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## **THE FIRS LOWER SCHOOL**

**(A Company Limited by Guarantee)**

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### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022**

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

The Academy Trust operates an academy for pupils aged 2 to 9 serving a catchment area to the west and south of Amphill. It has a pupil capacity of 373 and had a roll of 328 in the school census on 6 October 2022.

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

##### **a. Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy Trust.

The Governors of The Firs Lower School are also the directors of the charitable company for the purpose of company law.

The charitable company is known as The Firs Lower School.

##### **b. 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.

##### **c. Trustees' indemnities**

In accordance with normal practice the Academy has purchased insurance to protect the Governors and officers from claims arising from negligent acts, errors or omissions whilst on Academy business. The cover under the policy is £5 million and in the period under review no sums were paid out.

##### **d. Method of recruitment and appointment or election of Trustees**

The Governing Body comprises of 4 members, and 8 Trustees (1 of which is also a member as well as Vice Chair), 5 Trustees have been appointed by the board (3 are also co-opted parents), 1 elected parent, a staff member and the Headteacher. Additional Governors can be appointed under Article 62, 62A or 68A of the Articles of Association and further Governors under Article 63 or 68A.

The co-opted Governors are appointed by the Members of the Academy Trust. The Parent Governors are elected by the parent body of the School. The Staff Governors are elected by the School's staff. Individuals may request to join the Governing Body and the Members of the Academy Trust may decide to invite one of these individuals to join should a vacancy arise.

##### **e. Policies adopted for the induction and training of Trustees**

All Governors undertake training as appropriate to their work at the School. New Governors will be provided with an induction programme. A log is kept of all Governor training and reviewed on a regular basis at the full Governing Body meetings.

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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#### Structure, governance and management (continued)

The Governors, who are also the Charity Trustees, are responsible for the overall management and control of the School and meet at least three times a year. The work of reviewing and monitoring most policies is delegated to the members of the Committees as outlined below. They all work under the chairmanship of a Governor appointed at the first committee meeting in each academic year. Terms of reference of these committees are agreed annually at these meetings. The Clerk to the Governors co-ordinates the work of the Governors and their Committees, prepares agendas and papers and reviews matters arising. The Business Manager prepares the accounts on behalf of the Governors.

All Governors give their time to the role freely, no remuneration was paid to Governors, other than Staff Governors, and no expenses were paid in the period.

#### f. Organisational structure

The Governors determine the general policies of the School. The day to day running of the School is delegated to the Headteacher, supported by the Senior Leadership Team. The Headteacher undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the Senior Leadership Team. The day to day administration is undertaken within the policies and procedures approved by the Governors. Only significant expenditure decisions and major capital projects should be referred to the Governors for prior approval. The Headteacher, (who is the Accounting Officer) a Staff Trustee, attends all Governing Body meetings. The Assistant Headteacher, the Office Manager and the Business Manager are invited to attend subcommittee meetings as appropriate.

Associate Governors attend Governors meetings by nature of their role in the Academy but do not have any voting rights and are not full Governors nor therefore directors under the Companies Act, Members of the company or Trustees of the Academy Trust.

#### Governor Committee Structure

Each of the sub-committees can make recommendations that must be endorsed by the Full Governing Board. The Committees and the Full Board meet at least three times per year.

#### The Governing Body

The Governing Body will take a strategic role, act as a critical friend to the School and be accountable for its decisions. It will set the vision and key goals and agree, monitor and review policies, targets and priorities.

The duties of the governing Body are as follows:

1. The conduct of the school (i.e. ethos, appearance, attitudes, level of parental support etc.) is under the direction of the Governors. The Headteacher is responsible for the internal organisation and management of the school and the Governing Body has ultimate responsibility for the implementation of the curriculum and its delivery.
2. The Governors must try to ensure that the right provision is made for students with special educational needs.
3. The Governors must have a policy on whether and how sex education should be provided at the school.
4. The Governors must decide how the school's delegated budget is spent, and ensure that accurate accounts are kept.
5. The Governors must approve the school's staffing structure. They can recommend dismissal of staff and should set out disciplinary rules and procedures. They can use their discretion over the award of incentive

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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#### Structure, governance and management (continued)

allowances.

