risk. In 2021-22 the trustees considered it prudent to hold unrestricted reserves in the general fund in the form of free reserves (total funds less the amount held in fixed assets and restricted funds) of a minimum of 5% of the total budget allocation. During the year, reserves were ringfenced to be released for a 11% contribution towards to the two CIF bids. It is now unlikely this will be necessary. These will be replenished in 2021-22. Trustees resolved to continue to strive for a minimum 5% of the total budget allocation as a reasonable reserve policy, being mindful that the funding received is to support the education of our students as our core aim.

# THE EXCEL ACADEMY PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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### Investment policy

If free funds were available, the academy may invest surplus funds through money market accounts. Interest rates would be reviewed prior to each investment. This policy maximises investment return whilst minimising risks to the principal sum. The Academy has not invested funds within the last financial year, though the Trust Board has asked the Audit Committee to look in detail at potential opportunities in 2021-22 given the recent rise in interest rates

### Principal risks and uncertainties

The principal risks and uncertainties have remained similar to the previous year though the Covid 19 risks have obviously changed due to the relaxation of measures.

An ongoing risk remains around the uncertainties around potentially unfunded national pay awards for teaching and support staff and the very late announcements after budgets were set, agreed and uploaded. Given the lateness of announcement the academy assumes certain levels when budgeting in order to minimise this risk. In addition the academy is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the academy balance sheet.

During 2021-22 energy costs increased exponentially and this is likely to continue into the Autumn term and beyond. This is a very significant cost to the Academy and may impact on reserves as the actual impact is hard to accurately predict, if this is unfunded.

The trustees have assessed the major risks, to which the academy is exposed, in particular those relating specifically to teaching, provision of facilities and other operational areas of the academy, and its finances. The trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. A separate comprehensive risk assessment is in place in relation to Covid 19 though this is a much slimmed down version due to the relaxation of national restrictions. Where significant financial risks remain the academy has ensured they have adequate risk protection arrangements, procured through the DfE RPA scheme. The academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

Now that the academy has a full student roll it is financially secure and will remain so over the foreseeable future, the caveat for this and all academies being the impact of rising energy costs and pay awards and the government approach to supporting the sector.

The academy has fully implemented the requirements of the Safer Recruitment procedures and all key staff have received training in this area. In addition all staff have received training on all key Safeguarding and Child Protection areas including Prevent Strategy, CSE's, safer working practices, Keeping Children Safe in Education as well as GDPR. The Academy supplements external training provision with its own bite size online training undertaken by all necessary staff.

### **Fundraising**

The students at Framwellgate School Durham are proactive in organising and undertaking fundraising activities to support local Charities and good causes. These range from non-uniform days, to undertaking bake sales. The fundraising is done at a local level, without the engagement of external consultants or fundraising professionals and is very much led by our students who achieved great success, raising funds to support local causes. The scope of any such fundraising activities is restricted to within school and to students' close families and friends who are very generous. As a result, the Academy has received no complaints in relation to fundraising, and instead only positive comments. The Ukraine crisis has had an impact on fundraising in the Academy and the community raised over £4,500 for this one cause. Otherwise there are no specific benefactors that we have a regular commitment to. Fundraising was done for other local causes and in total, including for the Ukrainian appeal, funds received were approximately £8,700 from the local community which allowed the Academy to make vital contributions to a range of organisations. Furthermore, the entire school community overwhelmingly responded to a school campaign across the year to support the local foodbanks in Durham, and a call for second hand uniforms and prom wear.

# THE EXCEL ACADEMY PARTNERSHIP

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **Plans for future periods**

In order to expand as a Multi Academy Trust it was important for Framwellgate School Durham to achieve at least a Good Ofsted judgement, something which was achieved in July 2021, on the back of an Ofsted inspection earlier in the year which assessed our Covid response as good. The Trust's aim was to achieve a Good judgement to be used as a platform for the Trust's development and expansion. The recent Government White Paper has provided details about the Government's preference for all schools to be part of strong Trusts of approximately 10 schools by 2030. The Board's strong preference is that Excel Academy Partnership realises its initial aims to lead a family of schools and discussions are underway with colleagues from across the region as well as within Durham. Our back office systems have been identified as offering best practice in many areas and this will support any plan for expansion having systems ready to implement across a family of schools. The Trustees met across the year to discuss and further develop the vision of the Excel Academy Partnership, undertook a governance review through Ward Hadaway to assess preparedness for expansion and appointed a Governance Professional to further strengthen the infrastructure and increase capacity to achieve this aim. The Finance and Payroll Manager is undertaking a CIPFA level 7 Accountancy qualification and will continue with this over the coming two years.,

### **Auditor**

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 03 December 2022 and signed on its behalf by:



A J Hopgood  
Chair of Trustees

# THE EXCEL ACADEMY PARTNERSHIP

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that The Excel Academy Partnership 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. All academy trusts have both members and trustees, whose roles are described in DfE's Governance Handbook. The members have a similar role to the shareholders of a company limited by shares. The trustees are the academy trust's company directors but the Accounts Direction refers to them as trustees in recognition of the charitable status of academy trusts. However, in some academy trusts those on the board of the academy trust are known instead as 'directors':

