

PENRYN COLLEGE
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



PENRYN COLLEGE
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	F Bridgwood (appointed 20 September 2021) M Ransom (appointed 20 September 2021) R Brook (appointed 20 September 2021) P Walker (resigned 20 September 2021) C Kendle (appointed 8 December 2021) J Roberts (appointed 8 December 2021, resigned 3 August 2022)
Trustees	M Parsons P Walker, Accounting officer (resigned 31 August 2022) T Schouten, Accounting officer (appointed 1 September 2022) J Roberts, Chair to 31 August 2022 (resigned 3 August 2022) C Ansell (resigned 22 July 2022) R Rawley E Brooks G Harries, Staff Trustee (resigned as Staff Trustee 17 September 2022 and reappointed as Trustee) G Parekh, Staff Trustee (appointed 20 September 2021, resigned 29 June 2022) J Scarborough (resigned 1 January 2022) J Woodward, Chair from 1 September 2022 K Snowden, Staff Trustee (appointed 20 September 2021) L Skittrall P Mirson, Parent Trustee (appointed 6 December 2021, resigned 14 March 2022) H Mandark, Staff Trustee (appointed 1 September 2022) J Bryce, Parent Trustee (appointed 8 December 2021) K Hunt, Parent Trustee (appointed 8 December 2021) S Levinsky, Parent Trustee (appointed 8 December 2021) S Weeks, Staff Trustee (appointed 1 September 2022) J Ellis, Parent Trustee (appointed 8 December 2021)
Company registered number	07654298
Company name	Penryn College
Principal and registered office	Penryn College Kemick Road Penryn Cornwall TR10 8PZ
Company secretary	L Sanders
Accounting officer	P Walker (Resigned 31 August 2022) T Schouten (Appointed 1 September 2022)

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Senior management team	P Walker, Headteacher (Resigned 31 August 2022) T Schouten, Headteacher (From 1 September 2022) T Schouten, Deputy headteacher (Until 31 August 2022) B Laing, Assistant headteacher J Lushington, Assistant headteacher F Williams, Leading practitioner K Blackburn, Leading practitioner D Mather, Assistant headteacher S Childs, Leading practitioner
Independent auditors	Griffin Chartered Accountants Silverdown Office Park Exeter Airport Business Park Exeter EX5 2UX
Bankers	Lloyds 11/12 Killigrew Street Falmouth Cornwall TR11 3RA
Solicitors	Browne Jacobson LLP 1 Manor Court Dix's Field Exeter Devon EX1 1UP

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 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 Academy operates a secondary school for pupils aged 11 to 16 serving a catchment area in Penryn, Cornwall. It has a pupil capacity of 1,050 and had a roll of 1,142 in the school census in September 2021.

Structure, governance and management

a. Constitution

The Academy 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.

The Trustees of Penryn College are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Penryn College .

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

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 commercial practice the charitable company has purchased insurance to protect trustees from claims arising from negligent acts, errors or omissions occurring whilst on the charitable company's business. The insurance provides cover up to £5 million in aggregate for each policy year.

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The charitable company's governing body comprises the Headteacher, a minimum of four parent governors and three staff governors (providing that the total number of governors, including the Headteacher, who are employees of the charitable company, does not exceed one third of the total number of governors).

The charitable company shall have the following governors as set out in its Articles of Association and funding agreement (please note that we are in the midst of changing the Articles due to them being filed in error whilst forming a MAT that never happened and this is ongoing)

- up to 5 members (at the moment we only have 4 and are looking for one further member)
- up to 10 governors who are appointed by governors
- a minimum of 4 parent governors who are elected by parents of registered pupils at the charitable company;
- three staff governors appointed by the staff;
- up to 3 co-opted governors who are appointed by the governing body; and
- the Headteacher who is treated for all purposes as being an ex officio governor.

Governors are appointed for a four-year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of governor, any governor can be re-appointed or re-elected.

e. Policies adopted for the induction and training of Trustees

All new Trustees are assigned an experienced Trustee mentor to assist them in taking on new responsibilities and are required to attend the new Trustee training course provided by Cornwall Council.

f. Organisational structure

Pennyn College has followed the organisational structure laid down in the Articles of Association that were registered with Companies House on 1 June 2011. The trustees of Pennyn College have overall responsibility for the management of the charity. Day to day management is delegated to the Headteacher and senior leadership team via a scheme of delegation which is reviewed annually. The Headteacher is Accounting Officer for the charitable company.

The structure comprises three levels: the members, the governors and the management team. The members of the charitable company comprise the signatories of the memorandum, including the chair of governors. The members have defined the roles of the governors and the committee structure. The members meet annually to hold an Annual General Meeting (AGM).

Each governor is, in addition to being a member of the full governing body, a member of various other sub-committees (which include the Finance, Premises and Audit Committee) and they also attend meetings concerning the scrutiny of Behaviour and Personal Development, the Quality of Education, Personnel, Safeguarding and SEN. Governors are also assigned specific areas of focus aligned to the management and administration of the charitable company, or specific teaching department links. The governing body committees operate in accordance with documented terms of reference.

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

Structure, governance and management (continued)

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

No Trustees of the Academy trust receive remuneration for their roles and responsibilities. Key management personnel that are teachers have their pay set by the Personnel Committee, ratified by the Full Governing Body and this follows the recommendations made annually by the Teachers Pay Review Body. These salaries are also subject to performance related assessment in line with all other teaching staff.

Key management personnel that are not teachers have their pay set by the Personnel Committee, ratified by the Full Governing Body, in line with the Support Staff Pay and Performance Management policy.

Objectives and activities

a. Objects and aims

The principal objects and activities of the charitable company are:

- * 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; and
- * to promote for the benefit of the inhabitants of Penryn 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 and economic circumstances or for the public at large in the interests of social welfare, and with the object of improving the condition of life of the said inhabitants.

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

Objectives and activities (continued)

b. Objectives, strategies and activities

At Penryn College, every student can expect to:

- communicate effectively in English and another language;
- use and understand Mathematics;
- know how to seek, organise and use information from books and using ICT;
- develop sporting and physical skills and know about the importance of a healthy lifestyle to safeguard and enrich their future;
- develop manipulative, technical and practical abilities;
- acquire knowledge and understanding of the rapidly changing world's science and technology, history and geography, economics and industry, literature, religions and culture diversity, socio-political and environmental issues;
- achieve the best possible examination results. All students, irrespective of ability, will enter GCSEs;
- be encouraged to develop the aesthetic and creative skills and spiritual awareness;
- observe, enquire, apply skills and knowledge, to solve problems and to exercise judgement in decision making;
- receive guidance on careers and be encouraged to become a life-time learner; and
- take part in a programme of extra-curricular activities.

