

REGISTERED COMPANY NUMBER: 08314146 (England and Wales)

Governors' Report and
Financial Statements
for the Year Ended 31 August 2023
for
Welton St Mary's Church of England
Primary Academy

Nicholsons Audit (Statutory Auditor)
Newland House
The Point
Weaver Road
LINCOLN
Lincolnshire
LN6 3QN

**Welton St Mary's Church of England
Primary Academy**

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for the Year Ended 31 August 2023**

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**Welton St Mary's Church of England
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**Reference and Administrative Details
for the Year Ended 31 August 2023**

MEMBERS:	Ms G Georgiou LDBE Representative Mr A Johnson (Chair) Ms S Lawford
GOVERNORS	Rev J Foster-Smith (resigned 31.5.23) Mrs N Gough (Principal) Mr C Hanrahan Mr A Harris Mr A Johnson (Chair) Ms S Lawford (resigned 28.9.23) Mr J Lock (appointed 20.10.22) Mrs H Morgan (appointed 5.5.23) Ms V O'Mahony Mrs J Shaw (appointed 24.11.22) Miss D Sylvester Ms C Tunstall
SENIOR MANAGEMENT TEAM:	Mr J Durkan (Assistant Head Teacher) Ms O Thorner (Assistant Head Teacher) Mrs N Gough (Principal and Accounting Officer)
REGISTERED OFFICE	School Drive Welton LINCOLN Lincolnshire LN2 3LA
REGISTERED COMPANY NUMBER	08314146 (England and Wales)
AUDITORS	Nicholsons Audit (Statutory Auditor) Newland House The Point Weaver Road LINCOLN Lincolnshire LN6 3QN
BANKERS	Lloyds Bank Plc 70 High Street LINCOLN Lincolnshire LN5 8AD

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**Governors' Report
for the Year Ended 31 August 2023**

The governors who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2023. The annual report serves the purposes of both a governors' report, and a directors' report and strategic report under company law.

Principal activities

The academy trust operates an academy for pupils aged 4 to 11 serving a catchment area in Welton. It has a pupil capacity of 420 and had a roll of 391 in the school census in May 2023.

The academy has a curriculum satisfying the requirements of the Education Act 2002 (balanced and broadly based curriculum) based on particular subject areas, providing education for pupils of different abilities, and for pupils who are wholly or mainly drawn from the area in which the school is situated, as determined by our Funding Statement and Articles of Association.

Academy Trust Members

The Members of the Academy Trust shall comprise the signatories to the Memorandum, the corporate Foundation member being Lincoln Diocesan Trust and Board of Finance Limited; 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose; the chairman of the Governors; and any persons appointed by Members to replace those who have resigned.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

The Welton St Mary's Church of England Primary Academy was incorporated on 30 November 2012 and commenced operation on 1 January 2013.

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 governors of Welton St Mary's Church of England Primary Academy are also the directors of the charitable company for the purposes of company law. The charitable company is known as Welton St Mary's Church of England Primary Academy.

Details of the Governors who served during the year are included in the Reference and Administrative Details on page 1.

The members of the Senior Leadership Team during the year were:

Mrs N Gough (Principal and Accounting Officer)

Ms O Thorner (Assistant Headteacher)

Mr J Durkan (Assistant Headteacher)

Members' liability

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

Governors' Indemnities

The academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. Details of the costs can be found in note 12 to the accounts.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Method of Recruitment and appointment or election of governors

The Company Members can appoint up to 4 Trustees (Governors). The Trustees are responsible for appointing Co-opted Governors and may appoint up to 2 such Governors from the school community. Foundation Governors are appointed by the Diocesan Board for Education. Parent Governors shall be elected by parents of registered pupils at the Academy and must be a parent of a pupil at the Academy at the time when elected. Any election of Parent Governors which is contested shall be held by secret ballot. The Staff Governor shall be elected by secret ballot of all staff employed under contract of employment or contract for services. If a staff Governor ceases to work at the Academy, then he/she will be deemed to have resigned and shall cease to be a Governor automatically on termination of work. The principal is appointed by the Trustees and is a Governor by virtue of their office.

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

The training and induction provided for new governors will depend on their existing experience. Where necessary induction will provide training on charity and educational legal and financial matters. All new governors will be given a tour of the Academy, meet with the Headteacher and Chair of Governors and be given the opportunity to meet with staff and students. All Governors are given access to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. All governors must complete safeguarding training as part of their induction. As there are normally only two or three new governors a year, induction tends to be done informally and is tailored specifically to the individual but in line with the governor induction policy and each new governor receives an induction programme checklist.

In addition, all new governors receive a welcome pack and online induction training.

Organisational structure

The Senior Leadership Team and members of the whole staff team can attend meetings of Governors.

The work of the governors are delegated to standing committee's, these being the Finance, Premises and Personnel and the Provision and School Improvement Committee.

In addition to the standing committees, the work of the Governing Body is also delegated to two panels: the Policy Approval Panel and the Headteacher Performance Review Panel. The remit and terms of reference for all panels and committees are approved on an annual basis at the start of each academic year.

Ad hoc panels such as Complaints and Disciplinary Panels are called as and when needed in accordance with the relevant policies and legislative requirements.

The aim of the structure is to devolve responsibility and to encourage decision making at all levels.

The Company Members and Governors are responsible for setting the strategic direction of the Academy general policy, approving an annual school development plan and agreeing the budget. They monitor the academy by the use of budget and making major decisions about the direction of the academy, capital expenditure and staff appointments.

The Headteacher, who is also the Responsible Officer, is responsible for the authorisation of spending within agreed budgets and the appointment of staff.

The Senior Leadership Team includes the Headteacher and two Assistant Headteachers. These managers are responsible for the day-to-day operation of the academy and organising the teaching and support staff.

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Arrangements for setting pay and remuneration of key management personnel

This is as per Welton St Mary's Church of England Primary Academy pay policy which is reviewed annually. A performance management system is used to monitor the performance of all staff members, including the Senior Leadership Team, performance of the Headteacher is overseen by the Governing body who also set pay scales and pay awards for the Senior Leadership Team.

Related parties and other connected charities and organisations

The Academy is a member of a locally formed network which takes a collaborative approach to training and support across the schools. The headteachers of the collaboration meet regularly and share good practice and support each other. The school is also a member of a peer review group and Lead Equate teaching school.

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Governors' Report
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STRUCTURE, GOVERNANCE AND MANAGEMENT

Objectives and aims

The main objective and aim of Welton St Mary's Church of England Primary Academy is to provide an excellent education for all children between the ages of 4 and 11. Our distinctively Christian vision drives all the academy's aims and activities.

Together we care, learn and thrive.

As an inclusive Christian community, we value each person, striving to release everyone's full potential as promised by Jesus Christ. We seek to provide a safe, inspiring and creative learning environment offering opportunities for all to flourish. Through challenge, support and care, we pursue excellence in all that we do; always building on the foundations of shared values with consistently high expectations rooted in God's love. Together we are encouraged to be agents of positive change in this world.

'May the God of hope fill you with all joy and peace as you trust in him, so that you may overflow with hope by the power of the Holy Spirit.' Romans 15:13

Welton St Mary's Church of England Primary Academy is a large popular primary school with an admission number of 60 per year. It has close links with other schools, pre-schools and community groups.