Business Director, as Chief Financial Officer, for ensuring financial controls conform to 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 The Excel Academy Partnership and the Secretary of State for education. They are 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 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
A F Darnell	6	6
R McLauchlan (Resigned 31 August 2022)	3	6
R Warneford	3	6
A J Hopgood (Chair of Trustees)	6	6
C Hillary	6	6
K Passmore	6	6
Dr P G Bennett	5	6
Dr A Oidwai	4	6
A M Byers (Accounting Officer) (Appointed 1 September 2021)	6	6
S E Hall (Appointed 16 March 2022)	2	3
D A J Rogers (Appointed 28 January 2022)	4	4
V E Walton (Appointed 28 January 2022)	4	4

There is distinct separation of roles throughout layers of governance at all levels (Members, Trustees and Local Governors). Moving in to 2022-23, other than Chair of the Local Governing Board at Framwellgate School Durham, no other local governors are Trustees. Additional members are due to be appointed in 2023 ensuring that there is significant separation from Trustees.. A trustee has retired from being a trustee and will remain become a member which will further support separation. All future appointments will be made considering a further dilution at Member level.

The Chair of the Local Governing Board, undertook evaluations during 2021-22 based on models shared by the NGA for Trusts and Local Governing Boards. The legal advisors, Ward Hadaway, undertook an extensive assessment of the Trust Board to support the Board in moving forward fully understanding their responsibilities, any areas of weakness and to provide a baseline to identify any actions needed to be addressed. Our Local Governors have attended training courses throughout the year to strengthen knowledge in key areas (safeguarding, curriculum, finance etc.). Training is provided via membership with the NGA and supported by the governor training programme available via Durham County Council. The results of this work categorically reflect that every member of the Governing Board and Trust Board is fully committed to supporting each other, the Head teacher and senior leadership team in driving school improvement, expanding the Trust, managing risk, and improving outcomes for students .

# THE EXCEL ACADEMY PARTNERSHIP

## GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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### Conflicts of interest

Conflicts of interest are managed through maintaining an up-to-date and complete register of business and pecuniary interests of all Trustees, Members, Governors and Senior Executives. These interests are updated on a meeting by meeting basis and are recorded on a register which is visible on the Academy Website. Internal and External audits monitor all areas of expenditure and assess any potential conflicts. At all times the Academy avoids any related party transactions as this register is also kept locally and referred to as and when needed. The Academy has no ownership or control of any subsidiaries, joint ventures or associates.

Although the Academy enters into no related party transactions, key personnel are fully aware of the requirements of the ATH and how to request and report on these, including the £2,500 limit over which goods/services must be provided at cost.  
board, and why the board finds it acceptable

### Audit Committee

The Audit Committee is a sub-committee of the main board of trustees. Its purpose is to operate as a sub committee of the Trust Board, to deal with finance, audit and assurance matters. The committee has an experienced and knowledgeable Chair, who is proactive in supporting the Academy and key personnel in matters including financial management, risk management and internal assurance.

There were 3 meetings scheduled for the year.

Trustees	Meetings attended	Out of possible
Paul Bennett	3	3
Angela Darnell	3	3
Rachael McLauchlan	2	3
Richard Warneford	0	3
Karenza Passmore	1	1



# THE EXCEL ACADEMY PARTNERSHIP

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### **Review of value for money**

As Accounting Officer the Head teacher has responsibility for ensuring that the academy trust delivers good value in use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayers 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 as detailed below:

The school has endeavoured to develop an efficient curriculum over the last five years. Curriculum analysis is undertaken on an annual basis to ensure that staffing ratios, contact time and class sizes are managed effectively. Heading in to 2022-23, the Pupil Teacher Ratio is 27.3:1 in KS3 and 24.1:1 in KS4. The average contact time is 0.77 against a national recommendation of 0.78. Both of these measures demonstrate a highly efficient curriculum model.

During 2021-22 the school was provided with a pupil premium allocation of circa £280k. This funding was utilised to target a number of interventions to support pupils who had triggered the grant funding, including a particular focus on attendance. Some improvements were made through the year, and this remains a key priority moving forward in the school improvement plan. Ofsted asked the academy to better track access to all activities, including extra curricular activities, by students eligible for PP funding and this has been implemented.

The Trust Board always maximises opportunities for Capital funding accessing CIF grants where this is manageable and beneficial to the Academy. Funds will not be bid for during 2022-23 due to the award of a new build unless emergencies dictate. Further discussions are being had with Durham LA officers to look at potential land sale and other opportunities to support the community through a wider strategic plan linked to opportunities the new build may bring.

Savings have again been achieved during the year through a review of contracts and SLA's used by the Academy, and the move to the North East Purchasing Consortium for the provision of energy in 2019. This has been a Godsend given the hikes in costs due to the Ukrainian crisis. These savings, together with increased income should have supported a greater return to academy reserves than has been achieved. The effect of increased energy costs has had a detrimental impact on funds though the initial target has still been exceeded. The Audit Committee is a sub-committee of the main board of trustees. Its purpose is to operate as a sub committee of the Trust Board, to deal with finance, audit and assurance matters. The committee has an experienced and knowledgeable Chair, who is proactive in supporting the Academy and key personnel in matters including financial management, risk management and internal assurance.

#### **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 effectively, efficiently and economically. The system of internal control has been in place in Excel Academy Partnership for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees. The Academy Business Director and the Chair of the Audit Committee have developed a system of risk management which has been deemed as best practise by the internal auditor, and drives the internal audit programme to provide Trustees with the assurance it needs across all key business and finance related areas.