It is equally important that the trustees help parents to ensure their child:

- learns self-discipline, takes pride in their work, appearance and punctuality;
- works well with other people;
- is polite, reliable, adaptable and persevering;
- is tolerant of, and respects, other views and ways of life; and
- takes care of the environment and abides by the rules governing our community.

c. Public benefit

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

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

Strategic report

Achievements and performance

a. Key performance indicators

The key financial performance indicators that the trustees of Penryn College use to govern themselves are to ensure that annual delegated funds are not being overspent and reserves are not being kept to an extreme level, over and beyond the agreed reserves policy. Also, to ensure funds are spent appropriately on the current pupils of Penryn College and that provision is made to ensure facilities are well maintained for future pupils. The academy complies with all terms and conditions of its funding agreement as well as any additional grants received from other sources.

Pupil numbers are also a key financial performance indicator as they relate to the academy's level of funding. For 2021-22 the pupil numbers for funding calculations would be based on the NOR of 1,156 (Oct 2020) with year 7 entry requests also being over-subscribed.

Ratio of staffing costs to budget is another key performance indicator and for 2021/22 the percentage of total GAG salary costs was 81.9% when the budget was set.

b. 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 they continue 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 accounting policies.

c. Protecting the student experience during Covid

We have continued to focus our energy on maintaining the quality of the student experience following a return to a more normal school year. However, ongoing we continue to mitigate the impact through:

- Exceptional pastoral support for students adjusting to being back in school.
- Thorough and detailed planning to ensure that the school is and feels as safe as possible through:
 - A ring road round the outside of the building including break and lunchtimes outdoors.
 - Split lunchtimes to reduce crowding.
 - Additional staffing support for vulnerable staff and additional cover supervisors.
- This has allowed us to be ambitious in our offer:
 - Lessons are taught in specialist subjects in specialist classrooms by specialist teachers.

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

Strategic report (continued)

Financial review

The charitable company's accounting period is the year to 31 August 2022.

Most of the charitable company's income is derived from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during the period to 31 August 2022 and the associated expenditure, are shown as restricted funds in the statement of financial activities.

The charitable company also received grants for fixed assets from the ESFA, Cornwall Council, The Football Foundation and The Wolfson Foundation and the Arts Council. Such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund will be reduced by annual depreciation charges over the expected useful life of the assets concerned.

Financial sustainability

During 2021/22 there was increased spend on making the college covid safe and supply cover costs. To mitigate these costs and the increases to the costs of living, which started to reflect in the utilities bills in the last 3 months of the academic year, an additional grant was awarded by the ESFA (School Supplementary Grant).

The Penryn College budget for 2021/22 was set by the Finance, Premises and Audit Committee in accordance with the Academies Trust Handbook and submitted to the DfE by the required deadline. The final agreed budget for 2021/22 was set with a revenue surplus of £25,000.

a. Reserves policy

Penryn College trustees aim to control reserves to an agreed level to ensure excessive balances are not held at any one time. Trustees will ensure that delegated funds are spent appropriately on the pupils of Penryn College and that government balances policies will always be adhered to.

Trustees are also aware of their responsibilities to ensure sufficient reserves are kept to ensure good financial practice and to maintain a safe financial future for Penryn College. Any future financial trends are identified early by good financial planning and regular monitoring by finance staff and the Penryn College Finance, Premises and Audit Committee.

The Trustees consider the financial year end position of £15,615,165 (2021: £12,753,110) comprising £14,398,814 (2021: £14,804,538) of restricted fixed asset funds, (£250,548) (2021: (£3,578,116) of restricted funds and £1,466,899 (2021: £1,526,688) of unrestricted funds to be satisfactory. The restricted funds consist of the pension reserve amounting to (£414,000) (2021: £(3,605,000) and general restricted funds of £163,452 (2021: £26,684).

The level of free reserves held by the charitable company are £1,466,899 (2021: £1,526,688) of which £498,000 are designated as the Trust's contribution to their five year plan.

The Local Government Pension Scheme (LGPS) fund is currently in deficit. The charitable company has entered into an agreement with the LGPS trustees to make additional annual contributions totalling £548,000 in addition to normal funding levels, over a period of 3 years, in order to bridge the scheme deficit.

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

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

b. Investment policy

The trustees have the ability to invest funds of the academy as they see fit. Currently the academy does not have any long term investments, with the cash reserves being held in the current bank account or in fixed term deposit accounts. The trustees have no plans to make any long-term investments in the near future.

The trustee's policy of short term investment is to have up to £300,000 invested at any one time in fixed, short term deposit accounts, each one of no more than £75,000 and for no longer than 12 months.

c. Principal risks and uncertainties

The Trustees use a number of charitable company policies, including health and safety, finance, safeguarding and a risk register to evaluate strategic and reputational, operational, compliance and financial risks. The trustees have ensured that the management structure, systems and controls are in place to manage those risks, as well as insurance to cover financial and governance arrangements by completing the Academies Financial Management and Governance Evaluation which was submitted to the Education & Skills Funding Agency following conversion to academy status.

The governing body ensure regular review of risks through the reporting provided by the management team to the aforementioned governing body. The Finance, Premises and Audit committee and the Student and Curriculum committee each meet once each term and report to the full governing body once each term. There are sufficient school reserves enough to cover these risks.

The principal future financial risks that Penryn College currently faces are:

- maintenance of pupil numbers as funding is directly related to the number of students on roll;
- uncertainties over future funding levels and income sources;
- the impact of public sector spending constraints on the local authority;
- financial impact of changes to the funding formula, in particular SEN funding;
- The increase in energy costs and limited additional funding to support the increase.

Although the lack of detailed budgetary information makes long term financial planning difficult, the trustees consider the level of funds held by the college to be sufficient to mitigate any funding risks in the short and medium term. This is assessed annually and charitable company staff and trustees will ensure to identify any potential problems and take appropriate strategic action as early as possible to ensure that the organisation is prepared for potential funding cuts but still maintain the high levels of education standards for the pupils of Penryn College.

The charitable company has agreed a risk management strategy, a risk register and a risk management plan. These have been discussed by trustees and include the financial risks to the charitable company. The register and plan are constantly reviewed in light of any new information and formally reviewed annually.

The trustees have assessed the major risks to which the charitable company is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

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

The trustees examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full trustees' and finance, premises and audit committee meetings. The trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

The governing body recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 18 to the financial statements, represents a significant potential liability. However, as the trustees consider that the academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

d. Penryn College Budget Review and Action Plan 2022/23 & 2023/24

Budget 2022/23

The 2022/23 budget has been set with a net revenue surplus of £49,000. However, whilst forecast salary increases and utility costs were included in the budget based on information available at that point in time, the actual proposed salary pay awards and further increases in utility costs may not be covered by the surplus.

Budgets 2023/24 & 2024/25

School Budget Share income is based on the 2022/23 per pupil rate with a 1% year on year increase and has been adjusted for the actual NOR for October 2022 census (for 2023/24 budget) and the predicted NOR for the October 2023 census (for 2024/25 budget).