6. Discipline: The Governors must approve the school behaviour policy and must hear any appeals by parents against exclusion.
7. The Governors control the use of premises outside school time and should periodically inspect the premises and keep the LEA informed as to the condition and state of repair under the terms of a 125 year lease.
8. To agree constitutional matters including procedures where the Governing Body has discretion, as follows:
  - To recruit new members as vacancies arise and to appoint new governors where appropriate. To hold at least three Governing Body meetings a year;
  - To appoint or remove the Chair and Vice Chair;
  - To appoint or remove a Clerk to the Governing Body;
  - To establish the committees of the Governing Body and their terms of reference. To appoint the Chair of any committee;
  - To appoint or remove a Clerk to each committee. To suspend a Governor;
  - To decide which functions of the Governing Body will be delegated to committees, groups and individuals;
  - To receive reports from any individual or committee to whom a decision has been delegated and to consider whether any further action by the Governing Body is necessary;
  - To provide final approval of the budget plan as recommended by the Environment and Finance Sub-committee;
  - To review Health and Safety issues and recommendations referred to the Governing Body by the Environment and Finance sub-committee;
  - To review the delegation arrangements annually;
  - To agree, by early in the autumn term, the programme of work and calendar of meetings for the Governing Body and its committees for the school year, based on known cycles of school improvement, financial management, staffing issues and communicating with parents;
  - To monitor the progress of work being undertaken by committees and individuals;
  - To consider recommendations made by committees with regard to the working of the Governing Body;
  - To establish and keep under review, the Governing Body 'Protocols' and 'terms of reference'; To establish and keep under review arrangements for Governors' visits to school;
  - To oversee arrangements for Governor involvement in formulating and monitoring the School Development Plan, the Ofsted SEF and School Profile;
  - To conduct reviews of the performance of the Governing body using an appropriate 'Governor HealthCheck' process;
  - To make recommendations to the Governing Body to establish working parties where particular circumstances arise e.g. a joint committee to oversee a building project or a special committee to oversee an Ofsted inspection; and
  - To be available and respond to matters of particular difficulty, sensitivity or emergency and offer advice to the Headteacher.

The following Committees are sub-committees of the Governing Body.

#### *Environment and Finance committee*

- To assist the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity.
- To make appropriate comments and recommendations on such matters to the Governing Body on a regular basis.

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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#### Structure, governance and management (continued)

##### *Staff Pay Committee*

The Staffing Committee on Pay shall consider and decide upon all matters relating to staff pay as part of the annual review process in accordance with the whole school salary policy agreed by the Governing Body in respect of the following staff: school teachers; NJC Local Government Services Staff; any other staff as determined by the Governing Body.

##### *Hearings Committee*

- To make any determination to dismiss any member of staff.
- To make any decisions under the Governing Body's personnel procedures (e.g. disciplinary, grievance, capability) where the Headteacher is the subject of the action.
- To make any decisions relating to any member of staff other than the Headteacher, under the Governing Body's personnel procedures and pay policy.
- To make any determination or decision under the Governing Body's General Complaints Procedure for Parents and others.
- To make any determination or decision under the Governing Body's Curriculum Complaints Procedure, in respect of National Curriculum applications, and the operation of the Governing Body's charging policy.

##### *Appeals Committee*

- To consider any appeal against a decision to dismiss a member of staff made by the Hearings Committee.
- To consider any appeal against a decision short of dismissal under the Governing Body's personnel procedures (e.g. disciplinary, grievance, capability).
- To consider any appeal against selection for redundancy.
- To consider any appeal against a pay decision.

##### *Pupil Discipline Committee*

- To consider representations from parents in the case of exclusions of 5 days or less (Committee may not re-instate).
- To consider representations from parents in the case of exclusions totalling more than 5 but not more than 15 school days in one term (meeting to be held between 6th and 15th school days after receiving notice of the exclusion).
- To consider the appropriateness of any permanent exclusion or any exclusion where one or more fixed period exclusions total more than 15 school days in one term or where a pupil is denied the chance to take a public examination (meeting to be held between 6th and 15th school days after receiving notice of the exclusion).