# THE EXCEL ACADEMY PARTNERSHIP

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### **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 regular financial reports
- A three year budget forecast taking account of projected student numbers
- Regular reviews by the audit committee of reports which indicate financial performance
- Monthly management accounts including KPI's which are circulated to all Trustees on a monthly basis
- Additional relevant reports of interest to Trustees including detailed benchmarking analysis
- Clearly defined purchasing (asset purchase or capital investment) guideline
- Delegation of authority and segregation of duties
- Identification and management of risks (current and emerging)
- Scoping and implementation of new requirements in key areas including GDPR and safeguarding
- Regular reference by the Trust Board/Audit Committee to the Academy Trust Handbook
- Integrated curriculum and financial planning, and scrutiny of key performance indicators.

The board of trustees has considered the need for a specific internal control function and has decided:

- To appoint an experienced and qualified independent auditor to undertake an internal audit process
- The audit committee will work independently with the internal auditor to agree the focus of each internal audit visit.
- To commission, where deemed relevant, deep dives linked closely to the risk management action plan to provide Trustees with assurance in all key areas

The internal audit role includes giving advice on financial matters and performing a range of checks on the academy trusts financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- testing of income control
- testing of ParentPay system
- testing of refunding parents
- testing of the effectiveness of governance structures
- testing of IT security

The internal auditor was also asked to undertake an independent review of:

- Absence monitoring and payment of sick pay
- Lettings arrangements
- IT Security response

All checks are done and outcomes measured against the requirements of the Academy Trust Handbook and any other statutory guides. On a termly basis the internal auditor provides a report to the board of trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. A summary report has also been produced in liaison with the Audit Committee and Trust Board in line with the requirement of the Academy Trust Handbook. This summary report will be uploaded to the ESFA as part of the budget and forecast return.

# THE EXCEL ACADEMY PARTNERSHIP

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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During the year the Academy Trust Internal Audit process has been fully delivered in line with the ESFA's requirements, as dictated by the regulations in the Academies Financial Handbook.

The Internal Auditor has delivered the schedule of work as planned and no material control issues have arisen as a result of their work. No significant issues were identified in any of the audits undertaken, and several elements of best practise were referenced. One area of query remains outstanding and is currently with the legal advisors where advice has been sought.

### **Review of effectiveness**

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

- The work of the external auditor
- The work of the internal auditor
- The work of the Academy Business Director and her finance team within the academy trust who have responsibility for the management of the financial systems and processes

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and ensures continuous improvement of the system in place.

Approved by order of the board of trustees on 09 December 2022 and signed on its behalf by:



A J Hopgood  
Chair of Trustees



A M Byers  
Accounting Officer

# THE EXCEL ACADEMY PARTNERSHIP

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

**FOR THE YEAR ENDED 31 AUGUST 2022**

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As accounting officer of The Excel Academy Partnership, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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

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



A Byers  
**Accounting Officer**

09 December 2022

# THE EXCEL ACADEMY PARTNERSHIP

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2022**

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

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

In preparing these accounts, the trustees are required to:

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

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

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

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

Approved by order of the members of the board of trustees on 09 December 2022 and signed on its behalf by:



A J Hopgood  
**Chair of Trustees**

# THE EXCEL ACADEMY PARTNERSHIP

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EXCEL ACADEMY PARTNERSHIP

*FOR THE YEAR ENDED 31 AUGUST 2022*

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### Opinion

We have audited the accounts of The Excel Academy Partnership for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, 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 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### Other information

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

We have nothing to report in this regard.

# THE EXCEL ACADEMY PARTNERSHIP

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EXCEL ACADEMY PARTNERSHIP (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2022*

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

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

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

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

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

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

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

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

### **Responsibilities of trustees**

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

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

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

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

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

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

# THE EXCEL ACADEMY PARTNERSHIP

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EXCEL ACADEMY PARTNERSHIP (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing minutes of meetings of those charged with governance
- Reviewing internal audit reports
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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

A further description of our responsibilities 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.

*Azets Audit Services*

Graham Fitzgerald BA FCA DChA (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services

Statutory Auditor

*13/12/2022*  
.....

Wynyard Park House  
Wynyard Avenue  
Wynyard  
United Kingdom  
TS22 5TB



# THE EXCEL ACADEMY PARTNERSHIP

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE EXCEL ACADEMY PARTNERSHIP AND THE EDUCATION AND SKILLS FUNDING AGENCY

*FOR THE YEAR ENDED 31 AUGUST 2022*

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In accordance with the terms of our engagement letter dated 11 July 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Excel Academy Partnership during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Excel Academy Partnership and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The Excel Academy Partnership 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 The Excel Academy Partnership and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of The Excel Academy Partnership's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Excel Academy Partnership's funding agreement with the Secretary of State for Education dated 30 November 2011 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

# THE EXCEL ACADEMY PARTNERSHIP

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE EXCEL ACADEMY PARTNERSHIP AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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The work undertaken to draw to our conclusion includes:

- completion of self assessment questionnaire by Accounting Officer
- discussions with the Accounting Officer and finance team
- review of Internal Assurance reports
- review of trustee and committee meeting minutes
- review of finance and other relevant policies
- review of purchases, expenses and expense claims on a sample basis including the application of controls and tendering processes where applicable
- review of gifts and hospitality transactions including the application of controls
- review of credit and debit card transactions including the application of controls
- review of payroll transactions on a sample bases including the application of controls
- review of potential special payments to staff
- review of leases and consideration of areas where borrowing may have been incurred
- consideration of transactions with related and connected parties
- review of register of business interests for completeness and compliance with regulations
- enquiries into transactions that may require disclosure under ESFA delegated authority rules
- consideration of value for money and appropriateness of transactions

