

Company registration number 08333607 (England and Wales)

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

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THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Prof. John Cape
Ms Brenda McHugh
Mr Jonathan Robinson
Prof Peter Fonagy
Mrs Peggy Ray
Anna Freud NCCF Rt Hon Michael Samuel

Trustees

Mr Neil Dawson
Ms Rosalind Bidmead
Mr Pierre Gosselin
Mrs Peggy Ray
Mr Matthew Hillman (Headteacher / Accounting Officer)
Mr Stephen Taylor (Resigned 28 September 2021)
Prof John Cape (Chair)
Mr James Deasismont - Bennett (Staff)
Mr Andrew Thompson (Staff)
Ms Lake Gledhill
Ms Diana Sykes (Parent Governor)
Ms Jaime Smith
Mr Michael Annan (Appointed 7 September 2021)

Senior management team

- Headteacher	Mr Matthew Hillman
- Acting Deputy Head	Mr James Deasismont-Bennett (appointed 01 May 2022)
- Acting Assistant Head	Mr James Deasismont-Bennett (resigned 31 March 2022)
- Acting Assistant Head	Ms Theresa Taylor
- Acting Assistant Head	Ms Maya Bell-Kohli
- Acting Assistant Head	Ms Rebecca Breedon (appointed 01 April 2022)
- Head of Admin / Resources	Mrs Linda Hooper

Company secretary

Mrs Linda Hooper

Company registration number

08333607 (England and Wales)

Registered office

4-8 Rodney Street
London
N1 9JH

Independent auditor

UHY Hacker Young
Quadrant House
4 Thomas More Square
London
E1W 1YW

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Barclays Bank Plc
131 Finchley Road
Swiss Cottage
London
NW3 6HY

Solicitors

Bates Wells (Formerly Bates Wells & Braithwaite London LLP)
10 Queen Street Place
London
EC4R 1BE

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

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

The Pears Family Charitable Foundation School, originally named The Westminster Family School London is a specialist alternative provision for pupils 5 to 14 years who are at risk of exclusion and are struggling to achieve. It has a capacity of 36 pupils and had a roll of 36 in the last school census as at May 2022.

Context

Pears Family School is an Alternative Provision school specialising in providing short term placements for young people who need additional support in order to make progress in school. Typically, our young people have been permanently excluded from a mainstream, special or other AP school across a range of Local Authorities.

Statement of Intent

To take the **most** challenging students from a range of Local Authorities with the aim of working swiftly and effectively to promote effective and sustained reintegration. This involves engaging the family as well as providing outstanding classroom learning to support pupil progress.

"At their best, alternative provision schools are experts in supporting children and young people whose behaviour or other needs can present a barrier to learning". SEND green paper 2022.

SEND review March 2022 (Page 59) – "Although the majority of children in APs have some form of SEND, Best APs serve a distinct purpose that is **different** to special schools. Their **primary aim** is to support children to re-integrate back to mainstream" (Or an appropriate special school).

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of The Pears Family Charitable Foundation School Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Pears Family Charitable Foundation School.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 3.

Members' liability

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

Trustees' indemnities

There are and were no qualifying third-party indemnity provisions during the financial year to which this report relates.

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Method of recruitment and appointment or election of Trustees

The management of the academy is the responsibility of the Governors who are elected and co-opted under the terms of the Articles of Association and are members and Trustees of the Academy Trust. The number of Governors shall not be less than three. The Governors are elected at Full Governors Meetings on the basis of their eligibility, personal competence, specialist skills and local availability.

Policies and procedures adopted for the induction and training of Trustees

The Governors have a number of 'years' experience of school governance. New Governors are required to attend an induction training course. Further training and development is identified in relation to whole Governing Body needs.

A matrix is maintained of required knowledge/skills to match the school's needs, those already covered by governors and notes of possible training.

Organisational structure

The responsibilities of the Governing Body are delegated to two sub committees (Achievement & Wellbeing and Finance, Premises & HR) and to the Head Teacher / accounting officer in line with our sub-committee terms of reference and our financial schemes of delegation.

The Board are responsible for setting the general policy, adopting the annual budget, approving the statutory accounts, monitoring the Academy by use of budgets and other data and making major decisions about the strategic direction of the Academy.

The Trustees have devolved responsibility for day-to-day management of the Academy Trust to the Head Teacher and the Senior Management Team (SMT). They implement the policies laid down by the Board and report back to their individual local governing bodies and the Board on performance.

The Head Teacher and the local governing body are responsible for the authorisation of spending within agreed budgets; this responsibility is governed by the approved financial scheme of delegation. The Head Teacher is responsible for the appointment of staff and a Governor presence is required for senior appointments.

The Head Teacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

Managers and leaders within the school under Teachers Pay and condition. A salary range for each leadership position is agreed with governors after taking advice from HR consultant, Finance Lead and bench marking against similar positions in similar schools.

The Finance and Resources Committee met on 3 occasions during the year and the purpose of those meetings is to ensure that performance management was being correctly carried out during the year and to be informed of members of the whole staff that are falling on performance and targets. At the same time, the progress of the Head Teacher with his targets are monitored. There is a Pay policy agreed by the Trustees which guides this whole process.

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Related parties and other connected charities and organisations

The school's sponsor is the Anna Freud Centre (AFC). Potential for conflicts of interest are mitigated through the balance of non AFC employees on both the Members board and in the Governing Body. Furthermore, the school's financial scheme of delegation ensures that any attempt to commission services from AFC must go through the Full Governing Body and, in addition, our Financial Handbook sets out the rules by which any such commissioning should take place. This includes the ESFA/DfE being made aware each time services are commissioned. The ESFA have agreed to this strategy for mitigating risk.

Objectives and activities

Objects and aims

The object and aim of the academy is for the Trust to provide a positive education service that looks to reintegrate pupils in a timely and appropriate basis to a mainstream school setting. Also, for the Trust to retain its 'outstanding' OFSTED rating.

Key Performance Indicators

The following are the KPI's for the Trust: -

- Develop a culture of excellence in teaching, learning and assessment at key stage 1 and 2.
- Have a shared vision, values, culture and ethos based on the highest expectations of all members of the school community.
- To develop a culture of positive learning behaviour.
- To reintegrate pupils into mainstream schooling or appropriate special schooling if this is the best option for the child and family.