##### *Curriculum Committee*

- To consider and advise the Governing Body on standards and other matters relating to the school's curriculum, including statutory requirements and the School's Curriculum Policy and Teaching and Learning Policy.
- To consider curricular issues which have implications for Finance and Personnel decisions and to make recommendations to the relevant committees or the Governing Body.
- To ensure that children's enjoyment of lessons is an integral part of all curriculum planning.
- To oversee the analysis annually of test data and pupil assessment and make recommendations to the Governing Body as appropriate.
- To ensure that all curricular improvements required by Ofsted are implemented. To review annually the School Prospectus.

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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#### Structure, governance and management (continued)

- To review annually the School Profile.
- To make arrangements for the Governing Body to be represented at School Improvement discussions with the SIP and for reports to be received by the Governing Body.
- To oversee arrangements for individual Governors to take a leading role in specific areas of provision, e.g. SEND, Literacy, Numeracy and Curriculum Leadership Groups. To receive regular reports from them and advise the Governing Body.
- To oversee arrangements for educational visits, including the appointment of a named co-ordinator (EVC).

#### *HR and Change Committee*

- To draft and review annually the staffing structure, in consultation with the Headteacher and the Environment and Finance Committee.
- To oversee the selection and appointment procedure for all staff.
- To oversee and review termly, the school's safeguarding procedures, including the implementation of the Child Protection and Safer Recruiting policies.
- To establish and review a Performance Management policy for all staff. To oversee the process leading to staff reductions.
- To keep under review staff work/life balance, working conditions and well-being, including the monitoring of absence.
- To make recommendations on personnel related expenditure to the Environment and Finance Committee.
- To ensure that DfE regulatory and guidance documents are implemented appropriately in the school, with specific reference to the role assigned to the Governing Body.

#### *Headteacher's Performance Review group*

- To arrange to meet with the External Adviser and School Improvement Partner to discuss the Headteacher's performance targets.
- To decide, with the support of the External Adviser and School Improvement Partner, whether the targets have been met and to set new targets annually.
- To monitor through the year the performance of the Headteacher against the targets.
- To make recommendations to the Environment and Finance Committee in respect of awards for the successful meeting of targets set.

#### **g. Arrangements for setting pay and remuneration of key management personnel**

The Governors of the Academy do not receive any remuneration in respect of their roles as Governors. Staff Governors are only remunerated as a result of their employment by the Academy Trust.

The Academy follows Bedford Borough's Pay Policy for support staff following national NJC and Senior Management pay grades and terms and conditions. For teachers and senior leaders the Academy follows the national pay scales and progression/increment policy linked to performance management.

Performance reviews are carried out by Adam Campbell, Headteacher and Kerry Mercer, Deputy Headteacher. Any changes in pay as a result of these reviews go to the HR and Change Committee. The Headteacher's performance is reviewed by the School Improvement Partner and recommendations are made by them to the Chair of Governors and presented to the HR and Change Committee.

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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#### Objectives and activities

##### a. Objects and aims

The Firs Lower School's objects are specifically restricted to the following:

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

To promote, for the benefit of the inhabitants of Ampthill and the surrounding area, the provision of facilities for recreation or other leisure time occupation, of individuals who have need of such facilities by reason of their youth age, infirmity or disablement, financial hardship or social welfare and with the object of improving the condition of life of the said inhabitants.

##### b. Objectives, strategies and activities

The School has identified the following key development areas:

1. Quality first teaching and Covid Recovery.

-Key Focus Area 1

- To ensure a return to the highest standards of classroom provision
- To monitor and support vulnerable pupils to enable them to achieve well

2. Developing the curriculum and Curriculum leadership

-Key Focus Area 2

Part 1 - To fully implement the Firs Scheme of Work

- Planning fully covers the SoW
- Teachers have a good awareness of previous / future objectives
- Assessment systems are fully implemented

Part 2 - Developing The Role of the Subject Leader.