The pupils and staff are encouraged to strive for excellence, reach their potential and are provided with a wealth of opportunities to enable them to thrive. - "together we care, learn and thrive". With our vision rooted in the Church for England vision for education, we aim to provide opportunities for all associated with our school community to live life in all its fullness.

The main objectives of the Academy in the year ended 31 August 2023 were:

- improving outcomes for children with additional needs
- monitoring and evaluating the impact of a curriculum, how it encapsulates our vision and ensures that all learners are able to thrive
- high quality teaching of writing so that all learners make good progress and outcomes are above national average
- for Welton St Mary's Church of England Primary Academy to maintain and further develop with a focus on the implementation and impact of RE teaching and Collective Worship

The Academy's main strategy is to provide the best possible opportunities for all members of the school community.

- All members of our school community are valued; to live out a 'you can' outlook supporting each individual to achieve their best self;
- All members of our school community to feel safe;
- Each child to achieve well from their starting point;
- Well-managed finances for a thriving school, enabling our leaders to provide the best opportunities for the children we serve consistently high-quality teaching and learning across each class, in each subject;
- School to be outward-facing and an active member within the community.

Activities include:

- Being proactive in meeting the needs of all pupils, identifying different needs early and catering for these through appropriate teaching and learning strategies;
- Ensuring our Christian ethos is at the heart of all decision-making;
- High quality teaching, learning and assessment opportunities resulting in high level of attainment and achievement across the curriculum;
- Ensure all appropriate safeguarding procedures are in place and regularly monitored to remain effective;
- High quality training opportunities for staff, governors and parents;

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STRUCTURE, GOVERNANCE AND MANAGEMENT

- Ensuring a rigorous and robust system of assessment; and
- To further engage in International opportunities.

Progress towards achieving our strategic objectives and vision were reviewed.

In order to achieve the Academy's main strategy, significant and focused professional development is in place to develop every member of staff and governor. To ensure there is high quality learning, there must be investment in staff and governors ensuring high quality teaching and leadership. In addition, opportunities are provided for parents to attend workshops and to see learning in action to ensure a proactive and positive partnership is in place for all children.

Research is effectively used to develop teaching and learning strategies and staff are actively engaged in this. Decisions are evidence informed.

Assessment procedures are rigorous throughout the school with clear systems and opportunities for staff to work together, and across a local network of schools and Lincolnshire schools, to standardise and moderate learning and progress.

A clear safeguarding pathway for all members of staff, governors and pupils is in place.

A member of staff responsible for developing international links ensures that opportunities are sought and that children, staff and the wider community learn from experiences. Our links with our partner schools has grown over the last year.

Clarity of our Christian ethos and values being at the heart of our school is communicated and shared with pupils, parents, staff, governors and our community. Our vision is at the heart of every decision made and activity undertaken.

Public benefit

Community based projects are undertaken throughout the year by staff and pupils which further enhances the public benefit, during the past year such events have included the following:

- Four Foundation Stage / Key Stage One nativity productions for preschools, families and our Key Stage 2 children
- Year 5/ 6 summer production;
- Carols on the playground;
- Family hour, a joint venture with St Mary's Church for families with pre-school age children;
- Open days for current and potential parents and carers;
- The Academy let out the netball court to a local netball team;
- Regular collective worships which are attended by the local community and parents/governors;
- School Friends events which have included; Christmas activities; Christmas shop, Summer fayre, discos and Easter bingo;
- The Academy let out the school hall for use by Premier Education who continue to run our wraparound care;
- The school was a host for the Holiday, Activity and Food Programme for the children who attend Welton St Mary's and other local primary schools;
- Year 6 children reading to members of the church congregation - the 'silver readers project';
- Charity events including Rudy's Run for St. Barnabas Hospice around the local area;
- The community recycling project initiated and run by our School Council continued to thrive;
- Brightstart club for pre-school children and parents;
- Discovery days for pre-school children with their pre-school leaders;
- Phonics and English workshops for parents to attend;
- Working with a school in Uganda; and

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- Interschool sporting events.

In setting our objectives and planning our objectives, the governors have carefully considered the Charity Commission's general guidance on public benefit.

Key performance indicators

The Academy uses a number of financial key performance indicators to monitor financial success of the Academy and progress/improvement against the targets set.

Staffing costs are monitored as a percentage of total income. For the period ended 31 August 2023 staffing costs (excluding the movement in the LGPS pension) amounted to 72.2% (2022 80.3%) of total income.

The Academy also uses a number of non-financial key performance indicators to monitor its performance. These include:

- Test results and internal data;
- Church School Dioceses visit June 2023;
- Feedback from external providers (for example RWI consultants);
- Ofsted outcomes January 2022: School maintained its Good grade;
- Attendance: remained above National Averages; and
- Benchmarking: compares against similar schools for staffing (teaching & support staff), energy supplies, supplies and services, ICT and premises. The academy has been able to access benchmarking from the Gov.uk website.

Charitable activities

The academy continues to set high targets for performance. The Ofsted report in January 2022 stated that Welton St Mary's CE Primary Academy continued to be a good school where 'pupils flourish'. Feedback from external advisors is always positive. External audits from last year and the Primary Standards letter from Lincolnshire Education team last year validated this.

The impact of high quality teaching, all of which is good or better ensures pupils attain high standards throughout their time at Welton St Mary's Church of England Primary Academy.

A very effective tracking system monitors progress and demonstrates the majority of pupils achieve challenging end of year targets.

The end of year results for both Key Stage 1 (KS1) and Key Stage 2 (KS2) 2023 are as follows:

Year 1 Phonics Welton St Mary's 92% National 79%

		Welton St Mary's	National
KS1			
Expected or above	Reading	90%	68%
Expected or above	Writing	74.5%	60%
Expected or above	Maths	74.5%	70%
	Reading, writing and		
Expected or above	maths	68.6%	56%
Greater Depth	Reading	27.5%	19%
Greater Depth	Writing	7.8%	8%

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Greater Depth	Maths	13.7%	16%
Greater Depth	Reading, writing and maths	5.9%	6.2%

KS2

Pupil outcomes at the end of KS2 show the academy continue to achieve above national.

		Welton St Mary's	National
Expected or above	Reading	80.6%	72.6%
Expected or above	Writing	76.1%	71%
Expected or above	Maths	86.6%	72.9%
Expected or above	Grammar, Punctuation and spelling	89.6%	72%
Expected or above	Reading, writing and maths	71.6%	59%
Greater Depth	Reading	28.4%	29%
Greater Depth	Writing	11.9%	13.2%
Greater Depth	Maths	22.4%	23.8%
Greater Depth	Grammar, Punctuation and spelling	32.8%	30.1%
Greater Depth	Reading, writing and maths	7.5%	7.9%

Progress from KS1 - KS2 Reading +0.7 writing +0.4 maths +1.0

To ensure high standards are maintained and further improved the academy has:

- a comprehensive school improvement plan based on evaluation and need;
- continued professional development focusing on the areas of development in the school improvement plan;
- a rigorous programme for monitoring teaching and learning throughout the academy;
- a comprehensive tracking system that analyses data to assess progress and value added;
- external consultants to monitor the academy performance and monitor the Headteacher appraisal review; and
- a rigorous appraisal programme for all staff.