To ensure that pupils are exceptionally well prepared for the next stage of their education.

Objectives, Strategies and Activities

Academic Progress

This data shows that students made outstanding progress 2021-22.

Academic Progress 2021-22 (whole school progress is outstanding)

Academic Progress 2021-22

In order to make successful and sustained transitions back to an appropriate school, students at PFS need to make significant academic progress during their time at PFS. In doing so the academic differential between themselves and their peers is **diminished** preventing individuals from falling ever further behind academically.

Research also shows that academic success and a sense of achievement aids in the overall wellbeing and mental health of the child (and their family).

All too often pupils and families arrive at PFS with an overwhelming feeling and belief that they cannot achieve academically. Clearly with the right support and by developing a child's/family's sense of worth significant progress is made.

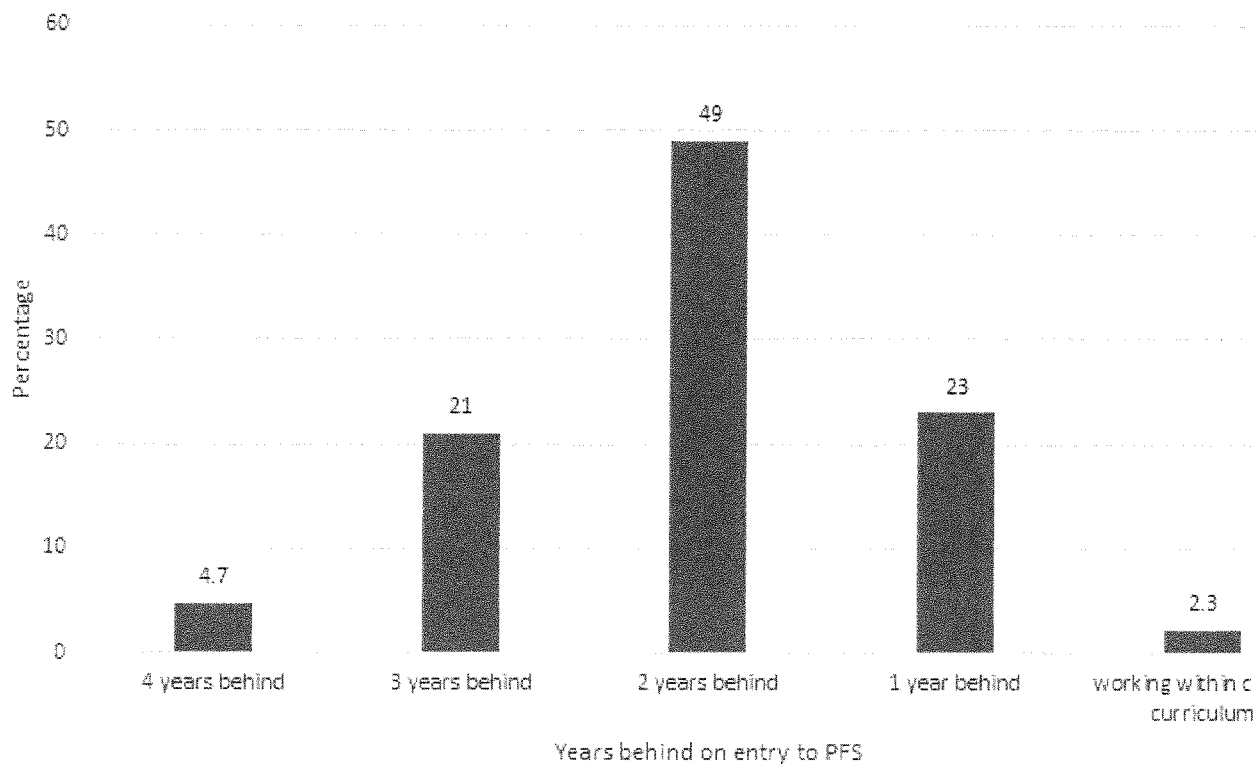
THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Starting point and context

Graph to show how many years behind pupils are on entry to the school 2021-22 data in %



The graph above shows the percentage of pupils at Pear Family School working within their correct age-appropriate curriculum upon entry. On average pupils at PFS are 2 years and 1 month behind their peers upon entry. With significant numbers 2-4 years behind their peers (75%).

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Progress by key groups 2021-22

1+

point = target progress

2+

points = Exceptional progress

2021-22	Written	Reading	Maths	Overall aggregate	Reading age progress
Whole School	3.5	4.6	2.7	3.6	1Y 8M
Started Integration or reintegrated	5.6	5.4	3.7	4.9	1Y 11M
EAL	1.7	3	1.7	2.1	1Y 7M
ASD	4.3	5.1	2.6	4	1Y 7M
PPG	3.6	4.8	2.6	3.7	1Y 11M
LAC/Adopted	3.4	3.8	3.2	3.5	2Y 2M
EHCP	3.4	4.4	2.7	3.5	1Y 7M
Male	3.9	5	2.5	3.8	2Y 2M
Female	2	3.3	3.3	2.9	1Y 6M
Any other White	1.7	3.7	1.7	2.4	1Y 9M
Black British	2.5	4	2.5	3	1Y 9M
Black Caribbean	5.3	4.6	3.6	4.5	1Y 7M
White British	4.1	4.2	3.1	3.8	2Y 3M

The table above shows the average progress along the mastery continuum made by PFS pupils during 2021-22. In order to diminish the difference pupils at PFS need to make at least a step along the mastery continuum a year. As a school we have set 1 whole step a year as target progress and 2 steps (0.66 a term) as exceptional progress. Analysis of the progress over the year shows that the vast majority of analysed key groups made exceptional progress along the mastery continuum by the end of the 2021-22. Overall, all groups made at least target progress with 97% of pupils making target progress and 93% of all pupils making exceptional progress.

The final column of the table shows the progress made in terms of reading ages for students from September 2021 baseline to June/July data drop 2022 (9-10 month period). In this case PFS has set an extremely challenging Target Progress of one year and Exceptional progress as one year six months.