### Conclusion

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

*Azets Audit Services*

**Reporting Accountant**

Azets Audit Services

Dated: *13/12/2022*

# THE EXCEL ACADEMY PARTNERSHIP

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2022 £	Total 2021 as restated £
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	-	120,320	120,320	836,492
Charitable activities:						
- Funding for educational operations	4	372,238	7,868,442	-	8,240,680	7,849,760
Other trading activities	5	395,970	-	-	395,970	117,429
Investments	6	206	-	-	206	145
<b>Total</b>		<u>768,414</u>	<u>7,868,442</u>	<u>120,320</u>	<u>8,757,176</u>	<u>8,803,826</u>
<b>Expenditure on:</b>						
Raising funds	7	337,186	4,381	-	341,567	111,346
Charitable activities:						
- Educational operations	8	336,688	7,908,468	725,151	8,970,307	8,842,545
<b>Total</b>	7	<u>673,874</u>	<u>7,912,849</u>	<u>725,151</u>	<u>9,311,874</u>	<u>8,953,891</u>
<b>Net income/(expenditure)</b>		94,540	(44,407)	(604,831)	(554,698)	(150,065)
Transfers between funds	17	(18,857)	(51,304)	70,161	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	3,069,000	-	3,069,000	(114,000)
<b>Net movement in funds</b>		<u>75,683</u>	<u>2,973,289</u>	<u>(534,670)</u>	<u>2,514,302</u>	<u>(264,065)</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>489,806</u>	<u>(2,724,219)</u>	<u>7,991,095</u>	<u>5,756,682</u>	<u>6,020,747</u>
Total funds carried forward		<u>565,489</u>	<u>249,070</u>	<u>7,456,425</u>	<u>8,270,984</u>	<u>5,756,682</u>

# THE EXCEL ACADEMY PARTNERSHIP

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

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021 As restated	Notes	Unrestricted funds £	Restricted funds: General    Fixed asset		Total 2021 £
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	4,096	832,396	836,492
Charitable activities:					
- Funding for educational operations	4	263,378	7,586,382	-	7,849,760
Other trading activities	5	117,429	-	-	117,429
Investments	6	145	-	-	145
<b>Total</b>		<u>380,952</u>	<u>7,590,478</u>	<u>832,396</u>	<u>8,803,826</u>
<b>Expenditure on:</b>					
Raising funds	7	106,919	4,427	-	111,346
Charitable activities:					
- Educational operations	8	233,094	7,900,793	708,658	8,842,545
<b>Total</b>	7	<u>340,013</u>	<u>7,905,220</u>	<u>708,658</u>	<u>8,953,891</u>
<b>Net income/(expenditure)</b>		40,939	(314,742)	123,738	(150,065)
Transfers between funds	17	-	333,772	(333,772)	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	19	-	(114,000)	-	(114,000)
<b>Net movement in funds</b>		40,939	(94,970)	(210,034)	(264,065)
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>448,867</u>	<u>(2,629,249)</u>	<u>8,201,129</u>	<u>6,020,747</u>
Total funds carried forward		<u>489,806</u>	<u>(2,724,219)</u>	<u>7,991,095</u>	<u>5,756,682</u>

# THE EXCEL ACADEMY PARTNERSHIP

## BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022		2021 as restated	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		7,636,025		8,207,145
<b>Current assets</b>					
Debtors	13	213,320		263,581	
Cash at bank and in hand		1,959,332		1,413,096	
		<u>2,172,652</u>		<u>1,676,677</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	(560,834)		(641,078)	
<b>Net current assets</b>			1,611,818		1,035,599
<b>Total assets less current liabilities</b>			9,247,843		9,242,744
Creditors: amounts falling due after more than one year	15		(147,859)		(72,062)
<b>Net assets before defined benefit pension scheme liability</b>			9,099,984		9,170,682
Defined benefit pension scheme liability	19		(829,000)		(3,414,000)
<b>Total net assets</b>			8,270,984		5,756,682
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	17				
- Fixed asset funds			7,456,425		7,991,095
- Restricted income funds			1,078,070		689,781
- Pension reserve			(829,000)		(3,414,000)
<b>Total restricted funds</b>			7,705,495		5,266,876
<b>Unrestricted income funds</b>	17		565,489		489,806
<b>Total funds</b>			8,270,984		5,756,682

The accounts on pages 25 to 49 were approved by the trustees and authorised for issue on 09 December 2022 and are signed on their behalf by:



A J Hopgood  
Chair of Trustees

Company registration number 07837770

# THE EXCEL ACADEMY PARTNERSHIP

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

		2022		2021 as restated	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	20		507,900		298,572
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		206		145	
Capital grants from DfE Group		23,066		813,796	
Capital funding received from sponsors and others		97,254		-	
Purchase of tangible fixed assets		(154,031)		(555,239)	
<b>Net cash (used in)/provided by investing activities</b>			(33,505)		258,702
<b>Cash flows from financing activities</b>					
Repayment of other loan		73,071		(34,306)	
Finance costs		(1,230)		(1,393)	
<b>Net cash provided by/(used in) financing activities</b>			71,841		(35,699)
<b>Net increase in cash and cash equivalents in the reporting period</b>			546,236		521,575
Cash and cash equivalents at beginning of the year			1,413,096		891,521
<b>Cash and cash equivalents at end of the year</b>			<u>1,959,332</u>		<u>1,413,096</u>

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies

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

##### 1.1 Basis of preparation

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

The Excel Academy Partnership meets the definition of a public benefit entity under FRS 102.