Going concern

After making appropriate enquiries, the board of governors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing 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 academies income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grant received from the ESFA for the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

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The Academy also receives grants for capital expenditure from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019) and the Academies Accounts Direction 2022/2023 such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund.

During the year ended 31 August 2023 expenditure committed by the Academy was £2,067,704 which was funded by grants received in the year and underspent grants from prior years, with a balance of income over expenditure being £122,534. At 31 August 2023 the net book value of fixed assets was £2,451,147 and movements in tangible fixed assets are shown in note 13 to the accounts. The assets were used exclusively for the provision of the education and the associated support services to the pupils of the Academy.

The academy is showing a nil pension deficit/asset at the year end as per the accounts. The actuarial report showed an asset of £117,000 as at 31 August 2023, however the governors have taken the decision not to recognise this as it is not considered at this point to provide a benefit to the academy. The academy continues to make payments in line with the actuarial triennial review.

Reserves policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors need to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

At 31 August 2023 the Academy held total reserves (excluding fixed asset fund and pension deficit) of £556,857 that consists of £334,628 of restricted funds (unspent grants) and £222,229 of unrestricted funds.

The Governors consider an appropriate level of reserves to be in the order of 2 months expenditure which is around £350,000. The funds carry forward at 31 August 2023 is considered to be in line with that objective

Investment policy

The governors ensure that the level of free cash reserves held by the Academy are kept at a level necessary to service its ongoing working capital needs. Any excess funds are transferred to a high interest 32 day notice investment account to maximise the return on any surplus fund, whilst ensuring that risk is avoided insofar as is possible.

Principal risks and uncertainties

The Trustees believe that the Academy's risk management procedures mitigate as far as reasonably possible the principal risks and uncertainties facing the Academy Trust.

There are procedures and controls in place with authorisation levels on all expenditure. Income and expenditure is monitored against the Academies budgets monthly, with variance reports being produced and fully explained.

Cash flow is monitored daily by the Academy Trust and budgets presented to the Governing body who consider cash flow and liquidity in detail.

Through the Academy's risk management procedures, it has considered its principal risks and uncertainties and planned mitigating action wherever possible. The principal risks and uncertainties identified by the Governing Body are:

- Change in government funding regime; and

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- Lincolnshire County Council's anticipated reduction in intake numbers (although what we have historically seen as a school does not suggest this will be the case).

Key controls that the Academy has in place to mitigate these risks include:

- Attendance at local and regional conferences to keep up to date with and influence as far as possible Academy funding methodology;
- Marketing the Academy to the wider community;
- Developing opportunities to offer a wider curriculum and service to the community;
- Continued high standards that are verified by external bodies (Ofsted); and
- The school site is considered a safe, well-maintained environment and it complies with relevant regulations.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the governors.

Plans for future periods

The governors and staff will continue to work towards achieving the academy's vision. They will strive to improve outcomes and progress for all pupils academically, morally, socially and spiritually, building on and celebrating each child's strengths and supporting in those areas where additional help is required. 'Together we care, learn and thrive'.

The development plan this year focuses on ways we can further develop and takes into account both SIAMS recommendations and recommendations from Ofsted 2022.

- How do we know the IMPACT of our curriculum? - meeting the needs of all, ensuring all can thrive.
- Improving outcomes for children with additional needs
- Focusing on the writing process so that children become confident, independent writers
- To maintain and further develop as an excellent church school with a focus on the implementation and impact of RE teaching and Collective Worship
- Rigorous and robust system for safeguarding including continual training for staff
- To further develop a whole school approach to mental health and well-being

AUDITORS

Insofar as the governors are aware:

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

The auditors, Nicholsons Audit (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of governors on20/12/2023..... and signed on its behalf by:



Mr A Johnson - Governor

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**Governance Statement
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Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that Welton St Mary's Church Of England Academy 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.

As governors, we have reviewed and taken account of the guidance in the DfE's Governance Handbook and competency framework for governance.

The board of governors has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Welton St Mary's Church Of England Academy 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.

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**Governance Statement
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Governance

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

	Attended	Out of Possible	
Rev Foster-Smith	3	3	Resigned 31.5.23
Mrs N Gough	4	4	
Mr C Hanrahan	4	4	
Mr A Harris	3	4	
Mr A Johnson	4	4	
Ms S Lawford	4	4	Resigned 28.9.23
Mr J Lock	2	3	Appointed 20.10.22
Mrs H Morgan	1	1	Appointed 5.5.23
Ms V O'Mahony,	3	4	
Mrs J Shaw	0	2	Appointed 24.11.22
Miss D Sylvester	4	4	
Ms C Tunstall	4	4	

Although the board did not meet formally 6 times during the course of the year oversight is maintained via Committee meetings and by the use of Governor Hub.

The challenges that we experience surround this as we struggle to find quality volunteers who can fill the skills gaps we have based on our skills audit.

This is an ongoing area we look to improve upon when carrying out continuous reviews of governance.

The Governing Body maintains an up-to-date and complete register of interests. This information is used at each governing body meeting with declarations on interest recorded in all minutes.

Governance review

An internal governance review was conducted during 2022-23 using guidance and toolkit from the National Governance Association. Recommendations from this governance review are being presented to the next Annual General Meeting of the Company Members. The Governors also reviewed the need to revise the Company Memorandum and Articles of Association and recommendations are also being presented to the next AGM on this also.

Finance and Premises Committee is a standing committee of the Governing Body. Its purpose is to:

Finance

- Plan for future income streams and associated expenditure.
- Identify and consider business cases for new income streams.
- Approve work plans based on the academy's strategic plan and SDP priorities.
- Scrutinise benchmarking data and use it when setting the budget.
- Plan for and recommend the annual budget and medium-term finance plan, ensuring that the budget reflects the academy's priorities.
- Monitor budgets and expenditure, particularly relating to categories of pupils.
- Agree actions when income/expenditure shows significant variance from budget.
- Agree virement of funds and approve expenditure in line with agreed thresholds.
- Monitor expenditure of voluntary funds.
- Ensure that the academy has a current list of certifying officers.

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- Approve and review service and lease agreements and set charges.
- Evaluate internal/external audit outcomes and review actions arising from audits.

Premises

- Approve long term plans for premises improvements and maintenance, with a view to ecological impact.
- Audit the use of premises, equipment and resources.
- Review site security, and health and safety measures and arrangements.
- Ensure that the school has appropriate insurance arrangements in place.

Staffing

- Approve future staffing plans in line with academy's strategic and finance plans.
- Ensure that every member of staff has a job description.
- Ensure selection and screening of staff complies with safeguarding good practice.
- Monitor the training and professional development of staff.
- Monitor staff absence.
- Monitor matters of staff health and welfare having due regard for matters relating to access.
- Consider budget impact of any proposed staff changes/absence and recommend actions to the Governing Body.
- Take decisions on staff pay taking into account recommendations in light of performance reviews.
- Apply the requirements of the academy's pay policy in determining the pay of each employee.
- Advise the Governing Body on the budgetary requirements of the pay policy and take into account established limits.