Significantly since the introduction of the school's concept curriculum in September 2020 progress rates have increased across all areas. In addition, progress along the reading mastery continuum is significantly higher over the year (4.6) when compared to Written (3.5) and Maths (2.7) all rates of progress are up on 2020-21. This data is a clear indicator that the new "curriculum" is having a positive impact on pupils learning and the overall quality of education across the school.

This is also borne out by the high percentage of pupils being able to successfully reintegrate throughout the year. (These results were achieved during a pandemic).

Attendance

Whole school attendance from September 2021-March 2022 stood at 90% this figure is significantly above the national average for similar schools. In addition, individual student attendance show that students' attendance significantly increases at TFS compared with attendance at previous provision.

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Reintegration (2021-22)

The ultimate aim of the school is to re-engage disaffected pupils and their families in the education/learning process as quickly and sustainably as possible. Rapid successful and sustained reintegration into a suitable school is the most significant measure of how well we are performing as a school. ***SEND review March 2022 (Page 59)*** –“ *Although the majority of children in APs have some form of SEND, Best APs serve a distinct purpose that is **different** to special schools. Their **primary aim** is to support children to re-integrate back to mainstream*” (Or an appropriate special school that will best meet the child’s and family’s needs).

Of the 44 pupils that we have had on roll throughout the academic year, of which 30 had started the academic year, 67% of these 30 pupils have successfully reintegration back to an appropriate setting.

Of the 20 pupils that have reintegrated 6 (30%) were referred to the Family School via PRUs / out of education or via permanent exclusions and 14 (70%) where referred via mainstreams due to their very real risk of permanent exclusion.

Figure 3

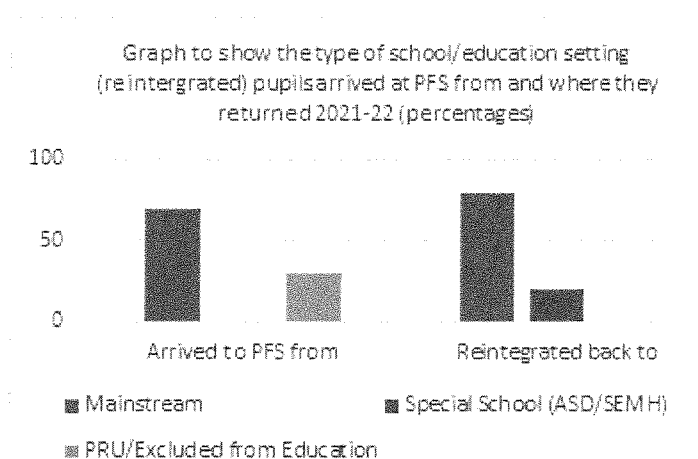
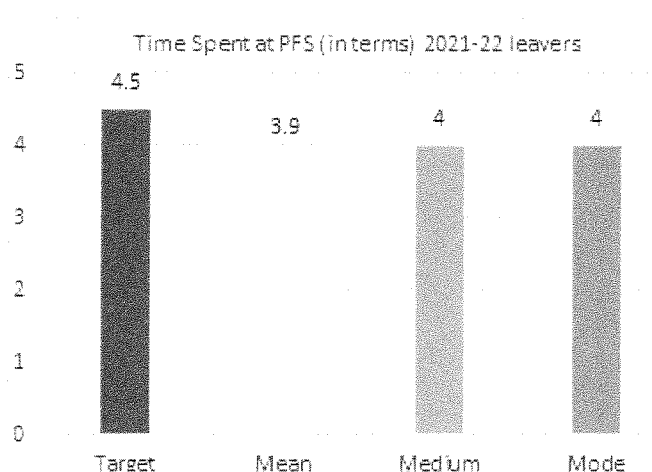


Figure 4



From being taken onto roll to start of reintegration back to an appropriate setting an extremely challenging target timeframe of 4-5 terms is set.

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Fig 3 shows that of the 20 pupils that reintegrated back throughout 2021-22 80% have reintegrated back into a mainstream settings and 20% have gone onto appropriate special school settings where their needs will be best met. All those moving back to special have ASD and as such specialist ASD provisions were identified as the best schools moving forward (45%, 9 out of the 20 pupils who reintegrated are formally diagnosed with ASD). Fig 3 also shows from where these 20 pupils originally arrived at PFS from, this is important as it shows the overall success PFS has at getting pupils back to an appropriate setting.

From Fig 4 – It can be seen that the school sits inside its 4-5 term turn around target when time spent at the school is measured as a mean score (average time spent 3.9 terms). Both the median and mode figures also sit within the target time. * (This is rate has been maintained over the last two years during a time that has been significantly disrupted by Covid-19).

Figure 5

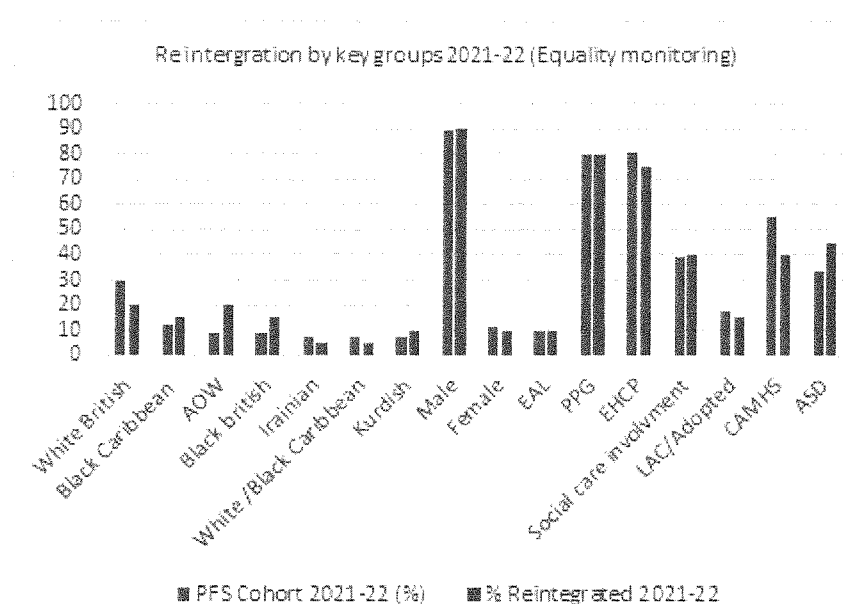


Fig 5 – Shows that there is no significant difference between differing groups when reintegration is analysed. The proportion of any given key group making a successful transition back is in line with the proportion of the pupils that that particular group makes up of the school cohort as a whole.