We have also included in the 2023/24 & 2024/25 budgets an allocation for the School Supplementary grant of £200k based on the ESFA calculations for 2022/23 however this will be incorporated into School Budget Share from 2023/24 onwards. Salary levels remain the same as for 2022/23 and include inflationary and performance management increases across teaching staff and non-teaching staff, resulting in a poor projection for 2024/25.

The forecast budget for 2023/24 is showing a surplus due to an increase in pupil numbers however 2024/25 is currently showing a deficit. Trustees will be reviewing key budget areas during this year in order to maximise resources and increase fundraising to enable a balanced budget to be set and any savings will continue through to 2023/24 and 2024/25 budgets.

The following budgets areas will be reviewed during 2022/23 for best value:

- Supply Cover Budgets: refining a balance of in-house cover supervisors on contract and external agency supply.
- Energy costs – An energy audit has been commissioned to help manage increasing supply costs.
- Invigilators: continue to train current staff to provide invigilating in-house and use of technology to minimise staff presence.
- Buildings Maintenance Budgets: contracts and frequently used suppliers will be reviewed for these budgets to ensure that best value is achieved.
- PE: inventory of current equipment, best value for frequently used suppliers and review of activities.
- Minibus usage - Review of community use of minibuses and use of externally procured transport.
- Study Support and Lettings: Business Plans to be produced for Study Support and Community Lettings in order to maximise income in these areas and for them to be cost effective.

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

Income

- School budget Share In order to support the Local Authority in previous years Penryn College temporarily increased the operational capacity. As a result of reverting back to the 224 operational capacity for 2021/22 this was reflected in the reduction in pupil numbers of around 20 for 2022/23 budget. Projections indicate that there will be an increase of 14 pupils by 2023/24 budget.
- ARB funding: Places remain at 31 and will continue to be topped up by Local Authority funding. Penryn College have a very successful ARB provision which has been extensively refurbished over the last few years.
- Primary Partnership SLA's: there is a well-established partnership with local Primary Schools where bought in services are provided by Penryn College such as EWC/Music Delivery/MFL. Included in the budget is the staff that provide these services on the basis that the service has now returned to pre-covid levels.
- Sports Competition Premium: There is a well-established Partnership with other Secondary Schools in Cornwall who contribute each year to the school's School Games Organiser who arranges competitions, sharing the costs across the Partnership.
- Lettings income: the last two years have seen a loss of income for community lettings due to Covid. There is currently a review of the booking system taking place and a Business Plan will be produced in order to maximise income generation.

Summary

Trustees are confident that they will be in a position to make the necessary savings over the next two years and to generate further income in order to bring the budget for 2024/25 into balance. The budget setting process has always been conservative and the school has strong monitoring in place and challenging of the budget by Trustees which ensures savings are made throughout the year. This is evident by the savings the school has made on revenue budgets over the last three years.

Plans for future periods

We want to develop young people who are ready to make a positive contribution to their community. We want them to be polite, compassionate, considerate, and care for those around them. Our students will have the skills and confidence to communicate well and to organise themselves effectively. They will work independently, work as part of a team, and be able to lead others. We want students who can read fluently, write, and be numerate. Our students will have a depth of knowledge in a broad range of subjects and study skills. They will know how to keep themselves happy, healthy, and safe. They need to be able to play their part in a modern democracy, to accept a range of different views, and to use their power to challenge the things that are not right in an appropriate way. We want their experience in school to be fun, engaging and inspiring. They need to leave us knowing there are even better times ahead, and confident that this is just the start.
As staff and Governors we want to enjoy what we are doing, to be able to focus on the most important aspects of our jobs, and to know we are making a difference. We want to work in an environment where professional expectations of ourselves are high, but the support is even higher. We want the parents and the community to see their young people shine in whatever field they choose.

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

Plans for future periods (continued)

5 Year Plan Objectives: (Year 3)

- To build our core values of high expectations, care, support professionalism and leadership at all levels.
- To deliver a broad interlinked curriculum that engages and inspires students and results in success across a broad range of qualifications and activities.
- Students are taught in specialist facilities by highly skilled specialist teachers.
- To work with other schools, the Penryn Partnership, and with the LA, to learn more so we improve the outcomes of Penryn College students and to contribute to the wider education system.
- Students understand their impact on one another and world issues such as climate change and diversity.
- Manage resources carefully so that every second and every penny counts.

2020-23 OUTCOMES:

Students will achieve exceptional progress (G5) because we will:

1. Improve the experience of students most likely to underachieve: LPA, DAP, Boys HPA, SEN.
2. Less than 10% of students in each year group will have a reading age lower than their chronological age through excellent teaching, careful tracking and targeted intervention.
3. 60% students gaining a grade 5 or above in Maths at the end of 2023 (with 65%+ of students gaining a grade 5 or above in Maths at the end of 2025).

2020-23 CURRICULUM:

Students will make exceptional progress because they access:

1. Programmes of study and assessment in each subject that challenge, inspire and are refined for all learners, and a range of qualifications and a particular focus on our technical qualifications.
2. A well sequenced and ambitious curriculum that identifies, and builds on, key blocks of content so they can independently apply this to more complex ideas, knowing what an expert looks like. Students and staff will be able to talk about this curriculum confidently.
3. Subject pathways supported by blue, green and yellow sheets, that provide the bigger picture of learning, unit learning and opportunities for reflection.

In this curriculum they will have opportunities for personal development and they will access:

1. Opportunities to lead and to make their voice heard in the college and the community.
2. A wide variety of opportunities established through student voice, particularly focusing on DAP and SEN uptake, ensuring all barriers to them accessing these opportunities are removed.
3. Opportunities to further develop their cultural awareness through a well-designed curriculum and SMSC programme, educational visits and links with other schools in inner city areas.

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

Plans for future periods (continued):

2020-23 TEACHING

Students will make exceptional progress because teachers and tutors:

1. Identify clearly what exactly what we want pupils to learn and ensure this knowledge is planned and implemented precisely in all subjects to help students remember the content and interleave this knowledge into larger ideas.
2. Use a range of assessment strategies to check students' understanding over time, identifying misconceptions accurately and provide clear direct feedback, adapting lessons to meet the needs of learners.

2020-22 BEHAVIOUR and ATTITUDE

Students' behaviour will continue to improve because:

1. Adopt a new Relationships Policy which will foster a more positive approach to preventing poor and unkind behaviour. This policy and our strategies will be clear and transparent for parents and students.
2. We will improve our structures and systems for tackling those persistent offenders who cause disruption to their own and others' learning, especially those who are disadvantaged or who have special educational needs, and ensure our communication around this to students, staff and parents is clear and transparent.
3. Our attendance will continue to stay at least 0.5% above the National Average and will improve to 95.5% or PA 10% by the end of 2024.