Attendance at the meetings in the period was as follows:

	Attended	Out of Possible	
Mr C Hanrahan	3	4	
Mrs N Gough	4	4	
Mr A Johnson	4	4	
Ms S Lawford	2	3	
Ms V O'Mahony	2	4	Appointed to Committee 4.4.23
Ms C Tunstall	3	4	

Review of Value for Money

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

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

- Review of staffing to meet needs of all learners within tight financial constraints;
- Education around reducing the academy's carbon footprint and a whole school approach to energy-saving;
- Tight monitoring procedures and accountability for all spend within the academy and its impact on learners; and
- Review of external stakeholder's services bought in to ensure value for money and to meet the needs of the business with restricted budget allocations.

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**Governance Statement
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The Purpose of the System of Internal Control

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

Capacity to Handle Risk

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

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Governance Statement
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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 periodic financial reports which are reviewed and agreed by the board of governors
- regular reviews by the finance and premises committee of reports, which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks.

The board of governors have continued to engage Lincolnshire County Council to fulfil the internal audit function.

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

- testing of payroll systems
- testing of purchase systems
- review of budgets
- review of contracts and quotes
- review of business charge cards
- review of reconciliations
- review of risk register

On a yearly basis, the auditor reports to the board of governors, through the finance committee on the operation of the systems of control and on the discharge on the board of governors' financial responsibilities. On an annual basis the auditor prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal audit was completed in October 2023, findings and recommendations were reviewed by the finance, premises and personnel committee and actions taken where appropriate.

**Welton St Mary's Church of England
Primary Academy**

**Governance Statement
for the Year Ended 31 August 2023**

Review of Effectiveness

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

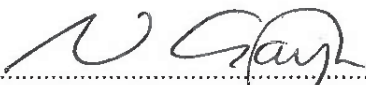
- the work of the internal auditor
- the work of the external auditor
- the work of the senior leadership team within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of governors on 20/12/2023 and signed on its behalf by:



Mr A Johnson - Governor



Mrs N Gough - Governor

**Welton St Mary's Church of England
Primary Academy**

**Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2023**

As accounting officer of Welton St Mary's Church of England Primary Academy I have considered my responsibility to notify the academy trust board of governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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


.....
Mrs N Gough - Accounting Officer

Date: 20/12/23.....

**Welton St Mary's Church of England
Primary Academy**

**Statement of Governors' Responsibilities
for the Year Ended 31 August 2023**

The governors (who are also directors of Welton St Mary's Church of England Primary Academy for the purposes of company law) are responsible for preparing the Governors Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare financial statements for each financial year. Under company law the governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, for that period. In preparing those financial statements, the governors are required to:

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

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

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

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

Approved by order of the board of governors on20/12/23..... and signed on its behalf by:


.....
Mr A Johnson - Governor

**Report of the Independent Auditors to the Members of
Welton St Mary's Church of England
Primary Academy (Registered number: 08314146)**

Opinion

We have audited the financial statements of Welton St Mary's Church of England Primary Academy (the 'academy trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The governors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report of the Independent Auditors to the Members of
Welton St Mary's Church of England
Primary Academy (Registered number: 08314146)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the governors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the governors' Report.

Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Report of the Independent Auditors to the Members of
Welton St Mary's Church of England
Primary Academy (Registered number: 08314146)

Our responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the academy trust and its industry we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation.

We also considered those laws and regulations which have a direct effect on the preparation of the financial statements such as tax legislation, the Companies Act 2006, the Charities SORP 2019, the reporting framework (FRS102) and the Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency (ESFA).

To help us identify instances of non-compliance with these laws and regulations and in identifying and assessing the risk of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and where appropriate those charge with governance as to whether the Academy is in compliance with laws and regulations.
- Inspecting correspondence, if any, with relevant licensing authorities.
- Communicating to our engagement team identified laws and regulations and remaining alert to any instances of non-compliance throughout our audit; and
- Considering the risk of acts by the Academy which were contrary to applicable laws and regulations, including fraud.
- A detailed review of the accounts and disclosures to assess compliance with the Academies Direction 2022 to 2023 issued by the Education and Skills Funding Agency (ESFA)

Further to this, we evaluated the Governors' and managements incentives and opportunities for fraudulent manipulation of the financial statements including the risk of management override of controls and determined the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the governors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of internal controls established to mitigate risks related to fraud;

Report of the Independent Auditors to the Members of
Welton St Mary's Church of England
Primary Academy (Registered number: 08314146)

- Discussing amongst the engagement team the risks of fraud; and
Addressing the risks of fraud through management override of controls by performing journal entry
- testing.

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the academy trust'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 academy trust's members those matters we are required to state to them in an auditors' 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 academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nicholsons Audit

Steve Robinson (Senior Statutory Auditor)
for and on behalf of Nicholsons Audit (Statutory Auditor)
Newland House
The Point
Weaver Road
LINCOLN
Lincolnshire
LN6 3QN

Date: 21/12/2023

**Independent Reporting Accountant's Assurance Report on Regularity to
Welton St Mary's Church of England
Primary Academy
and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 23 October 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Welton St Mary's Church of England Primary Academy during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Welton St Mary's Church of England Primary Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Welton St Mary's Church of England Primary Academy and the 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 Welton St Mary's Church of England Primary Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Welton St Mary's Church of England Primary Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Welton St Mary's Church of England Primary Academy's funding agreement with the Secretary of State for Education and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2022 to 2023 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

- evaluating the systems and control environment;
- assessing the risk of irregularity, impropriety and non-compliance;
- confirming that the activities of the academy are in keeping with the academy's framework and the charitable objectives; and
- obtaining representation from the accounting officer and key management personnel.

Independent Reporting Accountant's Assurance Report on Regularity to
Welton St Mary's Church of England
Primary Academy
and the Education and Skills Funding Agency

Conclusion

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

Matter 1:

Due to the departure of a key member of staff in the prior year, the full range of financial processes and controls in accordance with the Must statements in the Academy Financial Handbook were not able to be evidenced as being in operation in September and October 2022. A replacement was appointed in November 2022 allowing internal processes and controls to be fully operational.

Nicholsons Audit

Nicholsons Audit
Reporting Accountant
Newland House
The Point
Weaver Road
LINCOLN
Lincolnshire
LN6 3QN

Date: *21/12/2023*

**Welton St Mary's Church of England
Primary Academy**

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2023**

					31/8/23	31/8/22
	Notes	Unrestricted funds £	Restricted funds £	Restricted Fixed Assets £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	8,180	-	-	8,180	16,759
Charitable activities						
Funding for the academy's educational operations	3	-	2,030,450	-	2,030,450	1,876,247
Other trading activities	4	110,912	38,407	-	149,319	71,480
Investment income	5	2,289	-	-	2,289	158
Total		<u>121,381</u>	<u>2,068,857</u>	<u>-</u>	<u>2,190,238</u>	<u>1,964,644</u>
EXPENDITURE ON						
Raising funds	7	5,000	42,104	-	47,104	52,379
Charitable activities						
Academy's educational operations	8	-	1,935,849	81,751	2,017,600	1,914,469
Pension		-	3,000	-	3,000	122,000
Other		-	-	-	-	1,729
Total		<u>5,000</u>	<u>1,980,953</u>	<u>81,751</u>	<u>2,067,704</u>	<u>2,090,577</u>
NET						
INCOME/(EXPENDITURE)		116,381	87,904	(81,751)	122,534	(125,933)
Transfers between funds	17	-	(2,970)	2,970	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit schemes		-	79,000	-	79,000	953,000
Net movement in funds		116,381	163,934	(78,781)	201,534	827,067
RECONCILIATION OF FUNDS						
Total funds brought forward		105,848	170,694	2,529,928	2,806,470	1,979,403