In terms of equality monitoring this is important and significant and shows the school is successful for all cohorts attending.

All key groups make outstanding progress in terms of successful and sustained reintegration.

* Only groups containing 3 or more pupils included in this data for statistical purposes.

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Reintegration check (July 2022)

It is important that not only does reintegration happen but that it is also sustained over time. As such the school checks in with families and receiving schools at key intervals after a pupil moves on from PFS.

At the most recent check all pupils are achieving well, all but 1 placement have been sustained and there have been no reported exclusions for any of these pupils.

In addition academic progress and attendance is reported to be good for the vast majority of these pupils.

The vast majority of families are/have done extremely well at handling the issues presented by Covid-19 lockdown.

The graph below (Fig 6) shows the results in terms of sustained reintegration outcomes for students and families that have left PFS in the last 24 months (2 years). The school SIP was commissioned to speak to schools and families, he spoke to 25 families and schools in total and the results can be seen below.

In addition PFS tracked the 3 families whose sons/daughters took their GCSEs in 2022 (All three left PFS over two years ago). All three are going on to Post 16 study, two at 6th form and one at college. One of the parents was delighted to inform us that her son had achieved all 7s in his GCSEs.

Figure 6

Review of sustainable re-intergration September 2022. (Numbers in %)

Key

Time - since leaving PFS? - 1 = 1-6 months, 2 = 6-12 months, 3 = 12 months +

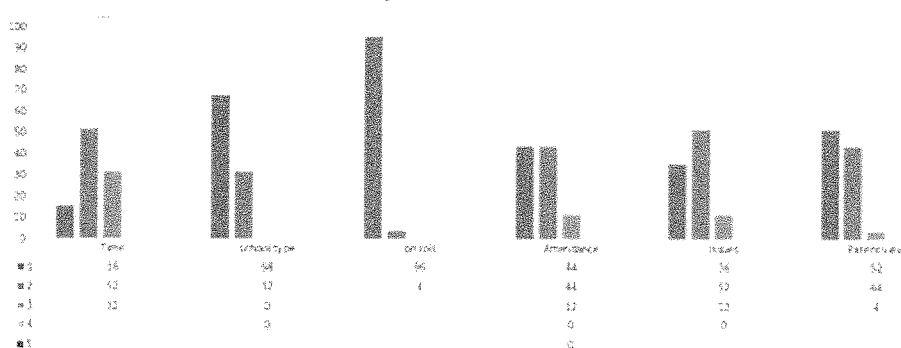
School type - returned to? - 1 = Mainstream, 2 = Special, 3 = AP, 4 = Home tuition

On roll - Still on roll? - 1 = Yes, 2 = No

Attendance - 1 = Almost everyday, 2 = School has no concerns, 3 = School has concerns
4 = Major issues, 5 = Not attending at all.

Issues - At school? - 1 = No concern, 2 = As expected, 3 = Concerns but dealing with (with school),
4 = at risk of exclusion

Parent views - How is parent coping? - 1 = As well as anyone, 2 = Struggling at times but have strategies to cope, 3 = Not coping



THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The **ultimate aim** of the school is that of **successful and sustained reintegration**, so that pupils can **successfully** carry on their **educational journey** and improve their **life chances**.

In terms of this PFS continues to achieve **exceptional results**.

This aim sits in alignment with the 2022 Green Paper review that states:

“At their best, alternative provision schools are experts in supporting children and young people whose behaviour or other needs can present a barrier to learning”.

“The ambition being to develop a bespoke performance framework for APs – Which sets robust standards focused on progress and re- integration”

By this definition and performance criteria PFS continues to be outstanding.

Strategic report

Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence 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

The Academy Trust receives its funding via two main sources, which firstly is the GAG and secondly ‘top ups’ from the various Local Authorities who commission school places at the Trust. The SAT also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, “Accounting for Reporting by Charities” (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

A finance procedure document determines the way the school operates finances from day to day and this is informed by the Academy Financial Handbook issued by the DfE. A Responsible Officer undertakes regular checks of procedure and reports directly to Trustees via the Trust Finance & Resources Committee. There were no significant issues requiring action identified during the year.

Reserves policy

Reserves of £354,708 are held as at 31 August 2022. Via the Trust’s Finance & Resources Committee reserves are monitored. They are used to support the medium-term financial planning process as well as being available to meet any unforeseen cost. However, a prudent policy for the use of reserves is followed in view of uncertainty about future funding and in particular the introduction of a national funding formula. The SAT relies heavily on local authority ‘top ups’ and is fully aware of the financial pressure that is being placed on the Special Education Needs (SEN) element of the Dedicated Schools Grant. Also the SAT is aware of further budgetary pressures arising from funding becoming tighter, staffing costs increasing through pay rises, increased NI costs and increased pension contributions together with inflationary pressures.

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Investment policy

Any surplus to day to day requirements, are retained in Barclays Bank Plc, if such funds materially increase over time, these will be deposited in short term or medium-term accounts in order to earn interest for the benefit of school funds. There are no social, environmental or ethical considerations necessary to take into account.

The security of any investment is paramount and will only be made once the Board of Trustees are satisfied that it does not pose a risk to the Trust and that they will be made only with institutions approved by the Board of Trustees in the context of advice from a qualified accountant. Formal approval must be obtained from the Board of Trustees to proceed with any investment.

Principal risks and uncertainties

Trustees identified a potential risk the funding being provided in the form of 'top ups' from those local authorities who have commissioned school places. This risk is regularly reviewed via the Risk Register as well as being a core area of focus for the Head Teacher.

Trustees are being provided with budget forecasts over a 3-year period. These indicate possible financial pressures in the future and are based on the latest funding formula information and assumes a static 'top up' income stream. However, expenditure is aligned to known pressures, inflation and incremental staff salary increases.

A risk register is maintained with all the significant risks identified and this is reviewed annually.

Fundraising

Plans for future periods

The trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. It will continue to attract high quality teachers and support staff in order to deliver its objectives and will continue with local schools to improve the educational opportunities for students in the wider community. The school has, a couple of years ago, moved into new premises, which has allowed the school to further develop its links and symbiotic working relationship with the Anna Freud National Centre for Children and Families which in turn will further enhance the outcomes and life chances of the children and the families that attend the school.