##### 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 accounts 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 accounts.

##### 1.3 Income

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

###### Grants

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

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

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

###### Sponsorship income

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

###### Donations

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

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

---

#### 1 Accounting policies

(Continued)

##### Other income

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

##### Donated goods, facilities and services

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

##### Donated fixed assets

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

#### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

#### 1.5 Tangible fixed assets and depreciation

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

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



# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 1 Accounting policies

(Continued)

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

Leasehold improvements	over 22 years
Leasehold land	over 125 years
Long leasehold property	over 22 years
Computer equipment	over 3 years
Fixtures, fittings and equipment	over 7 years
Motor vehicles	over 7 years

The trust's land and buildings are occupied on a 125 year lease from the local authority. In the view of the trustees, the risks and rewards of occupying the site have been substantially transferred to the trust and therefore the land and buildings have been recognised as a donation on conversion and capitalised within the restricted fixed assets fund. The valuation was provided by the ESFA on a depreciated replacement cost basis.

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.

#### 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.

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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### 1 Accounting policies

(Continued)

#### 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 are held separately from those of the academy trust.

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

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

#### 1.11 Fund accounting

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

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

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

#### 1.12 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary and other funds from the ESFA and private sponsors. Payments received and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in the notes to the accounts.

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 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 19, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

##### Critical areas of judgement

Depreciation - Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £725k.

Land and buildings - Land and buildings are held under a 125 year lease from Durham County Council. These assets are included on the balance sheet of the academy due to the significant risks and rewards of ownership belonging to the academy, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the academy could use them without major modification.

#### 3 Donations and capital grants

	Unrestricted funds	Restricted funds	Total 2022	Total 2021 as restated
	£	£	£	£
Donated fixed assets	-	-	-	18,600
Capital grants	-	120,320	120,320	813,796
Other donations	-	-	-	4,096
	<u>-</u>	<u>120,320</u>	<u>120,320</u>	<u>836,492</u>

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 4 Funding for the academy trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	7,108,627	7,108,627	6,593,401
Other DfE/ESFA grants:				
- Pupil premium	-	283,660	283,660	259,875
- Rates income	-	29,466	29,466	30,618
- Teachers pension	-	29,101	29,101	253,638
- Teachers pay	-	10,298	10,298	89,759
- Others	-	156,469	156,469	164,812
	-	7,617,621	7,617,621	7,392,103
<b>Other government grants</b>				
Local authority grants	-	250,821	250,821	194,279
<b>Other funding</b>				
Catering income	336,688	-	336,688	233,094
Other incoming resources	35,550	-	35,550	30,284
	372,238	-	372,238	263,378
<b>Total funding</b>	372,238	7,868,442	8,240,680	7,849,760

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Lettings	121,495	-	121,495	58,800
Catering income	334	-	334	779
Parental contributions	218,750	-	218,750	20,229
Other income	55,391	-	55,391	37,621
	395,970	-	395,970	117,429

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Short term deposits	206	-	206	145

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 7 Expenditure

	Staff costs	Non-pay expenditure		Total	Total
	£	Premises	Other	2022	2021
	£	£	£	£	£
Expenditure on raising funds					
- Direct costs	35,000	-	306,567	341,567	111,346
Academy's educational operations					
- Direct costs	5,139,709	-	400,779	5,540,488	5,171,575
- Allocated support costs	1,649,666	1,116,090	664,063	3,429,819	3,670,970
	<u>6,824,375</u>	<u>1,116,090</u>	<u>1,371,409</u>	<u>9,311,874</u>	<u>8,953,891</u>

Net income/(expenditure) for the year includes:

	2022	2021
	£	£
Fees payable to auditor for:		
- Audit	9,150	7,200
- Other services	4,550	2,700
Operating lease rentals	22,937	23,478
Depreciation of tangible fixed assets	725,151	708,658
Bank and loan interest	1,230	1,393
Net interest on defined benefit pension liability	56,000	48,000
	<u>788,968</u>	<u>783,329</u>

### 8 Charitable activities

	Unrestricted funds	Restricted funds	Total	Total
	£	£	2022	2021
	£	£	£	£
<b>Direct costs</b>				
Educational operations	-	5,540,488	5,540,488	5,171,575
<b>Support costs</b>				
Educational operations	336,688	3,093,131	3,429,819	3,670,970
	<u>336,688</u>	<u>8,633,619</u>	<u>8,970,307</u>	<u>8,842,545</u>

	2022	2021
	£	£
<b>Analysis of support costs</b>		
Support staff costs	1,654,498	1,472,846
Depreciation	725,151	708,658
Technology costs	83,069	171,545
Premises costs	390,939	878,604
Legal costs	8,319	1,491
Other support costs	544,007	423,648
Governance costs	23,836	14,178
	<u>3,429,819</u>	<u>3,670,970</u>

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 9 Staff

#### Staff costs

Staff costs during the year were:

	2022	2021
	£	£
Wages and salaries	4,725,474	4,542,298
Social security costs	429,453	398,870
Pension costs	1,436,358	1,301,953
	<hr/>	<hr/>
Staff costs - employees	6,591,285	6,243,121
Agency staff costs	214,936	114,794
Staff restructuring costs	18,154	7,120
	<hr/>	<hr/>
Staff development and other staff costs	6,824,375	6,365,035
	53,639	30,499
	<hr/>	<hr/>
Total staff expenditure	6,878,014	6,395,534
	<hr/> <hr/>	<hr/> <hr/>

Staff restructuring costs comprise:

Redundancy payments	18,154	7,120
	<hr/> <hr/>	<hr/> <hr/>

#### Staff numbers

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

	2022	2021
	Number	Number
Teachers	74	75
Administration and support	79	78
Management	9	9
	<hr/>	<hr/>
	162	162
	<hr/> <hr/>	<hr/> <hr/>

#### Higher paid staff

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

	2022	2021
	Number	Number
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
	<hr/> <hr/>	<hr/> <hr/>

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 9 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 employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £752,363 (2021: £716,128).

### 10 Trustees' remuneration and expenses

In the prior year, 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 in the prior year was as follows:

There were no staff trustees in the current year.

During the year, no trustees received any benefits in kind (2021 - £nil)

During the year, no trustees received any reimbursement of expenses (2021 - £nil).

### 11 Trustees' and officers' insurance

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

### 12 Tangible fixed assets

	Leasehold improvements	Long leasehold property	Computer equipment	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 September 2021	3,323,418	7,791,439	767,012	1,565,260	8,650	13,455,779
Additions	-	-	126,402	27,629	-	154,031
At 31 August 2022	3,323,418	7,791,439	893,414	1,592,889	8,650	13,609,810
<b>Depreciation</b>						
At 1 September 2021	751,435	3,140,168	666,297	687,953	2,781	5,248,634
Charge for the year	154,616	327,540	67,537	174,222	1,236	725,151
At 31 August 2022	906,051	3,467,708	733,834	862,175	4,017	5,973,785
<b>Net book value</b>						
At 31 August 2022	2,417,367	4,323,731	159,580	730,714	4,633	7,636,025
At 31 August 2021	2,571,983	4,651,271	100,715	877,307	5,869	8,207,145

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

<b>13 Debtors</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>as restated £</b>
Trade debtors	9,391	7,088
VAT recoverable	16,001	89,370
Prepayments and accrued income	187,928	167,123
	<u>213,320</u>	<u>263,581</u>
	<u><u>213,320</u></u>	<u><u>263,581</u></u>
<b>14 Creditors: amounts falling due within one year</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other loans	31,741	34,467
Trade creditors	97,454	254,211
Other taxation and social security	227,460	218,941
Other creditors	76,989	91,977
Accruals and deferred income	127,190	41,482
	<u>560,834</u>	<u>641,078</u>
	<u><u>560,834</u></u>	<u><u>641,078</u></u>
<b>15 Creditors: amounts falling due after more than one year</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other loans	147,859	72,062
	<u>147,859</u>	<u>72,062</u>
	<u><u>147,859</u></u>	<u><u>72,062</u></u>
<b>Analysis of loans</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wholly repayable within five years	179,600	106,529
Less: included in current liabilities	(31,741)	(34,467)
	<u>147,859</u>	<u>72,062</u>
Amounts included above	<u><u>147,859</u></u>	<u><u>72,062</u></u>
<b>Loan maturity</b>		
Debt due in one year or less	31,741	34,467
Due in more than one year but not more than two years	19,511	22,907
Due in more than two years but not more than five years	56,833	32,118
Due in more than five years	71,515	17,037
	<u>179,600</u>	<u>106,529</u>
	<u><u>179,600</u></u>	<u><u>106,529</u></u>



# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 15 Creditors: amounts falling due after more than one year

(Continued)

Included within other loans are two interest free Salix loans. One with a balance of £15,284 (2021: £42,294) repayable by 2023 and another with a balance of £7,988 (2021: £nil) repayable by 2029.

The trust also has two ESFA loans. One with a balance of £55,328 (2021: £64,235). This is at an interest rate of 1.85% and repayable by August 2028. Another with a balance of £101,000 (2021: £nil). This is at an interest rate of 1.95% and repayable by August 2032.

#### 16 Deferred income

	2022	2021
	£	£
Deferred income is included within:		
Creditors due within one year	20,476	26,167
	<u>          </u>	<u>          </u>
Deferred income at 1 September 2021	26,167	-
Released from previous years	(26,167)	-
Resources deferred in the year	20,476	26,167
	<u>          </u>	<u>          </u>
<b>Deferred income at 31 August 2022</b>	<b>20,476</b>	<b>26,167</b>
	<u>          </u>	<u>          </u>

Deferred income includes rates relief and income for trips received in advance of the next financial year.