The notes form part of these financial statements

**Welton St Mary's Church of England
Primary Academy**

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2023**

				31/8/23	31/8/22
	Unrestricted funds £	Restricted funds £	Restricted Fixed Assets £	Total funds £	Total funds £
Notes	£	£	£	£	£
TOTAL FUNDS CARRIED FORWARD	<u>222,229</u>	<u>334,628</u>	<u>2,451,147</u>	<u>3,008,004</u>	<u>2,806,470</u>

The notes form part of these financial statements

**Welton St Mary's Church of England
Primary Academy (Registered number: 08314146)**

**Balance Sheet
31 August 2023**

	Notes	Unrestricted funds £	Restricted funds £	Restricted Fixed Assets £	31/8/23 Total funds £	31/8/22 Total funds £
FIXED ASSETS						
Tangible assets	13	-	-	2,451,147	2,451,147	2,529,928
CURRENT ASSETS						
Debtors	14	-	71,472	-	71,472	62,013
Cash at bank		222,229	365,035	-	587,264	438,406
		<u>222,229</u>	<u>436,507</u>	-	<u>658,736</u>	<u>500,419</u>
CREDITORS						
Amounts falling due within one year	15	-	(101,879)	-	(101,879)	(149,877)
		<u>222,229</u>	<u>334,628</u>	<u>-</u>	<u>556,857</u>	<u>350,542</u>
NET CURRENT ASSETS						
		<u>222,229</u>	<u>334,628</u>	<u>2,451,147</u>	<u>3,008,004</u>	<u>2,880,470</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
		<u>222,229</u>	<u>334,628</u>	<u>2,451,147</u>	<u>3,008,004</u>	<u>2,880,470</u>
PENSION LIABILITY	18	-	-	-	-	(74,000)
		<u>222,229</u>	<u>334,628</u>	<u>2,451,147</u>	<u>3,008,004</u>	<u>2,806,470</u>
NET ASSETS						
		<u>222,229</u>	<u>334,628</u>	<u>2,451,147</u>	<u>3,008,004</u>	<u>2,806,470</u>
FUNDS						
Restricted income funds	17				2,785,775	2,700,622
Unrestricted income funds					222,229	105,848
					<u>3,008,004</u>	<u>2,806,470</u>
TOTAL FUNDS						
					<u>3,008,004</u>	<u>2,806,470</u>

The financial statements were approved by the Board of Governors and authorised for issue on 20/12/2023 and were signed on its behalf by:


Mr A Johnson - Governor

The notes form part of these financial statements

**Welton St Mary's Church of England
Primary Academy**

**Cash Flow Statement
for the year ended 31 August 2023**

Notes	2023 £	2022 £
Cash flows from operating activities		
Cash generated from operations 1	150,389	79,317
Interest paid	(850)	(67)
	<hr/>	<hr/>
Net cash provided by operating activities	149,539	79,250
	<hr/>	<hr/>
Cash flows from investing activities		
Purchase of tangible fixed assets	(2,970)	(43,394)
Interest received	2,289	158
	<hr/>	<hr/>
Net cash used in investing activities	(681)	(43,236)
	<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period	148,858	36,014
Cash and cash equivalents at the beginning of the reporting period	438,406	402,392
	<hr/>	<hr/>
Cash and cash equivalents at the end of the reporting period	587,264	438,406
	<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

**Welton St Mary's Church of England
Primary Academy**

**Notes to the Cash Flow Statement
for the year ended 31 August 2023**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	122,534	(125,933)
Adjustments for:		
Depreciation charges	81,751	87,911
Interest received	(2,289)	(158)
Interest paid	850	67
(Increase)/decrease in debtors	(9,459)	11,137
Decrease in creditors	(47,998)	(15,707)
Difference between pension charge and cash contributions	5,000	122,000
	150,389	79,317
Net cash provided by operations	150,389	79,317

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.22 £	Cash flow £	At 31.8.23 £
Net cash			
Cash at bank	438,406	148,858	587,264
	438,406	148,858	587,264
Total	438,406	148,858	587,264

The notes form part of these financial statements

**Welton St Mary's Church of England
Primary Academy**

**Notes to the Financial Statements
for the year ended 31 August 2023**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Going concern

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

Critical accounting estimates and areas of judgement

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.

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 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 asset or 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset or liability.

Income

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

Grants

Welton St Mary's Church of England
Primary Academy

Notes to the Financial Statements - continued
for the year ended 31 August 2023

1. ACCOUNTING POLICIES - continued

Income

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 year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Donated goods, facilities and services

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

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be 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.

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.

Welton St Mary's Church of England
Primary Academy

Notes to the Financial Statements - continued
for the year ended 31 August 2023

1. ACCOUNTING POLICIES - continued

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 allocated on the portion of the asset's use. All resources expended are inclusive of irrecoverable VAT.

Raising funds

Raising funds 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

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

Governance costs

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

Tangible fixed assets

Assets costing £500 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 requiring 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 of such assets is charged to the unrestricted fund.

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

2%	Freehold buildings
Not provided	Freehold land
20%	Computer equipment
33%	Fixtures and fittings
2%	Property improvements

Welton St Mary's Church of England
Primary Academy

Notes to the Financial Statements - continued
for the year ended 31 August 2023

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

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 as detailed in note 14. 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 basic financial instruments, and are measured at amortised cost as detailed in note 15. 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.

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 part 11, chapter 3 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.

Fund accounting

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

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

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

Operating lease agreements

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

**Welton St Mary's Church of England
Primary Academy**

**Notes to the Financial Statements - continued
for the year ended 31 August 2023**

1. ACCOUNTING POLICIES - continued

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.

The TPS is an unfunded scheme and contributions are calculated so as 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 on the basis of quadrennial valuations using a prospective unit credit method. 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 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 operating surplus are the current service costs and the costs of the 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.

School Fund

The School Fund does not form part of the academies accounts as the values are deemed to be immaterial.