Funds held as custodian trustee on behalf of others

The SAT does not hold any funds as a custodian for others.

There are no funds held as custodian Trustee on behalf of others.

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

TRUSTEES' REPORT (CONTINUED)

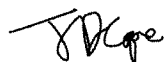
FOR THE YEAR ENDED 31 AUGUST 2022

Auditor

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 19/12/2022 and signed on its behalf by:



.....
Prof John Cape

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The **Board of Trustees** has formally met 4 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr Neil Dawson	4	4
Ms Rosalind Bidmead	4	4
Mr Pierre Gosselin	4	4
Mrs Peggy Ray	3	4
Mr Matthew Hillman (Headteacher / Accounting Officer)	4	4
Mr Stephen Taylor (Resigned 28 September 2021)	0	0
Prof John Cape (Chair)	4	4
Mr James Deasismont - Bennett (Staff)	2	4
Mr Andrew Thompson (Staff)	3	4
Ms Lake Gledhill	3	4
Ms Diana Sykes (Parent Governor)	1	4
Ms Jaime Smith	3	4
Mr Michael Annan (Appointed 7 September 2021)	4	4

A competency audit was conducted during the year.

The quality of data used by the board is outstanding both in terms of assessment of pupil's progress and attainment and in term of financial monitoring.

The **Finance and Resources committee** is a sub-committee of the main Board of Trustees. Its purpose is to agree the budget for the school for the financial year and to recommend formal acceptance by the Board of Trustees. Budget projections and monitoring information is provided by school finance team, which is supported by an externally commissioned qualified accountant. Experience shows that predictions are accurate, and the Trustees have confidence in the quality of information provided in order for them to make effective decisions. The committee met 3 times during the year.

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Mr Neil Dawson	3	3
Ms Rosalind Bidmead	3	3
Mr Pierre Gosselin	3	3
Mr Matthew Hillman (Headteacher / Accounting Officer)	3	3
Mr Stephen Taylor (Resigned 28 September 2021)	0	0
Prof John Cape (Chair)	3	3
Mr Andrew Thompson (Staff)	3	3

Review of value for money

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

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

- Maximizing pupil placements and hence the core income stream of the academy
- Undertaking a general review of contracts
- Implementing the Financial procedures approved by Trustees to ensure that an appropriate number of quotations/tenders are received before contracts are let and purchases made
- Undertaking competitive tendering where appropriate
- Generally ensuring that 'best price' applies to all purchases

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 The Pears Family Charitable Foundation School for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. An independent Internal Scrutiny provider oversees financial procedures and ensures that they are followed in practice. These reports do not reveal any material issues to be dealt with.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the Finance and Resources 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 Trustees has considered the need for a specific external audit of procedures and has appointed Fis-Ed Solutions Ltd. as Internal Scrutiny provider. The Board of Trustees has not established a separate Audit Committee as the turnover for the trust does not exceed £30m and audit oversight is provided by the Finance and Resources Committee of the Trust.

The Internal Scrutiny role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

On a termly basis, the Internal Scrutiny provider reports to the Board of Trustees, through the Finance and Resources Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. All reports during the year have found no material requirements for action.

Review of effectiveness

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

- the work of the Responsible Officer (Internal Scrutiny)
- the work of the external auditor
- the work of the Head of Finance and Admin within the Academy Trust who has responsibility for the development and maintenance of the internal control framework.

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Resources Committee and no weaknesses have been identified by auditors or the Responsible Officer.

Approved by order of the members of the Board of Trustees on 19/12/2022 and signed on its behalf by:



Mr Matthew Hillman
Headteacher / Accounting Officer



Prof John Cape

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2022

As Accounting Officer of The Pears Family Charitable Foundation School, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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

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



Mr Matthew Hillman
Accounting Officer

19/12/2022

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees (who act as Governors of The Pears Family Charitable Foundation School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards [FRS 102] 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the Board of Trustees on 19/12/2022 and signed on its behalf by:



Prof John Cape
Trustee

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PEARS FAMILY
CHARITABLE FOUNDATION SCHOOL
FOR THE YEAR ENDED 31 AUGUST 2022**

Opinion

We have audited the accounts of The Pears Family Charitable Foundation School for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PEARS FAMILY
CHARITABLE FOUNDATION SCHOOL (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PEARS FAMILY
CHARITABLE FOUNDATION SCHOOL (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Auditor's responsibilities for the audit of the accounts

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

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

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risk related to overstated assets.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, review of correspondence with legal advisors, enquiries of management and testing of journals and evaluating whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PEARS FAMILY
CHARITABLE FOUNDATION SCHOOL (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Use of our report

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



**Colin Wright (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young**

20 December 2022

**Chartered Accountants
Statutory Auditor**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL AND
THE EDUCATION AND SKILLS FUNDING AGENCY
FOR THE YEAR ENDED 31 AUGUST 2022**

In accordance with the terms of our engagement letter dated 7 November 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Pears Family Charitable Foundation School during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Pears Family Charitable Foundation School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Pears Family Charitable Foundation School's funding agreement with the Secretary of State for Education dated 2 September 2014 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL AND
THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

The work undertaken to draw to our conclusion includes:

- Evaluation of the general control environment;
- Confirmation that the internal delegations have been approved by the governing body, and conform to the limits set by the Department for Education;
- Review of the declaration of interests to ensure completeness;
- Review of minutes for evidence of declaration of interest;
- A sample of payments has been reviewed to confirm that each item has been appropriately authorised in accordance with the academy trust's delegated authorities;
- A sample of cash payments were reviewed for unusual transactions;
- A sample of expenditure items were reviewed against specific terms of grant funding within the funding agreement;
- Formal representations have obtained from the governing body and the accounting officer acknowledging their responsibilities for matters relating to regularity and propriety.