20-22 LEADERSHIP:

We work carefully to:

1. Embed the new SLT structure ensuring it is conducive to the continued smooth everyday running of the school coupled with the further drive for improvement.
2. Ensure a sharp focus upon staff and student wellbeing, including social wellbeing.
3. Create our "changing world plan" with community groups that includes climate change and diversity.
4. We will have clear parameters and protocols for supporting students with mental health concerns.
5. Get Penryn College on the national map by sharing outstanding practice across a range of networks whilst also learning good practice from others.
6. Develop strong channels of communication with parents to allow us to work together effectively.
7. Rigorously monitor the impact of those recently introduced systems and structures, namely:
 - a. The Reading programme.
 - b. The Vulnerable Student structure.
 - c. Our CPD and coaching programme, which will deliver the aims and outcomes of the ACE bid so our students develop the skills which will equip them for the changing workforce. This programme will also be adapted so the support staff can learn from the same approaches.
 - d. Our new House/Year structure, ensuring we get the best out of both.
 - e. The combined Tutor/Prep structure.
 - f. The new student leadership programme.

Impacts due to Covid

COVID-19 restrictions have all but lifted, allowing a return to a more normal school life. COVID-19 levels have remained low and whilst absenteeism due to COVID-19 remains, disruption to day to day life is minimal. The school continues to support students through the consequences of the school closure.

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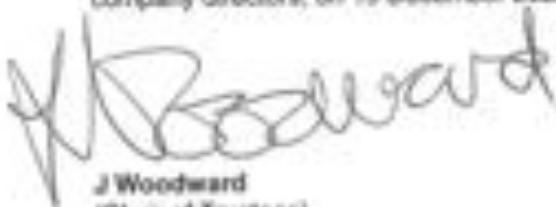
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 December 2022 and signed on its behalf by:



J Woodward
(Chair of Trustees)



T Schouten
(Accounting officer)

PENRYN COLLEGE
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

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

PENRYN COLLEGE
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GOVERNANCE STATEMENT (CONTINUED)

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:

Trustee	Meetings attended	Out of a possible
M Parsons	3	4
P Walker, Accounting Officer (resigned August 2022)	31	4
T Schouten, Accounting officer (appointed September 2022)	1	0
J Roberts, Chair to 31 August 2022	4	4
C Ansell	4	4
R Rawley	3	4
E Brooks	4	4
G Hamies, Staff Trustee	4	4
G Parekh	4	4
L Skittrall	2	4
J Woodward, Chair from 1 September 2022	3	4
K Snowdon, Staff Trustee	4	4
P Minson, Parent Trustee	0	0
J Ellis, Staff Trustee	3	3
J Bryce, Parent Trustee	2	3
K Hunt, Parent Trustee	3	3
S Levinsky, Parent Trustee	2	3
S Weeks, Staff Trustee	0	0
J Ellis, Parent Trustee	0	0

Governance reviews

The Board conducted a review of governance with an external advisor who reviewed the documents and fed back to the Board. The impact of the feedback received has been that the Trustees feel more knowledgeable and better equipped to carry out their duties and to monitor the school more effectively.

Conflicts of interest

The Board ask all Trustees to complete a register of interests when they join the Board and this is updated on a yearly basis. The register of interests are on the Academy website. At the beginning of each meeting we ask Trustees to declare any interests that they may have if they arise during the meeting. When setting the agenda, the Chair identifies any conflicts that the Trustees may have with the up to date register of interests. We have a culture where Trustees are aware of their own conflicts and will notify the Board as necessary.

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy 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 Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy has delivered improved value for money during the year by:
 - Regularly reviewing the functions of the College, challenging how and why services are provided and have set targets to improve performance.
 - Monitoring outcomes and compare performance against similar schools.
 - Promoting fair competition through tenders and quotations ensuring that goods and services are secured in the most economic and efficient way.
 - Ensuring that resources are used effectively to meet the needs of the pupils.
 - Planning for future placement costs of large sports facilities and ICT hardware.
 - Questioning recommendations with or without financial implications to ensure the most appropriate use of school funds to benefit pupils.

The following examples demonstrate the college's commitment to value for money:

Installation of new CCTV system.

The installation of the new CCTV system saw an upgrade to the existing infrastructure, bringing the total number of cameras on site to 93. In the first instance, the contract went out for procurement through the Central Government CPC Framework. This yielded no interest from suppliers and so we invited three firms to tender for the work and of the three contacted, only 2 responded. Of the two, the cheapest option was selected, with the work being carried out in July/August 2022. The project total cost was £75,000 which included a contingent of about £5,000 to cover unforeseen events. Under the circumstances, this proved to be a prudent consideration as the WiFi, hitherto unused in the TISA area of the school, proved unreliable and required replacement. The project completed on budget and has provided the school with a high-quality, robust and reliable CCTV security system. The system will enable staff to ensure the security and safeguarding of students, investigate reported incidents and prevent subsequent damage due to vandalism.

Procurement of the new catering contract.

The existing contract with Caterlink expired in July 2022 and to facilitate a continuous service, in spring of 2022, the contract was competitively tendered alongside 5 other schools in the region, known as the 'Cornwall Cluster'. The tender exercise was managed by an external consultant, Lilmus. This was an opportunity for the school to review the existing offering, and to ensure nutritious, tasty and competitively priced food could be made available to students and staff alike. The gross value of the contract is anticipated to total £748,993, with a projected profit for the school estimated at £16,995 over three years. This is a smaller contractor return than under Caterlink, but it is anticipated that the quality of the food and the subsequent student and staff uptake will result in an overall benefit to the school.

The successful bidder, Aspens, won the contract following evaluation based on criteria that included quality and range of the menu, environmental credentials, innovation and provision of qualified, well-managed and supported staff.

PENRYN COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 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 Penryn College for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy 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 ongoing process for identifying, evaluating and managing the Academy'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 accounts. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

The Academy'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 General Purposes 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.

The Board of Trustees has decided not to appoint an internal auditor. However, the Trustees have decided to make use of the Local Authority's Financial Assurance Service.

The Financial Assurance Service includes giving advice on financial matters and performing a range of checks on the academy's financial systems, controls, transactions and risks. On a termly basis the Financial Assurance Service reports to the board of trustees on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees. The Financial Assurance Service delivered their schedule of work as planned and no significant issues were raised.

PENRYN COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

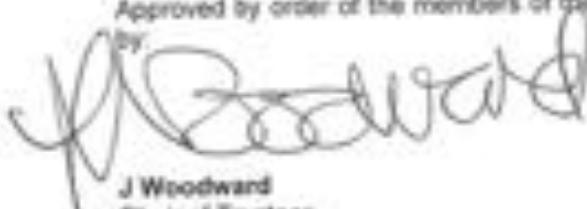
Review of effectiveness

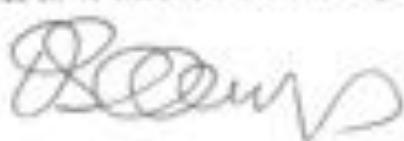
As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the responsible officer;
- the financial management and governance self-assessment process;
- the work of the Senior Management Team within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors.