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 17 Funds

	Balance at 1 September 2021 as restated £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	615,707	7,108,627	(6,767,744)	(70,161)	886,429
Pupil premium	-	283,660	(283,660)	-	-
Other DfE/ESFA COVID-19 funding	32,017	-	(32,017)	-	-
Other DfE/ESFA grants	-	71,014	(47,242)	-	23,772
Other government grants	18,926	250,821	(224,419)	-	45,328
ESFA Supplementary grant	-	85,455	-	-	85,455
Teachers pension grant	-	29,101	(29,101)	-	-
Teachers pay grant	-	10,298	(10,298)	-	-
Rates	-	29,466	(29,466)	-	-
Other restricted funds	23,131	-	(4,902)	18,857	37,086
Pension reserve	(3,414,000)	-	(484,000)	3,069,000	(829,000)
	<u>(2,724,219)</u>	<u>7,868,442</u>	<u>(7,912,849)</u>	<u>3,017,696</u>	<u>249,070</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	4,536,785	-	(321,443)	-	4,215,342
DfE group capital grants	3,041,665	23,066	(155,643)	-	2,909,088
Capital expenditure from GAG	395,595	-	(241,865)	70,161	223,891
Connect the classroom	-	97,254	-	-	97,254
Donated assets	17,050	-	(6,200)	-	10,850
	<u>7,991,095</u>	<u>120,320</u>	<u>(725,151)</u>	<u>70,161</u>	<u>7,456,425</u>
<b>Total restricted funds</b>	<u>5,266,876</u>	<u>7,988,762</u>	<u>(8,638,000)</u>	<u>3,087,857</u>	<u>7,705,495</u>
<b>Unrestricted funds</b>					
General funds	473,792	767,018	(667,596)	(18,857)	554,357
School fund	16,014	1,396	(6,278)	-	11,132
	<u>489,806</u>	<u>768,414</u>	<u>(673,874)</u>	<u>(18,857)</u>	<u>565,489</u>
<b>Total funds</b>	<u>5,756,682</u>	<u>8,757,176</u>	<u>(9,311,874)</u>	<u>3,069,000</u>	<u>8,270,984</u>

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2022**

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### 17 Funds

(Continued)

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

General Annual Grant must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Other DfE/ESFA grants include national tuition and other grants received from DfE/ESFA.

Other grants include income funding for pupils with special educational needs and other grants received from the local authority.

The pension reserve reflects the LGPS transactions. The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to the LGPS, and the pension liability has therefore been aligned with these funds.

DfE/ESFA capital grants consist of devolved capital grant and Connect the Classroom grant, all which has been spent during the year. A transfer has also been made to reflect the loan repayments from GAG.

Inherited fixed asset fund reflects the fixed assets acquired from Durham County Council on conversion. Depreciation on these assets is charged against this fund.

Unrestricted funds are available to be spent on any purpose, at the discretion of the trustees, within the objectives of the academy trust.

The academy's restricted general and unrestricted funds were £1,643,559 as at 31 August 2022

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 17 Funds

(Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	276,716	6,593,401	(6,588,182)	333,772	615,707
Pupil premium	-	259,875	(259,875)	-	-
Other DfE/ESFA grants	-	538,827	(506,810)	-	32,017
Other government grants	2,000	194,279	(177,353)	-	18,926
Other restricted funds	19,035	4,096	-	-	23,131
Pension reserve	(2,927,000)	-	(373,000)	(114,000)	(3,414,000)
	<u>(2,629,249)</u>	<u>7,590,478</u>	<u>(7,905,220)</u>	<u>219,772</u>	<u>(2,724,219)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	4,858,228	-	(321,443)	-	4,536,785
DfE group capital grants	2,944,226	813,796	(163,500)	(552,857)	3,041,665
Capital expenditure from GAG	398,675	-	(222,165)	219,085	395,595
Donated assets	-	18,600	(1,550)	-	17,050
	<u>8,201,129</u>	<u>832,396</u>	<u>(708,658)</u>	<u>(333,772)</u>	<u>7,991,095</u>
<b>Total restricted funds</b>	<u>5,571,880</u>	<u>8,422,874</u>	<u>(8,613,878)</u>	<u>(114,000)</u>	<u>5,266,876</u>
<b>Unrestricted funds</b>					
General funds	430,749	380,545	(337,502)	-	473,792
School fund	18,118	407	(2,511)	-	16,014
	<u>448,867</u>	<u>380,952</u>	<u>(340,013)</u>	<u>-</u>	<u>489,806</u>
<b>Total funds</b>	<u>6,020,747</u>	<u>8,803,826</u>	<u>(8,953,891)</u>	<u>(114,000)</u>	<u>5,756,682</u>

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 18 Analysis of net assets between funds

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	7,636,025	7,636,025
Current assets	565,489	1,607,163	-	2,172,652
Creditors falling due within one year	-	(529,093)	(31,741)	(560,834)
Creditors falling due after one year	-	-	(147,859)	(147,859)
Defined benefit pension liability	-	(829,000)	-	(829,000)
<b>Total net assets</b>	<b>565,489</b>	<b>249,070</b>	<b>7,456,425</b>	<b>8,270,984</b>

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2021 (as restated) are represented by:</b>				
Tangible fixed assets	-	-	8,097,625	8,207,145
Current assets	495,643	1,290,554	-	1,676,677
Creditors falling due within one year	(5,837)	(600,773)	(34,468)	(641,078)
Creditors falling due after one year	-	-	(72,062)	(72,062)
Defined benefit pension liability	-	(3,414,000)	-	(3,414,000)
<b>Total net assets</b>	<b>489,806</b>	<b>(2,724,219)</b>	<b>7,991,095</b>	<b>5,756,682</b>

### 19 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 Durham County Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £112,714 (2021: £110,987) were payable to the schemes at 31 August 2022 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.

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 19 Pension and similar obligations

(Continued)

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

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £757,265 (2021: £754,208).

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 scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 19.5% for employers and 5.5 to 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £265,000 (2021: £208,000).

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

Total contributions made	2022 £	2021 £
Employer's contributions	259,000	248,000
Employees' contributions	80,000	77,000
Total contributions	<u>339,000</u>	<u>325,000</u>

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 19 Pension and similar obligations (Continued)

Principal actuarial assumptions	2022	2021
	%	%
Rate of increase in salaries	3.7	3.6
Rate of increase for pensions in payment/inflation	2.7	2.6
Discount rate for scheme liabilities	4.1	1.7
Inflation assumption (CPI)	2.7	2.6

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

	2022	2021
	Years	Years
Retiring today		
- Males	22.1	22.3
- Females	24.2	24.3
Retiring in 20 years		
- Males	23.2	23.3
- Females	25.7	25.8

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

	2022	2021
	£	£
Discount rate + 0.1%	4,502,000	7,116,000
Discount rate - 0.1%	4,747,000	7,503,000
Mortality assumption + 1 year	4,493,000	7,036,000
Mortality assumption - 1 year	4,751,000	7,584,000
CPI rate + 0.1%	4,719,000	7,459,000
CPI rate - 0.1%	4,530,000	7,160,000

#### The academy trust's share of the assets in the scheme

	2022	2021
	Fair value	Fair value
	£	£
Equities	2,074,771	2,202,872
Government bonds	428,609	603,260
Corporate bonds	166,892	673,316
Cash	53,102	171,248
Property	318,612	241,304
Other assets	751,014	-
Total market value of assets	3,793,000	3,892,000

The actual return on scheme assets was £(389,000) (2021: £621,000).

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations	(Continued)	
Amount recognised in the statement of financial activities	2022	2021
	£	£
Current service cost	687,000	573,000
Interest income	(69,000)	(53,000)
Interest cost	125,000	101,000
	<u>743,000</u>	<u>621,000</u>
Total operating charge	<u>743,000</u>	<u>621,000</u>
Changes in the present value of defined benefit obligations	2022	2021
	£	£
At 1 September 2021	7,306,000	5,907,000
Current service cost	687,000	573,000
Interest cost	125,000	101,000
Employee contributions	80,000	77,000
Actuarial (gain)/loss	(3,527,000)	682,000
Benefits paid	(49,000)	(34,000)
	<u>4,622,000</u>	<u>7,306,000</u>
At 31 August 2022	<u>4,622,000</u>	<u>7,306,000</u>
Changes in the fair value of the academy trust's share of scheme assets	2022	2021
	£	£
At 1 September 2021	3,892,000	2,980,000
Interest income	69,000	53,000
Actuarial loss/(gain)	(458,000)	568,000
Employer contributions	259,000	248,000
Employee contributions	80,000	77,000
Benefits paid	(49,000)	(34,000)
	<u>3,793,000</u>	<u>3,892,000</u>
At 31 August 2022	<u>3,793,000</u>	<u>3,892,000</u>



# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

20 Reconciliation of net expenditure to net cash flow from operating activities	Notes	2022 £	2021 £
Net expenditure for the reporting period (as per the statement of financial activities)		(554,698)	(150,065)
Adjusted for:			
Capital grants from DfE and other capital income		(120,320)	(832,396)
Investment income receivable	6	(206)	(145)
Finance costs payable		1,230	1,393
Defined benefit pension costs less contributions payable	19	428,000	325,000
Defined benefit pension scheme finance cost	19	56,000	48,000
Depreciation of tangible fixed assets		725,151	708,658
Decrease/(increase) in debtors		50,261	(2,050)
(Decrease)/increase in creditors		(77,518)	200,177
<b>Net cash provided by operating activities</b>		<u>507,900</u>	<u>298,572</u>

21 Analysis of changes in net funds	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	1,413,096	546,236	1,959,332
Loans falling due within one year	(34,467)	2,726	(31,741)
Loans falling due after more than one year	(72,062)	(75,797)	(147,859)
	<u>1,306,567</u>	<u>473,165</u>	<u>1,779,732</u>

### 22 Long-term commitments

#### Operating leases

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

	2022 £	2021 £
Amounts due within one year	16,546	7,730
Amounts due in two and five years	15,476	1,070
	<u>32,022</u>	<u>8,800</u>

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

### 23 Related party transactions

Owing to the nature of the academy trust's operations 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 academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

### 24 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.

### 25 Agency arrangements

The academy trust distributes 16-19 and vulnerable bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the trust brought forward £2,048 (2021: £nil) from previous years, received £13,329 and disbursed £13,227 from the fund. An amount of £2,150 (2021: £2,048) is included in other creditors relating to undistributed funds that is repayable to ESFA.

### 26 Prior period adjustment

		31 August 2021 £
<b>Reconciliation of funds</b>	<b>Notes</b>	
Funds as previously reported		5,866,202
Adjustments arising:		
DfE loan recongised as capital grant	(i)	(109,520)
Funds as restated		<u>5,756,682</u>
		<b>2021</b>
<b>Reconciliation of net income/(expenditure) for the previous financial period</b>	<b>Notes</b>	<b>£</b>
Net expenditure as previously reported		(40,545)
Adjustments arising:		
DfE loan recongised as capital grant	(i)	(109,520)
Net expenditure as restated		<u>(150,065)</u>

# THE EXCEL ACADEMY PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2022*

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26 Prior period adjustment

(Continued)

### Notes to restatement

#### (i) DfE loan

Capital income was accrued in the prior year on the understanding that it was a grant. £109,520 was a loan therefore the prior year has been restated to correct this.