Conclusion

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

UHY Hacker Young

Reporting Accountant

Dated: *20 December 2022*

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2022 £	Total 2021 £
Income and endowments from:						
Donations and capital grants	3	-	140,000	5,164	145,164	188,139
Charitable activities:						
- Funding for educational operations	4	-	1,586,042	-	1,586,042	1,500,779
Other trading activities	5	2,358	-	-	2,358	480
Total		2,358	1,726,042	5,164	1,733,564	1,689,398
Expenditure on:						
Charitable activities:						
- Educational operations	7	978	1,815,665	9,848	1,826,491	1,654,475
Total	6	978	1,815,665	9,848	1,826,491	1,654,475
Net income/(expenditure)		1,380	(89,623)	(4,684)	(92,927)	34,923
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	17	-	184,000	-	184,000	(20,000)
Net movement in funds		1,380	94,377	(4,684)	91,073	14,923
Reconciliation of funds						
Total funds brought forward		15,302	212,644	35,689	263,635	248,712
Total funds carried forward		16,682	307,021	31,005	354,708	263,635

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

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

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021	Notes	Unrestricted funds £	Restricted funds: General Fixed asset £ £	Total 2021 £	
Income and endowments from:					
Donations and capital grants	3	-	183,000	5,139	188,139
Charitable activities:					
- Funding for educational operations	4	-	1,500,779	-	1,500,779
Other trading activities	5	480	-	-	480
Total		480	1,683,779	5,139	1,689,398
Expenditure on:					
Charitable activities:					
- Educational operations	7	480	1,631,597	22,398	1,654,475
Total	6	480	1,631,597	22,398	1,654,475
Net income/(expenditure)		-	52,182	(17,259)	34,923
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	17	-	(20,000)	-	(20,000)
Net movement in funds		-	32,182	(17,259)	14,923
Reconciliation of funds					
Total funds brought forward		15,302	180,462	52,948	248,712
Total funds carried forward		15,302	212,644	35,689	263,635

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		21,387		16,712
Current assets					
Debtors	12	91,400		93,770	
Cash at bank and in hand		553,318		548,345	
		<u>644,718</u>		<u>642,115</u>	
Current liabilities					
Creditors: amounts falling due within one year	13	(257,397)		(203,192)	
Net current assets			387,321		438,923
Net assets excluding pension liability			408,708		455,635
Defined benefit pension scheme liability	17		(54,000)		(192,000)
Total net assets			<u>354,708</u>		<u>263,635</u>
Funds of the academy trust:					
Restricted funds	15				
- Fixed asset funds			31,005		35,689
- Restricted income funds			361,021		404,644
- Pension reserve			(54,000)		(192,000)
Total restricted funds			<u>338,026</u>		<u>248,333</u>
Unrestricted income funds	15		16,682		15,302
Total funds			<u>354,708</u>		<u>263,635</u>

The accounts on pages 26 to 49 were approved by the Trustees and authorised for issue on 19/12/22 and are signed on their behalf by:



Prof John Cape

Company registration number 08333607

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	18		14,332		(20,872)
Cash flows from investing activities					
Capital grants from DfE Group		5,164		5,139	
Purchase of tangible fixed assets		(14,523)		(12,553)	
Net cash used in investing activities			(9,359)		(7,414)
Net increase/(decrease) in cash and cash equivalents in the reporting period			4,973		(28,286)
Cash and cash equivalents at beginning of the year			548,345		576,631
Cash and cash equivalents at end of the year			553,318		548,345

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

The Pears Family Charitable Foundation School is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Donations

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

Donated goods, facilities and services

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included in expenditure under the relevant heading in the statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's policies.

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life. Where an asset is acquired part way through the year, a full years charge is applied as follows:

Leasehold Land and buildings	10 years
Computer equipment	3 years
Fixtures, fittings & equipment	5 years

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

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

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

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

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Financial liabilities

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

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

1.9 Taxation

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

1.10 Pensions benefits

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

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 projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

1.11 Fund accounting

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

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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

Restricted general funds comprise all other restricted funds received and include grants from the Education & Skills Funding Agency, a number of Local Authorities and the Anna Freud Centre.

2 Critical accounting estimates and areas of judgement

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical assumptions for LGPS

The present value of the Local Government Pension Scheme (LGPS) defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact on the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full triennial actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and the next full triennial actuarial valuation would impact on the carrying amount of the pension liability shown in these financial statements.

The ultimate responsibility for setting the assumptions is that of the Academy Trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The Academy Trust has, in practice with most employers, adopted the recommended actuarial assumptions following further consultation with its auditors to ensure these assumptions are reasonable and in line with those adopted by other academy trusts.

One of the key assumptions is the discount rate, which is the estimated rate of long-term investment returns. This year the discount rate of 4.3% is considerably higher than the rate of 1.7% used in 2021. Since a higher discount rate means assets will grow more rapidly in the future, this results in lower overall net liabilities.

This is the key driver for the swing that has resulted in the actuarial report and these financial statements showing a significantly reduced defined benefit liability from £192k to £54k during the year.

Critical areas of judgement

The trustees consider that they have not made any critical judgements in the preparation of the financial statements.

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Capital grants	-	5,164	5,164	5,139
Other donations	-	140,000	140,000	183,000
	-	145,164	145,164	188,139

During the year, The Pears Family Charitable Foundation School received a donation of £140,000 (2021: £183,000) from The Anna Freud Centre. This donation was received as follows: £40,000 (2021: £53,000) as a benefit in kind for two consultants 3 days a week, a research fellow & assistant once a month and support staff on an ad hoc basis; and £100,000 (2021: £150,000) as a donation to be used towards building works and support costs. At the year end there were no amounts receivable from the Anna Freud Centre (2021: £nil).

4 Funding for the academy trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
DfE/ESFA grants				
General annual grant (GAG)	-	369,781	369,781	360,000
Other DfE/ESFA grants:				
- UIFSM	-	-	-	205
- Pupil premium	-	4,455	4,455	9,324
- Others	-	187,142	187,142	207,741
	-	561,378	561,378	577,270
Other government grants				
Local authority grants	-	1,020,164	1,020,164	923,509
Other incoming resources	-	4,500	4,500	-
Total funding	-	1,586,042	1,586,042	1,500,779

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Other income	2,358	-	2,358	480

6 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2022 £	Total 2021 £
Academy's educational operations					
- Direct costs	1,082,133	-	115,975	1,198,108	1,067,748
- Allocated support costs	232,065	192,241	204,077	628,383	586,727
	1,314,198	192,241	320,052	1,826,491	1,654,475

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for audit services	11,850	11,300
Operating lease rentals	136,500	136,500
Depreciation of tangible fixed assets	9,848	22,398
Net interest on defined benefit pension liability	5,000	3,000

7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Direct costs				
Educational operations	978	1,197,130	1,198,108	1,067,748
Support costs				
Educational operations	-	628,383	628,383	586,727
	978	1,825,513	1,826,491	1,654,475

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

7 Charitable activities		(Continued)	
		2022	2021
		£	£
Analysis of support costs			
Support staff costs		232,065	188,758
Depreciation		9,848	22,398
Technology costs		18,648	17,267
Premises costs		182,393	179,287
Legal costs		4,620	2,273
Other support costs		168,007	160,146
Governance costs		12,802	16,598
		<u>628,383</u>	<u>586,727</u>
		<u><u>628,383</u></u>	<u><u>586,727</u></u>
 8 Staff			
Staff costs			
Staff costs during the year were:		2022	2021
		£	£
Wages and salaries		833,711	727,871
Social security costs		91,631	75,517
Pension costs		157,759	132,959
		<u>1,083,101</u>	<u>936,347</u>
Staff costs - employees		1,083,101	936,347
Agency staff costs		231,097	224,867
		<u>1,314,198</u>	<u>1,161,214</u>
Staff development and other staff costs		16,458	9,404
		<u>1,330,656</u>	<u>1,170,618</u>
Total staff expenditure		<u><u>1,330,656</u></u>	<u><u>1,170,618</u></u>

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Staff

(Continued)

Staff numbers

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

	2022 Number	2021 Number
Teachers	6	5
Administration and support	13	12
Management	4	3
	<u>23</u>	<u>20</u>

Higher paid staff

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

	2022 Number	2021 Number
£80,001- £90,000	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £362,875 (2021: £324,563).

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Trustees' remuneration and expenses

The head teacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of head teacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as Trustees. During the year, travel and subsistence payments totalling £nil (2021: £nil) were reimbursed to Trustees.

The value of Trustees' remuneration was as follows:

M Hillman (Head teacher and Trustee)

remuneration: £85,000 - £90,000 (2021: £85,000 - £90,000)

pension: £20,000 - £25,000 (2021: £20,000 - £25,000)

J Deasismont -Bennett (Staff Trustee)

remuneration: £55,000 - £60,000 (2021: £55,000 - £60,000)

pension: £nil (2021: £nil)

A Thompson (Staff Trustee)

remuneration: £55,000 - £60,000 (2021: £45,000 - £50,000)

pension: £10,000 - £15,000 (2021: £10,000 - £15,000)

10 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance is part of the risk protection arrangement that the school have undertaken with the ESFA. The cost and cover is not separately identifiable within this policy.

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Tangible fixed assets

	Leasehold Land and buildings £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 September 2021	11,485	88,759	14,409	114,653
Additions	9,166	5,357	-	14,523
Disposals	-	(24,125)	-	(24,125)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2022	20,651	69,991	14,409	105,051
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 September 2021	1,148	82,824	13,969	97,941
On disposals	-	(24,125)	-	(24,125)
Charge for the year	2,066	7,342	440	9,848
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2022	3,214	66,041	14,409	83,664
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 August 2022	17,437	3,950	-	21,387
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2021	10,337	5,935	440	16,712
	<hr/>	<hr/>	<hr/>	<hr/>

12 Debtors

	2022 £	2021 £
Trade debtors	-	10,500
VAT recoverable	12,473	12,733
Other debtors	4,452	4,511
Prepayments and accrued income	74,475	66,026
	<hr/>	<hr/>
	91,400	93,770
	<hr/>	<hr/>

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	34,904	23,362
Other taxation and social security	22,596	-
Other creditors	1,056	-
Accruals and deferred income	198,841	179,830
	<u>257,397</u>	<u>203,192</u>

Included within accruals and deferred income is an ESFA creditor of £60,000 (2021: £60,000). This relates to a potential clawback on funding for the 2016/17 financial year.

14 Deferred income

	2022	2021
	£	£
Deferred income is included within:		
Creditors due within one year	50,146	41,545
	<u>50,146</u>	<u>41,545</u>
Deferred income at 1 September 2021	41,545	95,000
Released from previous years	(41,545)	-
Resources deferred in the year	50,146	(53,455)
	<u>50,146</u>	<u>41,545</u>
Deferred income at 31 August 2022	<u>50,146</u>	<u>41,545</u>

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

15 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	404,644	369,781	(413,404)	-	361,021
Pupil premium	-	4,455	(4,455)	-	-
Other DfE/ESFA grants	-	187,142	(187,142)	-	-
Other government grants	-	1,020,164	(1,020,164)	-	-
Other restricted funds	-	144,500	(144,500)	-	-
Pension reserve	(192,000)	-	(46,000)	184,000	(54,000)
	<u>212,644</u>	<u>1,726,042</u>	<u>(1,815,665)</u>	<u>184,000</u>	<u>307,021</u>
Restricted fixed asset funds					
DfE group capital grants	<u>35,689</u>	<u>5,164</u>	<u>(9,848)</u>	<u>-</u>	<u>31,005</u>
Total restricted funds	<u>248,333</u>	<u>1,731,206</u>	<u>(1,825,513)</u>	<u>184,000</u>	<u>338,026</u>
Unrestricted funds					
General funds	<u>15,302</u>	<u>2,358</u>	<u>(978)</u>	<u>-</u>	<u>16,682</u>
Total funds	<u>263,635</u>	<u>1,733,564</u>	<u>(1,826,491)</u>	<u>184,000</u>	<u>354,708</u>

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

General Annual Grant

The General Annual Grant must be used for normal running costs of the Academy including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Due to the specialist nature of the school, GAG mainly comprises of High Needs Funding.

Other DfE/ESFA and government grants

Other grants include funding received from the DfE and Local Education Authorities for specific purposes.

Fixed asset fund

The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible fixed assets.

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

15 Funds

(Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	314,462	360,000	(269,818)	-	404,644
UIFSM	-	205	(205)	-	-
Pupil premium	-	9,324	(9,324)	-	-
Other DfE/ESFA grants	-	207,741	(207,741)	-	-
Other government grants	-	923,509	(923,509)	-	-
Other restricted funds	-	183,000	(183,000)	-	-
Pension reserve	(134,000)	-	(38,000)	(20,000)	(192,000)
	<u>180,462</u>	<u>1,683,779</u>	<u>(1,631,597)</u>	<u>(20,000)</u>	<u>212,644</u>
Restricted fixed asset funds					
DfE group capital grants	<u>52,948</u>	<u>5,139</u>	<u>(22,398)</u>	<u>-</u>	<u>35,689</u>
Total restricted funds	<u>233,410</u>	<u>1,688,918</u>	<u>(1,653,995)</u>	<u>(20,000)</u>	<u>248,333</u>
Unrestricted funds					
General funds	<u>15,302</u>	<u>480</u>	<u>(480)</u>	<u>-</u>	<u>15,302</u>
Total funds	<u>248,712</u>	<u>1,689,398</u>	<u>(1,654,475)</u>	<u>(20,000)</u>	<u>263,635</u>

16 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	21,387	21,387
Current assets	16,682	618,418	9,618	644,718
Current liabilities	-	(257,397)	-	(257,397)
Pension scheme liability	-	(54,000)	-	(54,000)
Total net assets	<u>16,682</u>	<u>307,021</u>	<u>31,005</u>	<u>354,708</u>

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	16,712	16,712
Current assets	15,302	607,836	18,977	642,115
Current liabilities	-	(203,192)	-	(203,192)
Pension scheme liability	-	(192,000)	-	(192,000)
Total net assets	15,302	212,644	35,689	263,635

17 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of both schemes related 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

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for teachers in academies. All teachers have the option to opt out of the TPS following enrolment.

The teachers' pension budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members and the employer make contributions, as a percentage of salary. – these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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

The employer's pension costs paid to the TPS in the period amounted to £92,768 (2021: £72,501).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are between 5.5% and 12.5% for employees and 12.4% for employers.

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

Total contributions made	2022 £	2021 £
Employer's contributions	25,000	27,000
Employees' contributions	10,000	10,000
Total contributions	35,000	37,000
Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	4.3	4.3
Rate of increase for pensions in payment/inflation	2.9	2.9
Discount rate for scheme liabilities	4.3	1.7
Inflation assumption (CPI)	2.8	2.8

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Pension and similar obligations

(Continued)

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

	2022	2021
	Years	Years
Retiring today		
- Males	24.3	22.8
- Females	27.2	25.3
Retiring in 20 years		
- Males	22.8	24.3
- Females	25.3	27.2

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

	2022	2021
	Fair value	Fair value
	£	£
Equities	86,000	85,000
Bonds	13,000	21,000
Property	32,000	24,000
Cash	23,000	1,000
Other assets	31,000	21,000
Total market value of assets	185,000	152,000

The actual return on scheme assets was £3,000 (2021: £nil).

Amount recognised in the Statement of Financial Activities

	2022	2021
	£	£
Current service cost	66,000	62,000
Past service cost	-	4,000
Interest income	(2,000)	(1,000)
Interest cost	6,000	3,000
Benefit changes, curtailments and settlements gains or losses	-	(5,000)
Administration expenses	1,000	1,000
Total operating charge	71,000	64,000

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Pension and similar obligations		(Continued)	
Changes in the present value of defined benefit obligations		2022	2021
		£	£
At 1 September 2021		344,000	234,000
Current service cost		66,000	62,000
Interest cost		7,000	(8,000)
Employee contributions		10,000	10,000
Actuarial (gain)/loss		(187,000)	48,000
Benefits paid		(1,000)	(6,000)
Past service cost		-	4,000
At 31 August 2022		239,000	344,000
Changes in the fair value of the academy trust's share of scheme assets		2022	2021
		£	£
At 1 September 2021		152,000	100,000
Interest income		2,000	1,000
Actuarial loss/(gain)		(3,000)	20,000
Employer contributions		25,000	27,000
Employee contributions		10,000	10,000
Benefits paid		(1,000)	(6,000)
At 31 August 2022		185,000	152,000

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Reconciliation of net (expenditure)/income to net cash flow from operating activities

	Notes	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		(92,927)	34,923
Adjusted for:			
Capital grants from DfE and other capital income		(5,164)	(5,139)
Defined benefit pension costs less contributions payable	17	41,000	35,000
Defined benefit pension scheme finance cost	17	5,000	3,000
Depreciation of tangible fixed assets		9,848	22,398
Decrease/(increase) in debtors		2,370	(10,610)
Increase/(decrease) in creditors		54,205	(100,444)
Net cash provided by/(used in) operating activities		14,332	(20,872)

19 Analysis of changes in net funds

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	548,345	4,973	553,318

20 Long-term commitments

Operating leases

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

	2022 £	2021 £
Amounts due within one year	136,500	136,500
Amounts due in two and five years	758,333	667,333
Amounts due after five years	4,019,167	4,383,167
	4,914,000	5,187,000

The academy moved to new premises in 2019. The lease for the new building was finalised in April 2020 and has a term of 25 years. Any rental or lease payments due under the lease, will be met by the DfE, and not by the trust.

THE PEARS FAMILY CHARITABLE FOUNDATION SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Related party transactions

During the year, The Pears Family Charitable Foundation School received a donation of £140,000 (2021: £180,000) from The Anna Freud Centre, the sponsor of the Trust. This donation was received as follows: £40,000 (2021: £50,000) as a benefit in kind for the two consultants 2 days a week, a senior school leader support 1 day a week and a clinician 1 day a week; and £100,000 (2021: £130,000) as a donation towards building works, ICT and support costs. The Anna Freud Centre also paid £4,500 (£3,000) for student placements amounting to £1,500 per each of the 3 (2021: 2) students placed. At the year end, no amounts were due from The Anna Freud Centre (2021: £nil).

The gift in kind has been recognised at its open market value in the period in which it was receivable as incoming resources and was measured reliably using the staffs contracted pay grades. An equivalent amount has been included within expenditure in line with the school's accounting policy.

During the year, the Trust provided a season ticket loan of £4,452 (2021: £4,288) to Mr Matthew Hillman, the Executive Head Teacher. As at year end, £4,452 (2021: £4,288) is receivable from him.

22 Members' liability

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