- Clear planning for monitoring
- Efficient and effective evidence collection
- Accurate conclusions drawn
- Confidence in how to move forward and how to communicate SL knowledge

3. Developing The Saplings Pre School and EYFS provision

-Key Focus Area 3

Part 1 - To establish a strong pre-school provision, adopting appropriate features of the best practice from Pine.

- Successful provision established with growing numbers
- Evidence of improving quality of provision offered
- Sense of continuity with existing Foundation Stage provision.

Part 2 - Further embedding new curricular and assessment arrangements

- Baseline aut21 delivered and used well.
- New curriculum implemented and action points from DM review implemented
- Review of Ofsted EYFS framework completed

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#### Objectives and activities (continued)

##### c. Public benefit

In setting the Academy's objectives and planning its activities, the Governing Body have given careful consideration to the Charity Commission's general guidance on public benefit. The Academy Trust's object is specifically restricted to the following:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, continuing, managing and developing a school offering a broad and balanced curriculum.
- To promote for the benefit of the inhabitants of Ampthill and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social welfare and with the object of improving the condition of life of the said inhabitants.

#### Strategic report

##### Achievements and performance

##### a. Key performance indicators

##### The Curriculum and standards

##### I Intent

1. The Firs has always ensured that the curriculum is designed to meet the needs of all learners including the most able and vulnerable learners (including SEND and disadvantaged pupils) with the following key drivers agreed by all stakeholders:
  - a. To develop our children's view of themselves as successful learners and to help them to develop stamina and robustness in embracing challenge.
  - b. To inculcate our agreed values in our children and develop key personal skills to enhance teamwork, communication skills, independence and confidence.
  - c. To ensure that children develop a sound grasp in all the key aspects on literacy and numeracy, with a passionate focus on all children being fluent readers who take a pleasure in reading.
  - d. To help children to see themselves as successful writers by providing an appropriate and exciting range of purposeful writing opportunities that develop their skills and inspire them to write.
  - e. To encourage mathematical thinking, so that children can talk about their learning, demonstrating a good level of maths fluency and independently finding ways to record.
  - f. To cover all aspects of the curriculum in a stimulating way, by giving children a rich and varied range of experiences, including the use of IT resources.
  - g. To make sure that all our children develop an appreciation of the natural world, the threats it faces and the need for care and stewardship.
2. The school ethos promotes equal opportunities, high expectations and positive attitudes to learning as embodied by our 'Growth Mindset' learning culture. (Monitoring data)
3. The curriculum provides imaginative & stimulating learning opportunities that ensure pupils experience and have the opportunity to value music, artists, stories etc. including those from different times and places to support the delivery of the 'cultural capital' we wish children to experience. The Redborne Upper School Sports Partnership has contributed very successfully to the curricular and extra-curricular provision for pupils. (Photographic evidence on website and Sports Premium Review 19/20, 20/21 and 21/22). Visitors, themed days / weeks provide memorable and enjoyable experiences that make learning a joyful and enriching experience. (Photographic evidence).
4. There is a passionate focus on working to ensure all children read fluently and at an age appropriate level or beyond, which is greatly supported by the RWI literacy programme, that provides a rigorous and

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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#### Strategic report (continued)

#### Achievements and performance (continued)

carefully sequenced approach. This focus leads to very good outcomes for learners. (See monitoring data and SEF Section B3).

5. The school curriculum is designed to ensure the coverage of the national curriculum, with additional elements such as Forest Schools and Eco themed work and additional enrichment aspects such as the Grafham Water Residential visit in Y4 and drama productions (to support statement b and f).
6. Between September 18 and summer 20, a sharper focus on the key determining factors behind the design of our curriculum in first Science then the foundation subjects was undertaken. There is now a clear picture of what we want the 'intent' to be, and the review of each area of the curriculum has ensured that we can more effectively achieve the highly successful outcomes desired for our learners. (See SDP 20/21, and Firs Scheme of Work.