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

Approved by order of the members of the Board of Trustees on 15 December 2022 and signed on their behalf

By

J Woodward
Chair of Trustees



T Schouten
Accounting Officer

PENRYN COLLEGE
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Penryn College I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all 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 Academies Financial 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.



T Schouten
Accounting Officer
Date: 15 December 2022

PENRYN COLLEGE
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees (who 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 Academies 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:

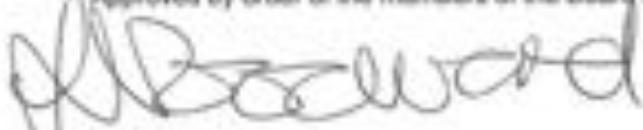
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 15 December 2022 and signed on its behalf by:


J Woodward
(Chair of Trustees)

PENRYN COLLEGE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PENRYN COLLEGE

Opinion

We have audited the financial statements of Penryn College (the 'Academy Trust') for the year ended 31 August 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- + give a true and fair view of the state of the Academy Trust'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; and
- + have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

PENRYN COLLEGE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PENRYN COLLEGE (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion 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 Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Strategic report.

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

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

PENRYN COLLEGE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PENRYN COLLEGE (CONTINUED)

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our audit procedures have reviewed for evidence of management override, any ongoing legal cases, completeness of related party transactions, as well as an ongoing consideration of fraud and irregularities during the whole audit process.

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

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

PENRYN COLLEGE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PENRYN COLLEGE (CONTINUED)

M.Nickells

Misty Nickells FCA (Senior statutory auditor)
for and on behalf of

Griffin

Statutory Auditors

Silverdown Office Park
Exeter Airport Business Park
Exeter
EX5 2UX

17 December 2022

PENRYN COLLEGE
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PENRYN COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 4 May 2021 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 Penryn College during the year 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 Penryn College and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Penryn College 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 Penryn College and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Penryn College's accounting officer and the reporting accountant

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

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

Approach

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

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

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

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

The work undertaken to draw our conclusion includes:

- Review of governance procedures
- Evaluation and testing of the system of internal controls, such as authorisation and value for money procedures
- Substantive testing on relevant transactions

PENRYN COLLEGE
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PENRYN
COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggests in all material respects the expenditure disbursed and income received during the year 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.



Misty Nickolls FCA (Senior statutory auditor)
Statutory Auditors

Griffin
Exeter
EX5 2UX

Date: 17 December 2022

PENRYN COLLEGE
 (A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
 FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	148	50	32,004	32,202	552,348
Other trading activities	5	177,616	-	-	177,616	103,289
Investments	6	1,040	-	-	1,040	1,614
Charitable activities	4	121,346	7,607,839	-	7,729,785	7,466,505
Total income		300,750	7,607,839	32,004	7,940,643	8,123,756
Expenditure on:						
Raising funds		35,350	89,993	-	125,343	83,144
Charitable activities		176,846	7,993,328	586,071	8,756,245	8,875,364
Total expenditure		212,196	8,083,321	586,071	8,881,588	8,958,508
Net income/(expenditure)		88,554	(475,432)	(554,067)	(940,945)	(834,752)
Transfers between funds	17	(148,343)	-	148,343	-	-
Net movement in funds before other recognised gains/(losses)		(59,789)	(475,432)	(405,724)	(940,945)	(834,752)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	3,803,000	-	3,803,000	(814,000)
Net movement in funds		(59,789)	3,327,568	(405,724)	2,862,065	(1,648,752)
Reconciliation of funds:						
Total funds brought forward		1,626,688	(3,578,116)	14,804,538	12,753,110	14,401,862
Net movement in funds		(59,789)	3,327,568	(405,724)	2,862,065	(1,648,752)
Total funds carried forward		1,466,899	(260,548)	14,398,814	15,615,965	12,753,110

PENRYN COLLEGE
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2022

The Statement of financial activities includes all gains and losses recognised in the year.
The notes on pages 21 - 48 form part of these financial statements.

PENRYN COLLEGE
 (A company limited by guarantee)
 REGISTERED NUMBER: 07654298

BALANCE SHEET
 FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 €	2021 £
Fixed assets			
Tangible assets	13	14,398,382	14,679,768
		<hr/>	<hr/>
		14,398,382	14,679,768
Current assets			
Debtors	14	292,324	454,745
Investments	15	79,428	78,637
Cash at bank and in hand		1,854,541	1,535,366
		<hr/>	<hr/>
		2,226,293	2,068,748
Creditors: amounts falling due within one year	16	(595,510)	(390,406)
		<hr/>	<hr/>
Net current assets		1,630,783	1,678,242
Total assets less current liabilities		16,029,165	16,358,110
Net assets excluding pension liability		16,029,165	16,358,110
Defined benefit pension scheme liability	24	(614,000)	(3,605,000)
		<hr/>	<hr/>
Total net assets		15,615,165	12,753,110
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	14,398,814	14,804,538
Restricted income funds	17	163,452	26,884
		<hr/>	<hr/>
Restricted funds excluding pension asset	17	14,562,266	14,831,422
Pension reserve	17	(614,000)	(3,605,000)
		<hr/>	<hr/>
Total restricted funds	17	14,148,266	11,226,422
Unrestricted income funds	17	1,466,899	1,526,688
		<hr/>	<hr/>
Total funds		15,615,165	12,753,110

The financial statements on pages 26 to 61 were approved by the Trustees, and authorised for issue on 15 December 2022 and are signed on their behalf, by:

PENRYN COLLEGE
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022



J Woodward
(Chair of Trustees) 15 December 2022
The notes on pages 33 to 61 form part of these financial statements.

PENRYN COLLEGE
 (A company limited by guarantee)

STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	556,472	(190,819)
Cash flows from investing activities	20	(236,506)	(139,773)
Change in cash and cash equivalents in the year		319,966	(230,592)
Cash and cash equivalents at the beginning of the year		1,614,003	1,944,595
Cash and cash equivalents at the end of the year	21, 22	<u>1,933,969</u>	<u>1,614,003</u>

The notes on pages 33 to 61 form part of these financial statements

PENRYN COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic 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 Board of Trustees has a reasonable expectation that the trust has adequate resources to continue to operate for the foreseeable future. The Trustees have considered a number of factors in arriving at this conclusion. The academy had a strong revenue reserves position at the 31 August 2022 of £1,630,351, with £1,854,541 held of cash and short term investments at this date. A detailed budget for 2022/23 has been prepared and updated to include the impact of increased fuel costs and salaries to reflect cost of living increase. This budget for 2022/23 is forecasting a deficit after taking these additional costs into account, however this will be covered by the high reserves.

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

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

• Donations

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

PENRYN COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.3 Income (continued)

• Other income

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

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 allocated on the portion of the asset's use.

• 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.

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

PENRYN COLLEGE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.6 Tangible fixed assets:

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

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 125 years for land, 50 years for buildings (both on a straight-line basis)
Furniture and equipment	- 20% per annum on cost
Computer equipment	- 33% per annum on cost

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.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Liabilities

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.10 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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.