Liabilities

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

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

**Welton St Mary's Church of England
Primary Academy**

**Notes to the Financial Statements - continued
for the year ended 31 August 2023**

1. ACCOUNTING POLICIES - continued

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Donations	8,180	-	8,180	16,759

3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
DfE/ESFA grants				
General Annual Grant	-	1,573,785	1,573,785	1,458,820
Pupil Premium	-	127,645	127,645	82,687
Devolved capital fund	-	25,152	25,152	15,886
Other DfE/ESFA Grants	-	94,310	94,310	47,182
PE & Sports Grant	-	19,270	19,270	19,050
Universal Infant Free School Meals	-	49,728	49,728	66,706
	-	1,889,890	1,889,890	1,690,331
Local Authority Grants				
Local Authority Grants	-	140,560	140,560	185,916
	-	2,030,450	2,030,450	1,876,247

**Welton St Mary's Church of England
Primary Academy**

**Notes to the Financial Statements - continued
for the year ended 31 August 2023**

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Casual lettings	7,282	-	7,282	15,897
Teacher recharge	95,739	-	95,739	43,564
Sundry income	7,891	-	7,891	3,739
School trips	-	38,407	38,407	8,280
	<u>110,912</u>	<u>38,407</u>	<u>149,319</u>	<u>71,480</u>

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Deposit account interest	2,289	-	2,289	158

6. EXPENDITURE

	Non-pay expenditure			2023	2022
	Staff costs £	Premises £	Other costs £	Total £	Total £
Raising funds					
Costs incurred by trading for a fundraising purpose					
Direct costs	3,000	4,728	39,376	47,104	52,379
Charitable activities					
Academy's educational operations					
Direct costs	1,076,737	50,405	145,706	1,272,848	1,172,414
Allocated support costs	501,540	140,570	102,642	744,752	742,055
	<u>1,581,277</u>	<u>195,703</u>	<u>287,724</u>	<u>2,064,704</u>	<u>1,966,848</u>
Other	-	-	-	-	1,729
	<u>1,581,277</u>	<u>195,703</u>	<u>287,724</u>	<u>2,064,704</u>	<u>1,968,577</u>

Welton St Mary's Church of England
Primary Academy

Notes to the Financial Statements - continued
for the year ended 31 August 2023

6. EXPENDITURE - continued

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Audit fees	3,850	3,850
Other non-audit services	12,408	9,842
Depreciation - owned assets	81,751	87,911
Other operating leases	-	1,729
	<u> </u>	<u> </u>

7. RAISING FUNDS

Costs incurred by trading for a fundraising purpose

	Unrestricted	Restricted	2023	2022
	funds	funds	Total	Total
	£	£	£	£
Staff costs	3,000	-	3,000	3,000
Rates and water	750	-	750	750
Light and heat	750	-	750	750
Telephone	-	2,728	2,728	2,715
Cleaning	500	-	500	500
Educational visits	-	39,376	39,376	44,664
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	5,000	42,104	47,104	52,379
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted	Restricted	2023	2022
	funds	funds	Total	Total
	£	£	£	£
Direct costs	-	1,272,848	1,272,848	1,172,414
Support costs	-	744,752	744,752	742,055
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	-	2,017,600	2,017,600	1,914,469
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

**Welton St Mary's Church of England
Primary Academy**

**Notes to the Financial Statements - continued
for the year ended 31 August 2023**

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued

	2023 Total £	2022 Total £
Analysis of support costs		
Support staff costs	501,540	480,323
Technology costs	5,603	371
Premises costs	140,570	162,672
Other support costs	80,781	84,997
Governance costs	16,258	13,692
	<hr/>	<hr/>
Total support costs	<u>744,752</u>	<u>742,055</u>

9. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs £	Totals £
Pension	1,000	2,000	3,000
Academy's educational operations	1,272,848	744,752	2,017,600
	<hr/>	<hr/>	<hr/>
	<u>1,273,848</u>	<u>746,752</u>	<u>2,020,600</u>

10. STAFF COSTS

	2023 £	2022 £
Wages and salaries	1,205,018	1,113,189
Social security costs	91,104	87,948
Operating costs of defined benefit pension schemes	256,471	341,788
	<hr/>	<hr/>
Supply teacher costs	1,552,593	1,542,925
	29,684	34,154
	<hr/>	<hr/>
	<u>1,582,277</u>	<u>1,577,079</u>

The average number of persons (including senior management team) employed by the academy trust during the year was as follows:

	2023	2022
Teachers	16	16
Administration and support	29	26
Management	3	4
	<hr/>	<hr/>
	<u>48</u>	<u>46</u>

Welton St Mary's Church of England
Primary Academy

Notes to the Financial Statements - continued
for the year ended 31 August 2023

10. STAFF COSTS - continued

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

	2023	2022
£80,001 - £90,000	1	1
	<u> </u>	<u> </u>

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2023 employer's pension contributions for this staff member totalled £18,473 (2022: £17,769).

The key management personnel of the academy trust comprise the governors and the senior management team listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £238,138 (2022: £269,219).

11. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

One or more governors has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

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

Mrs N Gough (Head teacher and Governor)

Remuneration £80,000 - £85,000 (2022: £80,000 - £85,000)

Employer Pension £15,000 - £20,000 (2022: £15,000 - £20,000)

Miss D Sylvester (Staff trustee)

Remuneration £25,000 - £30,000 (2022: £25,000 - £30,000)

Employer Pension £5,000 - £10,000 (2022: £5,000 - £10,000)

The remuneration disclosed above covers the period from 1 September 2022 or their date of appointment as governor (whichever is the latter) and any remuneration received prior to this date has not been disclosed.

12. GOVERNORS' AND OFFICERS' INSURANCE

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

**Welton St Mary's Church of England
Primary Academy**

**Notes to the Financial Statements - continued
for the year ended 31 August 2023**

13. TANGIBLE FIXED ASSETS

	Freehold property £	Property improvements £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 September 2022	2,620,000	375,460	43,351	168,730	3,207,541
Additions	-	-	-	2,970	2,970
Disposals	-	-	-	(34,165)	(34,165)
At 31 August 2023	<u>2,620,000</u>	<u>375,460</u>	<u>43,351</u>	<u>137,535</u>	<u>3,176,346</u>
DEPRECIATION					
At 1 September 2022	473,831	44,946	20,582	138,254	677,613
Charge for year	48,750	7,802	6,834	18,365	81,751
Eliminated on disposal	-	-	-	(34,165)	(34,165)
At 31 August 2023	<u>522,581</u>	<u>52,748</u>	<u>27,416</u>	<u>122,454</u>	<u>725,199</u>
NET BOOK VALUE					
At 31 August 2023	<u>2,097,419</u>	<u>322,712</u>	<u>15,935</u>	<u>15,081</u>	<u>2,451,147</u>
At 31 August 2022	<u>2,146,169</u>	<u>330,514</u>	<u>22,769</u>	<u>30,476</u>	<u>2,529,928</u>

Included in the land and buildings value stated above is freehold land at a value of £20,000 occupied under a licence as noted in the church supplemental agreement from The Lincoln Diocesan Trust and Board of Finance Limited. No depreciation has been charged on this land.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	786	10,410
Other debtors	10,507	-
VAT	18,569	25,002
Prepayments and accrued income	41,610	26,601
	<u>71,472</u>	<u>62,013</u>

**Welton St Mary's Church of England
Primary Academy**

**Notes to the Financial Statements - continued
for the year ended 31 August 2023**

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	34,664	82,387
Social security and other taxes	50,687	46,896
Accruals and deferred income	16,528	20,594
	<u>101,879</u>	<u>149,877</u>
	<u>2023</u>	<u>2022</u>
	£	£
Deferred income at 1 September 2022	Nil	34,374
Released from previous years	-	(34,674)
Resources deferred in the year	-	-
Deferred income at 31 August 2023	<u>Nil</u>	<u>Nil</u>

At the balance sheet date the academy trust was holding funds of £Nil (2022: £Nil) received in advance for devolved capital and universal infant free school meals.

16. 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.

**Welton St Mary's Church of England
Primary Academy**

**Notes to the Financial Statements - continued
for the year ended 31 August 2023**

17. MOVEMENT IN FUNDS

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
Restricted general funds				
Trip Income	-	13,223	(13,223)	-
Sundry Income	18,694	-	-	18,694
General Annual Grant	107,294	102,678	(104,511)	105,461
Pupil Premium Grant	3,619	30,008	-	33,627
Pension	(74,000)	74,000	-	-
Local Authority Grants	-	(114,764)	114,764	-
Fixed Asset Transfer From Local Authority on Conversion	2,146,169	(48,750)	-	2,097,419
Other DfE/EFA Grants	115,087	61,759	-	176,846
Fixed Assets General Annual Grant Capital Maintenance Grant 2014-2015	184,793	(28,301)	2,970	159,462
	198,966	(4,700)	-	194,266
	<u>2,700,622</u>	<u>85,153</u>	<u>-</u>	<u>2,785,775</u>
Unrestricted funds				
Lettings and Hire of Facilities	32,825	2,147	-	34,972
Teacher Recharge	-	91,131	-	91,131
Sundry Income	73,023	23,103	-	96,126
	<u>105,848</u>	<u>116,381</u>	<u>-</u>	<u>222,229</u>
TOTAL FUNDS	<u><u>2,806,470</u></u>	<u><u>201,534</u></u>	<u><u>-</u></u>	<u><u>3,008,004</u></u>

**Welton St Mary's Church of England
Primary Academy**

**Notes to the Financial Statements - continued
for the year ended 31 August 2023**

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
Trip Income	38,409	(25,186)	-	13,223
General Annual Grant	1,639,465	(1,536,787)	-	102,678
Pupil Premium Grant	127,645	(97,637)	-	30,008
Pension	-	(5,000)	79,000	74,000
Local Authority Grants	140,559	(255,323)	-	(114,764)
Fixed Asset Transfer From Local Authority on Conversion	-	(48,750)	-	(48,750)
Other DfE/EFA Grants	122,779	(61,020)	-	61,759
Fixed Assets General Annual Grant	-	(28,301)	-	(28,301)
Capital Maintenance Grant 2014-2015	-	(4,700)	-	(4,700)
	<u>2,068,857</u>	<u>(2,062,704)</u>	<u>79,000</u>	<u>85,153</u>
Unrestricted funds				
Lettings and Hire of Facilities	7,147	(5,000)	-	2,147
Teacher Recharge	91,131	-	-	91,131
Sundry Income	23,103	-	-	23,103
	<u>121,381</u>	<u>(5,000)</u>	<u>-</u>	<u>116,381</u>
TOTAL FUNDS	<u><u>2,190,238</u></u>	<u><u>(2,067,704)</u></u>	<u><u>79,000</u></u>	<u><u>201,534</u></u>

**Welton St Mary's Church of England
Primary Academy**

**Notes to the Financial Statements - continued
for the year ended 31 August 2023**

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
Restricted general funds				
Trip Income	4,007	(20,619)	16,612	-
Music Tuition	754	(974)	220	-
Sundry Income	18,694	-	-	18,694
General Annual Grant	109,051	105,606	(107,363)	107,294
Pupil Premium Grant	25,613	(21,994)	-	3,619
Pension	(905,000)	831,000	-	(74,000)
Local Authority Grants	-	(47,134)	47,134	-
Fixed Asset Transfer From Local Authority on Conversion	2,195,252	(49,083)	-	2,146,169
Other DfE/EFA Grants	67,533	47,554	-	115,087
Fixed Assets General Annual Grant Capital Maintenance Grant 2014-2015	170,664	(34,128)	48,257	184,793
Fixed assets from other sources	203,666	(4,700)	-	198,966
	4,860	-	(4,860)	-
	<u>1,895,094</u>	<u>805,528</u>	<u>-</u>	<u>2,700,622</u>
Unrestricted funds				
Lettings and Hire of Facilities	30,591	2,234	-	32,825
Sundry Income	53,718	19,305	-	73,023
	<u>84,309</u>	<u>21,539</u>	<u>-</u>	<u>105,848</u>
TOTAL FUNDS	<u><u>1,979,403</u></u>	<u><u>827,067</u></u>	<u><u>-</u></u>	<u><u>2,806,470</u></u>

Welton St Mary's Church of England
Primary Academy

Notes to the Financial Statements - continued
for the year ended 31 August 2023

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
Trip Income	8,307	(28,926)	-	(20,619)
Music Tuition	-	(974)	-	(974)
General Annual Grant	1,458,821	(1,353,215)	-	105,606
Pupil Premium Grant	82,687	(104,681)	-	(21,994)
Pension	-	(122,000)	953,000	831,000
Local Authority Grants	229,461	(276,595)	-	(47,134)
Fixed Asset Transfer From Local Authority on Conversion	-	(49,083)	-	(49,083)
Other DfE/EFA Grants	148,824	(101,270)	-	47,554
Fixed Assets General Annual Grant	-	(34,128)	-	(34,128)
Capital Maintenance Grant 2014-2015	-	(4,700)	-	(4,700)
	<u>1,928,100</u>	<u>(2,075,572)</u>	<u>953,000</u>	<u>805,528</u>
Unrestricted funds				
Lettings and Hire of Facilities	7,234	(5,000)	-	2,234
Sundry Income	29,310	(10,005)	-	19,305
	<u>36,544</u>	<u>(15,005)</u>	<u>-</u>	<u>21,539</u>
TOTAL FUNDS	<u><u>1,964,644</u></u>	<u><u>(2,090,577)</u></u>	<u><u>953,000</u></u>	<u><u>827,067</u></u>

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy.

Other DfE/EFA Grants comprise of various grants awarded for specific projects, in particular to boost standards of attainment. Grants include Pupil Premium which is intended to support education from pupils from a disadvantaged background.

Local Government Grants includes funding provided for pupils with Statements of Special Educational Needs and is used by the academy to assist with the pupils education.

Devolved capital funding is that provided to academies to use as it sees fit in areas such as improvements to buildings or facilities, or the repairs or refurbishment of such.

Other capital grants are provided to the academy based on specific bids for individual projects.

Other income comprises of various other receipts including school meals. The income is classed as restricted or unrestricted based on the nature of the income.

**Welton St Mary's Church of England
Primary Academy**

**Notes to the Financial Statements - continued
for the year ended 31 August 2023**

17. MOVEMENT IN FUNDS - continued

Restricted fixed asset funds represent monies received in respect of and spent on fixed assets. This includes assets inherited on conversion. The total of resources expended within this fund include the depreciation charge for the year. The transfers figure is the amount of other funds used to acquire fixed assets.

The academy trust is not subject to GAG carried forward limits.

18. 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 Lincolnshire County Council. Both are multi-employer defined benefit schemes.

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

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

Teachers' pension scheme

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

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

**Welton St Mary's Church of England
Primary Academy**

**Notes to the Financial Statements - continued
for the year ended 31 August 2023**

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

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

The employer's pension costs paid to TPS in the period amounted to £173,217 (2022 - £158,550).

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

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £88,600 (2022 - £89,108), of which employer's contributions totalled £70,661 (2022 - £70,238), and employees' contributions totalled £17,939 (2022 - £18,870). The agreed contribution rates for future years are 21.30 per cent for employers and 21.30 per cent for employees.

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

Welton St Mary's Church of England
Primary Academy

Notes to the Financial Statements - continued
for the year ended 31 August 2023

18. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Present value of funded obligations	(792,000)	(1,021,000)
Fair value of plan assets	792,000	947,000
	-	(74,000)
Present value of unfunded obligations	-	-
Deficit	-	(74,000)
Net liability	-	(74,000)

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Current service cost	79,000	180,000
Net interest from net defined benefit asset/liability	2,000	15,000
Past service cost	-	-
	81,000	195,000
Actual return on plan assets	(38,000)	1,000

Welton St Mary's Church of England
Primary Academy

Notes to the Financial Statements - continued
for the year ended 31 August 2023

18. PENSION AND SIMILAR OBLIGATIONS - continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Opening defined benefit obligation	1,021,000	1,778,000
Current service cost	79,000	180,000
Contributions by scheme participants	18,000	19,000
Interest cost	42,000	30,000
Benefits paid	(94,000)	(19,000)
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	(10,000)	-
Actuarial (gains)/losses from changes in financial assumptions	(228,000)	(971,000)
Other experience	(36,000)	4,000
	<u>792,000</u>	<u>1,021,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Opening fair value of scheme assets	947,000	873,000
Contributions by employer	77,000	74,000
Contributions by scheme participants	18,000	19,000
Expected return	40,000	15,000
Actuarial gains/(losses)	(78,000)	(14,000)
Benefits paid	(94,000)	(19,000)
Admin fee	(1,000)	(1,000)
Assets not recognised	(117,000)	-
	<u>792,000</u>	<u>947,000</u>

Welton St Mary's Church of England
Primary Academy

Notes to the Financial Statements - continued
for the year ended 31 August 2023

18. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2023 £	2022 £
Actuarial (gains)/losses from changes in demographic assumptions	10,000	-
Actuarial (gains)/losses from changes in financial assumptions	228,000	971,000
Other experience	36,000	(4,000)
Assets not recognised	(117,000)	-
	157,000	967,000

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2023	2022
Equities	62%	73%
Bonds	13%	12%
Property	7%	13%
Cash	3%	2%
Infrastructure	4%	-
Absolute return fund	11%	-
	100%	100%

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2023	2022
Discount rate	5.30%	4.25%
Future salary increases	3.85%	3.20%
Future pension increases	2.85%	2.90%

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

Retiring today		
Males	19.5	21.2
Females	22.6	23.7
Retiring in 20 years		
Males	20.8	22.1
Females	24	25.1

Welton St Mary's Church of England
Primary Academy

Notes to the Financial Statements - continued
for the year ended 31 August 2023

18. PENSION AND SIMILAR OBLIGATIONS - continued

Sensitivity analysis

	2023	2022
	£	£
Discount rate +0.1%	774,000	993,000
Discount rate -0.1%	811,000	1,050,000
Mortality assumption - 1 year increase	812,000	1,052,000
Mortality assumption - 1 year decrease	772,000	991,000
CPI rate +0.1%	809,000	1,047,000
CPI rate -0.1%	775,000	996,000

The estimated value of employer contributions for the year ended 31 August 2024 is £80,000.

19. RELATED PARTY DISCLOSURES

No additional related party transactions took place in the period of account with the exception of staff salaries disclosed in note 10.

20. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

**Welton St Mary's Church of England
Primary Academy**

**Detailed Statement of Financial Activities
for the year ended 31 August 2023**

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS				
Donations and capital grants				
Donations	8,180	-	8,180	16,759
Other trading activities				
Casual lettings	7,282	-	7,282	15,897
Teacher recharge	95,739	-	95,739	43,564
Sundry income	7,891	-	7,891	3,739
School trips	-	38,407	38,407	8,280
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	110,912	38,407	149,319	71,480
Investment income				
Deposit account interest	2,289	-	2,289	158
Charitable activities				
Grants	-	2,030,450	2,030,450	1,876,247
	<hr/>	<hr/>	<hr/>	<hr/>
Total incoming resources	121,381	2,068,857	2,190,238	1,964,644
EXPENDITURE				
Costs incurred by trading for a fundraising purpose				
Wages	3,000	-	3,000	3,000
Rates and water	750	-	750	750
Light and heat	750	-	750	750
Telephone	-	2,728	2,728	2,715
Cleaning	500	-	500	500
Educational visits	-	39,376	39,376	44,664
	<hr/>	<hr/>	<hr/>	<hr/>
	5,000	42,104	47,104	52,379
Charitable activities				
Wages	-	795,071	795,071	721,231
Social security	-	76,290	76,290	72,821
Pensions	-	176,692	176,692	265,550
Supply teacher costs	-	29,684	29,684	34,154
Educational supplies	-	93,364	93,364	74,355
Staff development	-	9,228	9,228	11,463
Carried forward	-	1,180,329	1,180,329	1,179,574

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Welton St Mary's Church of England
Primary Academy

Detailed Statement of Financial Activities
for the year ended 31 August 2023

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Charitable activities				
Brought forward	-	1,180,329	1,180,329	1,179,574
Educational consultancy	-	3,541	3,541	3,974
Goods and services	-	6,572	6,572	6,981
Music tuition	-	1,655	1,655	974
Freehold property depreciation	-	48,750	48,750	49,083
Improvements to property	-	7,802	7,802	7,196
Fixtures and fittings	-	6,834	6,834	6,606
Computer equipment depreciation	-	18,365	18,365	25,026
	-	1,273,848	1,273,848	1,279,414
Other				
Other operating leases	-	-	-	1,729
Support costs				
Management				
Wages	-	406,947	406,947	388,958
Social security	-	14,814	14,814	15,127
Pensions	-	79,779	79,779	76,238
Expected return on pension scheme assets	-	(40,000)	(40,000)	(15,000)
Interest on pension scheme liabilities	-	42,000	42,000	30,000
	-	503,540	503,540	495,323
Finance				
Technology costs	-	5,603	5,603	371
Human resources				
Legal and professional fees	-	6,157	6,157	5,793
Other				
Maintenance of premises and equipment	-	24,092	24,092	58,476
Cleaning	-	76,297	76,297	73,999
Rent and rates	-	10,834	10,834	10,978
Energy costs	-	20,700	20,700	12,216
Insurance	-	8,647	8,647	7,003
Catering	-	73,774	73,774	79,137
Bank interest	-	850	850	67
	-	215,194	215,194	241,876

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**Welton St Mary's Church of England
Primary Academy**

**Detailed Statement of Financial Activities
for the year ended 31 August 2023**

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Other				
Governance costs				
Auditors' remuneration	-	3,850	3,850	3,850
Auditors' remuneration for non audit work	-	12,408	12,408	9,842
	-	16,258	16,258	13,692
Total resources expended	5,000	2,062,704	2,067,704	2,090,577
Net expenditure	116,381	6,153	122,534	(125,933)

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