#### II Implementation

7. The school sets out clear guidelines to staff to reinforce and make explicit to all, the agreed vision for approaches to teaching in the school and the expected standards we expect to maintain. (20/21 and 21/22 SDP and 'Expected Practice Guide').
8. Teachers' good subject knowledge, careful planning and use of strategies to include, challenge and engage all pupils, ensure a good pace of learning.
9. The focus has been on supporting subject leaders with appropriate professional development in order for them to be able to carry out their role effectively determining the strengths and areas for improvement in each subject area.
10. Teachers' good knowledge of the National curriculum ensures accurate and effective coverage. (Long Term and Medium term planning records)
11. Subject matter including learning objectives and success criteria, are used successfully and presented clearly, to communicate to children the key facts and skills involved in an aspect of learning and how to achieve well. (Monitoring evidence)

#### III Impact

12. Standards in literacy lessons are good overall. Conclusions from monitoring in 21/22 indicated that tasks were varied and pitched appropriately and that in writing lessons, children were engaged by stimulating factors such as linking to their own everyday experiences in Y1, in the fairy tale writing in Y2, the development of a dragon theme and the designing a tree-house work in Y3 and Iron Man and Leon and The Space Between inspired writing in Y4. In these lessons there was good evidence of a development of children's knowledge and skills. Work on enhancing the provision for handwriting and spelling has been interrupted by Covid disruption and will continue next year. In addition, disruption caused by Covid has had a considerable impact on standards. There will therefore be a major focus on enhancing writing outcomes next year.
13. Covid has led to a reduction in the numbers of children achieving GDS in reading. In addition classroom observation, along with discussions with teachers, pupils and our SIP, indicates that there needs to be a focus on enhancing the provision for teaching reading in KS2, for children beyond RWI, to motivate children to read, to increase progress in fluency and in the development of comprehension skills. We feel that we can learn from the benefits we have seen in the highly structured RWI programme and we wish to use this as a model for further enhancing our approach to reading in KS2.
14. Standards in numeracy are good. Children were engaged in a diverse range of activities and they demonstrated a good grasp of related knowledge and skills. Where practice was best, equipment was used effectively to support learning and to provide strong visual images / practical demonstrations of key concepts. (For example bead bars and counting sticks being used very effectively in oral mental starters). There was a very good progression of skills seen and support / challenge was effective in the majority of lessons seen. Improvement was seen in the delivery of the oral mental starter (Monitoring evidence). Improvement was seen in ensuring consistently high standards in planning. Despite the interruption caused by Covid, the number of pupils attaining expected levels has not been greatly affected, although numbers at GDS are below the school's average and this will be a focus next year. (See point 10 below



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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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#### Strategic report (continued)

##### Achievements and performance (continued)

- and SDP 22/23)
15. YR pupils achieved well in 17/18:
- % Achieving a GLD - 76% 2018
16. In 18/19 the YR cohort had a larger number of pupils than normal for The Firs with emotional, social and communication issues (see 18/19 Baseline) but with close and appropriate support, achieved well given the context of these issues:
- % Achieving a GLD - 70%
  - % Expected+ Reading 81%, Writing 74%, Numbers 78%, SSM 83%
17. YR pupils achieved well in 21/22:
- % Achieving a GLD - 75% 2022
18. Children have achieved very highly in the Y1 Phonics over the last three years:
- In 2018 96% passed, (letter from Nick Gibb indicating school was in top 7% of schools) and 96% again in 2019
  - In 2022 91% passed (despite the impact of Covid) and if 2 pupils who joined the school in the summer term with very few sounds known are removed from the data, the outcome would have been 94%).
19. Children have achieved well at the end of KS1 over the last few years, with a dip in 2022 linked with Covid disruption:

		% Expected +		
Subject	2018	2019	2022	National 2019
Reading	77%	82%	75%	75%
Writing	70%	79%	56%	69%
Maths	77%	84%	79%	76%

20. The cohort in 2018 contained a larger number of pupils than normal for The Firs with emotional, social and behavioural issues but made good progress despite this. In 2019 the %Expected or better is well above National in all areas.

		% GDS		
Subject	2018	2019	2022	National 2019
Reading	37%	46%	33%	25%
Writing	12%	30%	2%	15%
Maths	28%	39%	21%	22%

21. Appropriate Induction arrangements from our pre school The Saplings and other local settings, ensure children in Pine (YR) settle in quickly, feel safe and secure in school and make good progress with their learning. (Parent Forum feedback).
22. Other internal arrangements ensure a smooth transition to the next year group. In Y4, a careful transition programme is designed to familiarise children with the middle school and to help prepare them for the change. (FARM transition arrangements).
23. Pupil's work is of a good quality and demonstrates that children persevere with tasks and make good progress in lessons. (Monitoring data)
- In science, there was growing evidence of progress over time, as illustrated by the achievement of the Primary Science Quality Mark, with an increase in the quality and quantity of work produced. There was also growing evidence of appropriate challenge in science, despite interruptions due to Covid. Work in 22/23 will include refining approaches to the provision of challenge in Y1, developing opportunities for children to experience science capital across the school and developing more consistent approaches to the use of scientific vocabulary. (SDP 22/23).
24. The 2022 parent questionnaire indicated that most parents (85%) felt that their child did well at the Firs and very few (3%) disagreed.

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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#### Strategic report (continued)

#### Achievements and performance (continued)

##### b. Going concern

After making appropriate enquiries, the Governing Body 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 and in guidance from the Financial Reporting Council.

#### Financial review

The Academy had a satisfactory financial period to 31 August 2022 with a total income of £1,539,727 and expenditure of £1,713,155 and a net profit of £2,558,628. There is a brought forward deficit arising on the restricted funds amounting to £889,723 but this includes pension adjustments of £1,019,000 arising from the LGPS pension actuarial valuation. This year the restricted funds has a surplus of £73,937.

Most of the Academy Trust's income is obtained from the Department of Education via the Education and Skills Funding Agency in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the Department of Education during the period ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities and the grants received are detailed in note 4 to the financial statements.

Any surplus funds are swept nightly into a Liquidity Select bank account earning interest. No further Investment activities are undertaken.

Throughout the year there were a number of areas that the Governors considered/ratified, as follows:

A review of our reserves and a decision made about what investment could be made towards 2 CIF bids, one for electrical work and the other for new windows.

Continued to review the Finance Risk Assessment and register in light of the challenges faced by continued Covid absences and increased costs due to inflation, energy prices and forecasted pay increases.

Reviewed the budget against teacher headcount and falling pupil numbers.

Discussed and changed charging structure for Kids Club / Saplings / lettings and school meals to reflect the increased costs that we face.

The completed Internal Scrutiny report was received by the Governors in July 2022, and recommendations were discussed.

Received various policies in line with the E&F policy review structure.

The Governors considered the top 10 Governors musts at the June 2022 E&F meeting

The final forecast for the year ended 31 August 2022 was reviewed in detail within the Environment and Finance Committee 5 July 2022 along with a 3 year budget plan going forward.

The principal risks and uncertainties going forward are that there will be insufficient funding to cover the increased costs that we are forecasting. These increased costs include, inflation, energy costs, teachers' pay increases and NJC pay increases. To manage these risks we will take a cautious approach to expenditure and will discuss and review any employee changes or employee recruitment. We will ensure that purchases are

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#### Strategic report (continued)

made considering best value for money. We have a school energy reduction plan outlining steps we are taking to reduce our energy consumption.

The Firs Lower School PTFA continues to support the school by raising money throughout the year by holding various fundraising events. The school then makes requests to the PTFA to support specific purchases or projects. The School Business Manager will continue to ask for funding from various external organisation to contribute towards school projects, the current project being the development of The Saplings outdoor area.

The negative financial impact of Covid on the year ending 31 August 2022 was predominantly due to increased staff absence levels. This has resulted in an increase in cost for cover and supply staff.

#### a. Reserves policy

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. This applies particularly to funds earmarked for future capital projects. The level of reserves will be kept under review by the Governors. The Governors have the reserves policy as a standing item within the Environment and Finance Committee. Reserves at the end of the period 31 August 2022 were £2,558,628 comprising £73,937 of restricted general funds, £188,501 of unrestricted general funds and £2,296,190 of restricted fixed asset fund.

The restricted funds will be spent in accordance with the terms of the particular grants or funding received. Unrestricted funds are for use of the general purpose of the Academy and future capital projects, at the discretion of the Governors.

At 31 August 2022 the total funds comprised:

Unrestricted		188,501
Restricted:	Fixed asset funds	2,296,190
	Pension reserve	NIL
	Other	73,937
		<hr/>
		2,558,628
		<hr/>

#### b. Investment policy

The School's Investment Strategy is:

1. Regularly monitor cash flow and current/fund account balances to ensure immediate financial commitments can be met (payroll and payments runs) and that the accounts have adequate balances to meet forthcoming commitments.
2. Funds surplus to immediate cash requirements (set at £10k) are transferred nightly to the School's liquidity deposit account bearing a higher interest rate.
3. Periodically review interest rates and compare with other investment opportunities.
4. The School's current policy is to only invest funds in risk free and immediately accessible deposit accounts.

Any change in policy requires the approval of Governors via the E&F committee.

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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#### c. Principal risks and uncertainties

The Governors conduct an annual review of the major financial risks to which the Academy Trust is exposed.

The Governors are responsible for oversight of the financial risks faced by the School. Detailed considerations of risk are delegated to the Headteacher and School Business Manager. Risks were identified, assessed and controls established throughout the period with 3 reviews being submitted to the Environment and Finance Committee in October 2021, February 2022 and May 2022. The Governors were satisfied that the actions agreed to mitigate these risks gave assurance that they could be adequately managed.

The major financial risks identified by the Trust for over the period September 2021 to August 2022 were:

- Risk that in year budget for 22/23 & 23/24 will be in deficit due to reduced pupil numbers.
- Risk that the budget will be in deficit for the current year.
- Risk that we will have a loss of income for Kids' Club fees due to Covid 19 closures going forward.
- Risk that Preschool could go into deficit in year due to the loss of fee paying income due to Covid closure.
- Risk that there will be no additional funding to support with increased energy costs.
- Risk of unauthorised access to systems (cyber fraud).
- Risk of inflation increases.

Risk is managed under the headings of strategic and reputational risks, operational risks, compliance risks and financial risks as recommended by the DfE's Academy Financial Handbook. Through the risk management processes that are formalised by the School, the Governors are satisfied that the major finance risks identified will be adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks will be adequately managed.

#### d. Financial risk management objectives and policies

The financial risks the Academy faces are mitigated by the fact that they relate largely to bank balances, cash and trade creditors, with limited trade (and other) debtors.

#### Fundraising

The school does not use any external fundraisers. All fundraising is undertaken by The Parent Teacher Association.

#### Plans for future periods

The Governors intend to continue their current strategies of improving the School's reputation by aiming to provide excellent education for all students. Achieving high standards in academic results is a constant aim whilst maintaining the breadth and depth of the wider curriculum, to develop the whole child. The Headteacher and Senior Leadership Team continue to review the curriculum and standards in teaching and learning, to ensure that the education provided remains appropriate for our students' development.

Our future plans are financed from income direct from the ESFA, related to student numbers and other factors. Governors will ensure funding is invested appropriately for the next generation of students as they have done in the past for current students. Maintaining, and where necessary, developing the fabric of the facilities and updating internal fixture and fittings with sustainability and the environment in mind. The development and growth of The Saplings preschool is central to our strategy to ensure an outstanding provision for 2-9 year olds. The school has also been able to extend its availability of wrap around care with provision available from 7.50am to 6pm for 2-9 year olds. This will be a great help to the increasing number of working parents.

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## THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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

No such funds are held by The Firs Lower School.

#### Disclosure of information to auditors

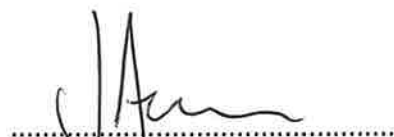
Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- that 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 auditors are aware of that information.

#### Auditors

The auditor, MHA Macintyre Hudson, has indicated its willingness to continue in office. The Governors will propose a motion re-appointing the auditor at a meeting of the Governors.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on \_\_\_\_\_ and signed on its behalf by:



**Mr John Ashley**  
Chair of Trustees

Date: 15/12/22