1.11 Pensions

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.12 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

Investment income, gains and losses are allocated to the appropriate fund.

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Donations	148	50	-	198
Capital Grants	-	-	32,004	32,004
	<hr/>	<hr/>	<hr/>	<hr/>
	148	50	32,004	32,202
	<hr/>	<hr/>	<hr/>	<hr/>

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Donations	1,153	509	-	1,662
Capital grants	-	-	550,686	550,686
	<hr/>	<hr/>	<hr/>	<hr/>
	1,153	509	550,686	552,348
	<hr/>	<hr/>	<hr/>	<hr/>

PENRYN COLLEGE
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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2022

4. Funding for the Academy Trust's education

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	6,490,732	6,490,732
Other DfE/ESFA grants			
Pupil premium	-	270,578	270,578
Others	-	318,726	318,726
	-	7,080,036	7,080,036
Other Government grants			
Other government grants	-	128,192	128,192
Higher Needs	-	389,611	389,611
	-	527,803	527,803
Other incoming resources	121,946	-	121,946
	121,946	7,607,839	7,729,785
	121,946	7,607,839	7,729,785

PENRYN COLLEGE
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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2022

4. Funding for the Academy Trust's education (continued)

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
DfE/ESFA grants			
General annual grant (GAG)	-	6,034,291	6,034,291
Other DfE/ESFA grants			
Teacher pay and pension	-	307,586	307,586
Pupil premium	-	260,347	260,347
Others	-	44,033	44,033
	-	6,645,257	6,645,257
Other Government grants			
Local authority grants	-	485,855	485,855
Special education projects	-	40,535	40,535
	-	526,390	526,390
Other incoming resources	68,861	-	68,861
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	95,280	95,280
Coronavirus exceptional support	-	129,717	129,717
	-	224,997	224,997
	68,861	7,397,644	7,466,506
	68,861	7,397,644	7,466,506

In the 2020/21, the Academy received £95,280 of catch-up premium which was all fully spent at 31 August 2021. This income was predominantly used for additional core teaching staff and additional cover supervisor hours to enable the Academy to run the school for key workers during the pandemic. The funding was also used to fund mental health training and the summer term activity days.

In the 2020/21, the Academy received £43,500 for mass testing which covered the costs of the COVID-19 testing scheme and this was fully spent at the year end.

In the 2020/21, a further £13,978 was also received for Emergency Support. This was used for additional cleaning costs and hygiene equipment and has been fully spent at 31 August 2021.

In the 2020/21, Penryn College received £72,239 of income for additional Free School Meal expenditure incurred from the pandemic, and this was fully spent at the year end.

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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2022**

5. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £
Hire of facilities	55,266	55,266
Other income	122,350	122,350
	177,616	177,616

	Unrestricted funds 2021 £	Total funds 2021 £
Hire of facilities	18,523	18,523
Other income	84,766	84,766
	103,289	103,289

6. Investment income

	Unrestrict ed funds 2022 £	Total funds 2022 £
Interest received	1,040	1,040
	Unrestrict ed funds 2021 £	Total funds 2021 £
Interest received	1,614	1,614

PENRYN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2022**

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Expenditure on fundraising/trading activities:				
Direct costs	89,993	-	35,350	125,343
Academy's educational operations:				
Direct costs	4,731,810	236,683	876,429	5,843,922
Allocated support costs	1,991,885	559,004	361,454	2,812,343
	<hr/> 6,813,698	<hr/> 794,687	<hr/> 1,273,233	<hr/> 8,881,588

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Expenditure on fundraising/trading activities:				
Direct costs	68,285	-	14,859	83,144
Academy's educational operations:				
Direct costs	4,656,489	224,053	773,340	5,653,882
Allocated support costs	1,778,717	1,061,580	381,185	3,221,482
	<hr/> 6,503,491	<hr/> 1,285,633	<hr/> 1,169,384	<hr/> 8,958,508

PENRYN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

B. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Educational operations	5,843,902	2,912,343	8,756,245

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Educational operations	5,653,882	3,221,482	8,875,364

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	4,708,173	4,631,153
Depreciation	442,597	378,280
Educational supplies	226,161	174,332
Examination fees	77,007	104,409
Staff development	16,625	16,760
Other costs	105,268	62,075
Supply teachers	23,637	25,336
Recruitment and other staff costs	13,358	10,092
Security and transport	48,335	30,848
Technology costs	37,140	79,053
Professional services	146,601	141,544
	<hr/> 5,843,902	<hr/> 5,653,882

PENRYN COLLEGE
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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2022

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Pension finance costs	64,000	43,000
Staff costs	1,591,885	1,778,717
Depreciation	143,474	142,499
Other costs	7,260	7,497
Maintenance of premises and equipment	198,947	656,446
Cleaning	115,560	161,005
Rent and rates	25,685	44,032
Heat and light	142,419	115,748
Insurance	30,061	28,457
Security and transport	12,632	12,809
Catering	60,717	89,680
Technology costs	40,615	56,187
Office overheads	46,872	47,917
Legal and professional	23,460	30,418
Bank interest and charges	621	561
Governance costs	8,235	6,639
	2,912,343	3,221,482

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	21,371	12,222
Depreciation of tangible fixed assets	586,071	520,689
Fees paid to auditors for:		
- audit	7,324	3,975
- other services	4,548	4,250

PENRYN COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2022**

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	4,774,481	4,694,595
Social security costs	447,141	417,673
Pension costs	1,568,429	1,265,887
	<hr/>	<hr/>
	6,790,051	6,178,155
Agency staff costs	23,637	25,336
	<hr/>	<hr/>
	6,813,688	6,503,491
	<hr/>	<hr/>

b. Staff numbers

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

	2022 No.	2021 No.
Teachers	73	75
Administration and support	91	97
Management	9	9
	<hr/>	<hr/>
	173	181
	<hr/>	<hr/>

The average headcount expressed as full-time equivalents was:

	2022 No.	2021 No.
Teachers	63	66
Administration and support	79	73
Management	9	9
	<hr/>	<hr/>
	142	145
	<hr/>	<hr/>

PENRYN COLLEGE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Staff (continued)

c. Higher paid staff

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	2	3
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-

d. 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 and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £896,454 (2021 - £611,954).

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

	2022 £	2021 £
P Walker, Accounting officer (resigned 31 August 2022)	Remuneration 90,000 - 95,000	85,000 - 90,000
G Harries, Staff Trustee (resigned 17 September 2022)	Pension contributions paid 20,000 - 25,000	20,000 - 25,000
	Remuneration 20,000 - 25,000	25,000 - 30,000
	Pension contributions paid 0 - 5,000	0 - 5,000

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £nil).

12. 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 business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £235 (2021 - £222). The cost of this insurance is included in the total insurance cost.

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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2022**

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2021	17,473,941	817,352	1,872,503	19,363,796
Additions	182,698	117,704	4,716	305,118
Disposals	-	-	(472)	(472)
At 31 August 2022	<u>17,656,639</u>	<u>935,056</u>	<u>1,876,747</u>	<u>19,468,442</u>
Depreciation				
At 1 September 2021	3,484,343	518,947	700,738	4,684,028
Charge for the year	312,866	109,091	164,924	586,871
On disposals	-	-	(39)	(39)
At 31 August 2022	<u>3,776,399</u>	<u>628,038</u>	<u>865,623</u>	<u>5,270,060</u>
Net book value				
At 31 August 2022	<u>13,880,240</u>	<u>307,018</u>	<u>211,124</u>	<u>14,398,382</u>
At 31 August 2021	<u>14,009,598</u>	<u>298,405</u>	<u>371,765</u>	<u>14,679,768</u>

14. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	19,896	14,653
Other debtors	49,233	24,138
Prepayments and accrued income	170,563	401,400
Tax recoverable	52,942	14,554
	<u>292,334</u>	<u>454,745</u>

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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2022**

15. Current asset investments

	2022 £	2021 £
Unlisted investments	79,428	78,637

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	180,576	65,168
Other taxation and social security	107,913	103,201
Other creditors	155,105	116,225
Accruals and deferred income	191,916	105,812
	<hr/> 595,510	<hr/> 390,406
	2022 £	2021 £
Deferred income at 1 September 2021	30,685	26,514
Resources deferred during the year	21,762	30,685
Amounts released from previous periods	(30,685)	(26,514)
	<hr/> 21,762	<hr/> 30,685

Included within deferred income of £21,762 (2021: £30,685) are the following balances: £14,912 (2021: £4,000) for School Games Organiser Funding; £NIL (2021: £1,000) in respect of Kit4Kids funding; £6,850 (2021: £NIL) in respect of school trips in 2022/23 year and £NIL (2021: £25,685) for the DfE rates claim.

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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2022**

17. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Designated funds						
Trusts contribution to five year plan	-	-	-	498,000	-	498,000
General funds						
General funds	1,526,688	300,750	(212,196)	(646,343)	-	948,899
Total Unrestricted funds	1,526,688	300,750	(212,196)	(148,343)	-	1,468,899
Restricted general funds						
General Annual Grant	-	6,544,699	(6,403,878)	-	-	140,821
Pupil premium	-	270,578	(270,578)	-	-	-
Other DfE/ESFA grants	-	221,328	(221,328)	-	-	-
Other government grants	26,884	571,234	(575,487)	-	-	22,631
Donations	-	50	(50)	+	-	-
Pension reserve	(3,605,600)	-	(812,000)	+	3,803,000	(414,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(3,578,118)	7,607,889	(8,083,321)	-	3,803,000	(250,548)
Restricted fixed asset funds						
Inherited on conversion	13,683,571	-	(361,513)	-	-	13,382,058
DfE group capital grants	66,536	23,406	(37,440)	-	-	62,502

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NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Capital expenditure from GAG	547,626	-	(146,826)	-	-	400,800
Local authority funding	4,989	-	(4,989)	-	-	-
Sports England funding	8,000	-	(8,000)	-	-	-
Football Foundation Grant	-	8,598	(1,576)	-	-	7,022
School led projects	381,959	-	(63,800)	-	-	318,159
The Wolfson Foundation	87,538	-	(7,273)	-	-	80,265
Laptop grant	24,420	-	(12,026)	-	-	12,392
Unrestricted	-	-	(2,626)	148,343	-	145,717
	<hr/> <u>14,804,538</u>	<hr/> <u>32,094</u>	<hr/> <u>(586,871)</u>	<hr/> <u>148,343</u>	<hr/> <u>-</u>	<hr/> <u>14,388,814</u>
Total Restricted funds	<hr/> <u>11,226,422</u>	<hr/> <u>7,639,893</u>	<hr/> <u>(8,869,382)</u>	<hr/> <u>148,343</u>	<hr/> <u>3,803,000</u>	<hr/> <u>14,148,206</u>
Total funds	<hr/> <u>12,753,110</u>	<hr/> <u>7,980,543</u>	<hr/> <u>(8,881,588)</u>	<hr/> <u>-</u>	<hr/> <u>3,803,000</u>	<hr/> <u>15,615,165</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

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

General Annual Grant (GAG)

Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

Pupil Premium

Funding received from the ESFA to cater for disadvantaged pupils.

Catch up premium

This represents funds received in the year for the additional costs from the COVID-19 pandemic.

Other DfE/ESFA COVID-19 funding

This fund represents the additional free school meal funds, emergency support and the mass testing income that the academy received in the year.

Other DfE/ESFA grants

This includes, teacher pay and pension grants, sports funding, rates relief and start up grants.

Other government grants

Funding received by the Local Authority to fund further support for students with additional needs.

Restricted donations

Includes monies donated to the school.

Pension reserve

This represents the academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy. The academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Designated funds

The Trustees have designated a fund of £498,000 to cover the Trust's contribution to the five year plan.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

RESTRICTED FIXED ASSET FUNDS

Fixed assets inherited on conversion

Represent the building and equipment donated to the school from the Local Authority on conversion to an academy.

DfE group capital grants

Includes Devolved Formula Capital and Little Extras funding from the ESFA to cover the maintenance and purchase of the academy's assets.

Capital Expenditure from GAG

This represents funds transferred from the restricted GAG fund to purchase fixed assets.

Local authority funding

This includes income from the local authority income that has been received for the purposes of purchasing fixed assets.

Sports England funding

This represents funds received from Sports England to purchase fixed assets.

Football Foundation Grant

This represents funds received from the Football Foundation for the refurbishment of the astro turf pitches.

School led projects

This represents funds received from the local authority specifically for School led projects in the year.

The Wolfson Foundations

This represents funds received from the Wolfson Foundation for the funding of fixed assets purchased by the school.

Laptop grant

This income stream includes laptops donated by the government during COVID.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General funds	1,775,579	174,917	(423,808)	-	-	1,526,688
Restricted general funds						
General Annual Grant	-	5,958,324	(8,194,010)	235,686	-	-
Pupil premium	-	260,347	(260,347)	-	-	-
Catch up premium	-	95,280	(95,280)	-	-	-
Other DfE / ESFA COVID-19 funding	-	129,717	(129,717)	-	-	-
Other DfE/ESFA grants	-	427,586	(427,586)	-	-	-
Other government grants	8,056	526,390	(507,582)	-	-	26,884
Donations	-	509	(509)	-	-	-
Pension reserve	(2,392,000)	-	(399,000)	-	(814,000)	(3,605,000)
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	(2,383,946)	7,398,153	(8,014,011)	235,686	(814,000)	(3,578,118)
Restricted fixed asset funds						
Inherited on conversion	13,985,234	-	(301,663)	-	-	13,683,571
DfE group capital grants	75,703	23,524	(32,691)	-	-	66,536
Capital expenditure from GAG	482,624	25,000	(134,725)	194,626	-	547,525
Local authority funding	21,906	-	(16,977)	-	-	4,929
Sports England funding	16,000	-	(8,000)	-	-	8,000

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**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 AUGUST 2022**

17. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Football Foundation Grant	196,598	313,714	-	(430,312)	-	-
School led projects	332,102	60,000	(10,143)	-	-	381,959
The Wolfson Foundation	-	92,000	(4,462)	-	-	87,538
Laptop grant	-	36,448	(12,028)	-	-	24,420
	15,010,227	550,696	(520,689)	(235,686)	-	14,804,538
Total Restricted funds	12,626,283	7,948,839	(8,534,700)	-	(814,000)	11,228,422
Total funds	14,401,862	8,123,756	(8,958,508)	-	(814,000)	12,753,110

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricte d funds 2022 £	Restricte d funds 2022 £	Restricte d fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	14,398,382	14,398,382
Current assets	2,062,409	163,452	432	2,226,293
Creditors due within one year	(595,510)	-	-	(595,510)
Provisions for liabilities and charges	-	(414,000)	-	(414,000)
Total	1,486,699	(250,548)	14,398,814	15,615,155

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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	As restated Restricted fixed asset funds 2021 £	Total Funds 2021 £
Tangible fixed assets	-	-	14,679,768	14,679,768
Current assets	1,917,094	26,684	124,770	2,068,748
Creditors due within one year	(390,406)	-	-	(390,406)
Provisions for liabilities and charges	-	(3,605,000)	-	(3,605,000)
Total	1,526,688	(3,578,116)	14,804,538	12,753,110

19. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the year (as per Statement of financial activities)	(940,945)	(834,752)
Adjustments for:		
Depreciation	586,071	520,689
Capital grants from DfE and other capital income	(186,956)	(550,686)
Interest receivable	(1,040)	(1,614)
Defined benefit pension scheme cost less contributions payable	648,000	356,000
Defined benefit pension scheme finance cost	64,000	43,000
Decrease in debtors	317,373	472,073
Increase/(decrease) in creditors	169,856	(195,529)
Loss on disposal of fixed assets	113	-
Net cash provided by/(used in) operating activities	556,472	(190,819)

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20. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	1,040	1,674
Purchase of tangible fixed assets	(269,870)	(500,653)
Proceeds from the sale of tangible fixed assets	320	-
Capital grants from DfE Group	23,406	23,524
Capital funding received from sponsors and others	8,598	335,742
Net cash used in investing activities	(236,506)	(139,773)

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	1,933,968	1,614,003
Total cash and cash equivalents	1,933,968	1,614,003

22. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,535,366	319,175	1,854,541
Liquid investments	78,637	791	79,428
	1,614,003	319,966	1,933,968

23. Capital commitments

	2022 £	2021 £
Contracted for but not provided in these financial statements	2,365	219,331
Acquisition of tangible fixed assets	2,365	219,331

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24. Pension commitments

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 Cornwall Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £115,105 were payable to the schemes at 31 August 2022 (2021 - £115,765) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 33.68% of pensionable pay (including a 0.06% administration levy);
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million;
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

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NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £737,521 (2021 - £727,058).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £365,000 (2021 - £357,000), of which employer's contributions totalled £263,000 (2021 - £277,000) and employees' contributions totalled £ 82,000 (2021 - £80,000). The agreed contribution rates for future years are 5.5 per cent for employers and 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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.

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.05	2.9
Rate of increase for pensions in payment/inflation	3.05	2.9
Discount rate for scheme liabilities	4.25	4.65

The UK is currently experiencing a period of high inflation. As the deferred pensioner and pensioner obligations in the LGPS are increased each April in line with the previous September's rate of CPI, the high level of inflation is expected to lead to a high Pension Increase Order being applied in April 2023. Therefore, the actuary has adjusted the CPI assumption to reflect the likely significant inflationary increase to LGPS benefits in April 2023. Although not yet confirmed by government, the annual increase is due to be based on the level of CPI increases between September 2021 and September 2022, which has been estimated to be 9.9%. As a result, within the standard CPI assumption derivation, the actuary has allowed for a year 1 CPI figure of 9.9%.

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 FOR THE YEAR ENDED 31 AUGUST 2022**

24. Pension commitments (continued)

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

	2022 Years	2021 Years
Retiring today		
Males	21.3	21.5
Females	23.9	24.1
Retiring in 20 years		
Males	22.6	22.8
Females	25.6	25.8

Sensitivity analysis

	2022 £000	2021 £000
Discount rate +0.1%	(121)	(198)
Discount rate -0.1%	121	198
Mortality assumption - 1 year increase	211	337
Mortality assumption - 1 year decrease	(211)	(337)
CPI rate +0.1%	117	186
CPI rate -0.1%	(117)	(186)
Salary increase rate + 0.1%	5	7

Share of scheme assets

The Academy Trust's share of the assets in the scheme was:

	At 31 August 2022	At 31 August 2021
	£	£
Equities	2,726,000	2,794,000
Corporate bonds	1,655,000	1,686,000
Property	389,000	289,000
Other	96,000	48,000
Total market value of assets	4,868,000	4,817,000

The actual return on scheme assets was £35,800 (2021 - £615,090).

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**NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2022	2021
	£	£
Current service cost	831,000	633,000
Interest income	(81,000)	(70,000)
Interest cost	145,000	113,000
Total amount recognised in the Statement of financial activities	895,000	676,000

Changes in the present value of the defined benefit obligations were as follows:

	2022	2021
	£	£
At 1 September	8,423,000	6,362,000
Current service cost	831,000	633,000
Interest cost	145,000	113,000
Employee contributions	82,000	80,000
Actuarial (gains)/losses	(4,082,000)	1,318,000
Benefits paid	(117,000)	(83,000)
At 31 August	5,282,000	6,423,000

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2022	2021
	£	£
At 1 September	4,818,000	3,970,000
Interest income	81,000	70,000
Actuarial (losses)/gains	(279,000)	504,000
Employer contributions	283,000	277,000
Employee contributions	82,000	80,000
Benefits paid	(117,000)	(83,000)
At 31 August	4,888,000	4,818,000

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25. Operating lease commitments

At 31 August 2022 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Not later than 1 year	22,791	14,271
Later than 1 year and not later than 5 years	37,244	25,245
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	66,035	39,516
	<hr/> <hr/>	<hr/> <hr/>

26. 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/she is a Member, or within one year after he/she ceases to be a Member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a Member.

27. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the period of account:

A Walker, wife of P Walker, Accounting Officer, is employed by the academy trust as a teacher. A Walker's appointment was made in open competition and P Walker was not involved in the decision-making process regarding appointment. A Walker is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship.

B Laing, daughter of J Hamies, Trustee, is employed by the academy trust as a teacher. B Laing's appointment was made in open competition and J Hamies was not involved in the decision-making process regarding appointment. B Laing is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship.