

Company registration number 07956473 (England and Wales)

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 10
Governance statement	11 - 15
Statement on regularity, propriety and compliance	16
Statement of trustees' responsibilities	17
Independent auditor's report on the accounts	18 - 20
Independent reporting accountant's report on regularity	21 - 22
Statement of financial activities including income and expenditure account	23
Balance sheet	24
Statement of cash flows	25
Notes to the accounts including accounting policies	26 - 44

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr M G H Bobat (Resigned 31/07/2022)
Mr H Mahomed
Mr A Patel
Ms B Daykin

Trustees

Mr A A Chohan (Chair)
Mr I I Bhika
Mrs T Patel (Vice Chair)
Mr I Kala (Resigned 24 May 2022)
Mr C D Mole
Ms L McCaffrey
Mr M Sardar (Parent)
Mr P S Broster (Resigned 18 July 2022)
Mrs S Cardwell (Resigned 27 June 2022)

Senior management team

- Principal	Mr H Asghar
- Deputy Principal	Mrs Z Patel
- School Business Manager	Mr A R Musa
- SEN&D Coordinator	Ms N Chippendale

Company registration number

07956473 (England and Wales)

Registered office

Adelaide Street
Bolton
BL3 3NY

Independent auditor

MHA Moore and Smalley
Richard House
9 Winckley Square
Preston
PR1 3HP

Bankers

Lloyds Bank Plc
9 Hotel Street
Bolton
BL1 1DB

Solicitors

Hill Dickinson LLP
Princes Exchange
Princes Square
Leeds
LS1 4HY

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the audited financial statements of the School for the year ended 31 August 2022. The Olive Tree Primary School officially opened on 12 September 2013, these accounts represent the eighth full year of trading.

The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The school operates an academy for pupils aged 4 to 11 serving a catchment area in Daubhill, Bolton. It has a pupil capacity of 420 and had a roll of 420 in the school census on 7 October 2021.

The principal object and activity of the Charitable Company is the operation of a free school to provide education for pupils of mixed abilities between the ages of 4 and 11 serving a catchment area in Daubhill, Bolton. In accordance with the articles of association the Charitable Company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the School, the catchment area from which the pupils are drawn, and that the curriculum should comply with the substance of the national curriculum.

Structure, governance and management

Constitution

The Free School ("School") is a company limited by guarantee and an exempt charity and was incorporated on 20 February 2012. The Charitable Company's memorandum and articles of association are the primary governing documents of the School. This is alongside the Funding Agreement.

This Report and the Accounts reflect the activities of the School during the year and the Trustees, as listed on page 1, had responsibility for governance during the year. The Trustees act as the trustees for the charitable activities of the School and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as 'The Olive Tree Primary School Bolton Limited' and is also referred to in the accounts as 'The Olive Tree Primary School'.

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 £1, for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

The School has opted into the ESFA Risk Protection Arrangement (RPA) to protect Trustees and Officers from claims arising in connection with School business. The RPA provides cover of up to £5m on any one claim and has been in place from 1 September 2014.

Method of recruitment and appointment or election of trustees

The Trustees are appointed by the following:

- Trustees elected by parents
- Trustees elected by Trustees/Members

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Policies and procedures adopted for the induction and training of trustees

All Trustees are provided with copies of the DfE Handbook for Trustees, the Academies Trust Handbook, the competency framework for governance, and 'Conflicts of Interest: A guide for charity trustees (CC29)' on appointment. Induction training is done both in-house using the skills set of the Board of Trustees and in partnership with external partners approved by the DfE. Additional training is available through Bolton Council Governor Services or any other accredited organisation as identified through the skills audit and in line with the training development plan.

The Olive Tree Primary School's intention is to develop in an intelligent and principled way – acting on the basis of good evidence and sound judgement.

Effective Governance is critical to the success of the School. It is reliant upon a strong professional working relationship between Trustees and the Principal where both parties know and understand both the extent and limits of their respective roles, responsibilities and accountabilities. In essence the Board of Trustees is responsible for:

- Establishing the vision and ethos of the School
- Setting the strategic direction of the School
- Promoting high standards and children's well-being
- Approving the budget so as to achieve value for money
- Approving the staffing structure
- Ensuring the quality of provision
- Managing resources
- Assessing and managing risks
- Ensure sound management and administration

Organisational structure

With effect from 1 September 2013, the Board of Trustees has governed the School. The organisational structure of the School consists of 3 levels: Members, Board of Trustees and Senior Leadership team – led by the Principal.

The School has a Scheme of Delegation, and a Financial Scheme of Delegation that sit alongside the Financial Procedures & Policy Manual, which details the levels of responsibility for the setting of the School's annual budget and its subsequent management and monitoring.

The Board of Trustees is responsible for setting general policies, adopting a school improvement plan, approving the annual budget, monitoring the School's performance, making major policy decisions, appointing senior staff.

During the year the Senior Leadership Team comprised the following:

- Principal – H Asghar
- Deputy Principal - Z Patel
- School Business Manager – A Musa
- Designated Safeguarding Lead and SEN&D Coordinator - N Chippendale

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees monitors and manages the performance of the Principal on an annual basis. The task of appraising the Principal, including the setting of objectives, is supported by an external education consultant. Prior to the start of each appraisal period, the Board of Trustees informs the Principal of the standards against which the Principal's performance in that appraisal period will be assessed and sets objectives for the Principal for that appraisal period. The same process is followed for other key personnel, however the appraisal is completed by the Principal with support from the school's leadership team.

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Related parties and other connected charities and organisations

The chair of the Board of Trustees works in the field of educational technology and is also married to a member of the school's senior leadership team. Consequently, all decisions relating to these two aspects of trust business are managed by the Board through the exclusion of the chair - in line with the trust's conflict of interest policy.

Objectives and activities

Objects and aims

The Olive Tree Primary School opened as Bolton's first Free School in September 2013, and continues to be highly popular with parents with a waiting list being maintained by Bolton Council. We provide all pupils in our care with a 'Good' education and promote excellence in all aspects of school life as confirmed by Ofsted in February 2020. A section 48 Ofsted Inspection in April 2017 confirmed that the school was outstanding in all areas. We endeavour to ensure that all pupils in our care develop into confident individuals, responsible citizens and successful learners. School leadership, teachers, support staff, together with parents, ensure:

- Pupils are provided with an inspirational education and a plethora of experiences during their learning journey;
- Staff and pupils are dedicated to excellence and do not settle for anything less, so they are equipped with a toolkit of skills and knowledge that will serve them through their lives;
- Diversity is welcomed through an atmosphere of mutual respect, motivation and warmth, which is prevalent across the school;
- Personalised Learning and Success - An understanding that every individual is unique and special, the school nurtures, supports and develops individuals using the latest in technology to achieve and succeed.

Objectives, strategies and activities

The aim and vision of the board is to support the school's 'Believe You Can' mission statement, always acting in the best interest of the children, providing appropriate support and challenge. It is the intention of the board to develop the use of leading technologies in teaching and learning, growing the organisation and becoming a global leader in education.

The school has an Islamic religious character inspired by the origins of the Muslim faith. Through the values of Islam, we develop the core universal principles of equality, fairness, peace, compassion, trust and respect for all people through the school ethos, and a belief that we are all part of, and are contributing to, something far greater than ourselves. Our values complement promotion of the fundamental British values of democracy, the rule of law, individual liberty, mutual respect and tolerance of those with different faiths and beliefs. These values are evident in the behaviour and relationships between all pupils, staff and wider stakeholders in the school.

The school promotes mutual respect between pupils, building self-confidence in each child and creating an atmosphere of collaborative learning and a reflective community with strong values underpinned by the teachings of the Islamic faith.

Striving for the highest possible standards of attainment sits comfortably alongside this ethos of mutual support and understanding. Relationships are characterised by self-confidence and mutual respect.

Public benefit

The trustees are aware of the Charity Commission guidance on providing public benefit and have had due regard to this in exercising their duties during the year. The School is fully committed to being a community hub and engages with the diverse community around the School to continuously develop year on year.

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report

Achievements and performance

During the first part of the financial year, the school faced uncertainty around the legacy left behind by the COVID-19 pandemic. The school however ensured a robust recovery plan was in place to mitigate the risks to teaching and learning thus enabling pupils to catch up lost learning, and maintain and demonstrate strong performance by the end of the academic year.

Ongoing development of the school's leadership team through engagement with nationally accredited leadership programmes (National Professional Qualifications) ensured leaders at every level received high-quality leadership development opportunities to extend their understanding and leadership impact of whole-school improvement initiatives. This resulted in a number of the school's middle leaders being awarded the National Professional Qualifications, and thus led to the further strengthening of the school's leadership and a focused drive towards achieving key improvement priorities. For this year these included:

- Priority 1: To strengthen the quality of teaching through coaching, collaborative and innovative practice (lesson study);
- Priority 2 - To strengthen learning provision for more able pupils and those with SEND;
- Priority 3 - To strengthen subject leadership across the school with a particular focus on Art and Design Technology, Performing Arts and History;
- Priority 4 - To continue to develop the curricula for character and religious education to increase their impact on social, moral, cultural and spiritual development of pupils.
- Priority 5 - To strengthen leadership of our early provision so that the quality of education provided is exceptional.
- Priority 6 - To develop the curriculum for character education to increase its impact on the social, moral, cultural and spiritual development of pupils.
- Priority 7 - To ensure the new EYFS framework is embedded in order to provide outstanding provision, with a particular focus on the outdoors, so that the children gain maximum benefit from the available resources and learning opportunities.

To address these:

Priority 1 involved the commissioning of external training from the Teacher Development Trust (TDT) who delivered training on the subject of coaching to the school's leadership team. Through focused coaching, teaching and support staff were then supported with improving their teaching practice in order to make it more innovative and impactful. Similarly, through ongoing professional development, the school's SENDCo was able to support teaching and support staff to develop their teaching practice in order to have a more profound learning impact on pupils.

Priorities 2 and 4 involved the refinement of the school's processes for teaching reading and writing – and a concerted effort towards improving reading for pleasure through a 'Riveting Readers' initiative that was implemented towards the end of the year.

Priority 3 was supported through the input of an external organisation: Voice 21. Year 1 (2021-22) was mainly focused on the engagement with CPD for the school's oracy lead and champion however through a further two-year plan, this initiative will continue to be developed in order to implement key frameworks for speaking and listening through the support of Voice 21 and the school's oracy lead and champion.

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Priorities 5 and 6 showed considerable impact with the school's Principal and an external school improvement consultant providing focused CPD to the school's teachers in order to develop their understanding of subject leadership. More specifically, the school's subject leads for character education, computing, PE, and RE received additional external support in order to strengthen the delivery (teaching) of their respective subjects and thus secure improvements in pupils' learning. Due to the vast nature of character education, this improvement work will continue into the next academic year.

Priority 7 was addressed through the input of an experienced early years professional and former Her Majesty's Inspector who worked in partnership with the school's early years lead to refine the curriculum and 'tighten-up' daily routines and teaching strategies. In doing so, the school was able to successfully implement a purposeful curriculum that was effectively delivered in order to secure strong learning outcomes for its youngest pupils by the end of their first year in Reception.

Throughout this financial year, the School overcame the challenges of the legacy left behind by COVID-19 in order to secure a number of successes, as follows:

At the start of the Autumn term, a recruitment campaign was initiated to encourage pupils to express an interest in taking up a key role that would support the smooth running of the school. Amongst the establishment of a number of such roles, the school's 'Junior Leadership Team' were formed, with the remit of liaising with pupils across school to bring up any issues or topics of debate in order to improve every aspect of school life. This was an extremely successful initiative aimed at increasing pupil voice that saw pupils attend bi-weekly meetings with the school's leadership team to share their observations and make suggestions for improvement. The 'JLT' were also instrumental in organising an extremely successful food collection to support a local food bank charity that supports homeless and needy people.

The end of the Autumn term saw the celebration of pupil's learning through a beautifully delivered Nasheed concert. Although the concert could not be hosted in person due to remaining COVID-19 restrictions, parents and carers were provided with the opportunity to experience their children's lovely singing through a virtual concert on the school's website.

Although some COVID-19 restrictions continued to remain in place during the remainder Autumn and early Spring terms, the school and its community continued with a concerted effort to ensure minimal disruption to pupils' education. Where instances of self-isolation became inevitable, the school's excellent use of educational technology coupled with unstinting support from teachers ensured pupils continuity of learning was maintained throughout this period to a high standard through virtual means.

Towards the end of the Spring term, the school launched its annual 'Ramadhan Good Deeds' Competition. This initiative, which encouraged pupils to complete a daily good deed throughout the month of Ramadhan, was once again highly successful – resulting in extra prizes having to be purchased due to the 'excess' number of winners!

Once the COVID-19 restrictions were relaxed – around Easter time, the school was able to engage in a programme of exciting extra-curricular activities with the commencement of educational visits which were thoroughly enjoyed by and benefitted the school's pupils – especially after such a sustained period of COVID-19 restrictions.

During the Summer term, the school was externally moderated in key stage 1 by the Local Authority's moderation team. The moderation team concluded that teachers' assessment judgements in English and maths were accurate – which is a testament to the emphasis the school and its staff have placed on getting to know the national curriculum and ensuring regular professional dialogue between teachers strengthens the school's assessment system.

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Despite the challenges of COVID-19, the school was able to utilise virtual means to successfully collaborate with a number of schools – locally, nationally and internationally - in order to develop and share good practice through the school's designation as an 'Apple Distinguished School' and Regional Training Centre for Apple's educational division. In doing so, the school continued to deliver initial teacher training through its role as a key player within the 'Teach Northwest' partnership and through its designation as a lead delivery school for the National Professional Qualifications – which are delivered to aspiring and existing school leaders.

The continued response by the school and its community to the pandemic was extremely encouraging with all stakeholders remaining united in fulfilling the school's vision of 'Believe You Can!' by working in partnership to ensure the safe, continued focus on children's learning and wellbeing. In order to regain lost learning as a result of the COVID-19 pandemic, the school continued with its successful programme of teaching interventions – delivering additional classes in reading, writing and maths to pupils with learning gaps on Friday afternoons. The positive effects of this were realised by parents, pupils and school staff alike and contributed to the school securing strong learning outcomes for its pupils at the end of the academic year – as outlined below (see section on 'key performance indicators').

In addition to the successes outlined above, the school enjoyed a further success at the end of the academic year when its safeguarding practices were audited by the local authority. The local authority report outlined how the collective efforts of staff and trustees has ensured The Olive Tree has a safeguarding culture to be proud of – as can be seen from the quote, below:

'Overall, there is a strong senior leadership team with an excellent focus on safeguarding. A strong safeguarding culture is prioritised which is evidenced by the Chair of Trustees, staff and children.'

The school was also subject to a health & safety desk review by Willis Towers Watson as part of the DfE Risk Protection Arrangement (RPA). Eleven areas of health and safety were reviewed of which nine areas were classed as presenting a good standard, one area demonstrating best practice, with one area requiring improvement. A further health and safety audit was completed by the local authority in late June on the invitation of the school which highlighted no major concerns in the management of the health and safety at the school.

Key performance indicators

Whilst the uncertainty of the legacy left behind by COVID-19 remained throughout the first two terms of the academic year (2021-22), ongoing efforts by the school's leadership team and its staff ensured stability and continuity of learning for its pupils – which was a clear contributor to the school's successful performance at the end of the financial year 2022. Notably, the data below has been provided in its most current version but may be subject to further revisions once the Department for Education has completed its processing exercise by the end of the autumn term 2022. Where possible, references have been made to national averages – however these are currently restricted to KS2 as this is the only data set that has been released to date.

Performance at the end of Reception:

At 73%, the proportion of pupils achieving the Early Years Foundation Stage (EYFS) Good Level of Development (GLD) represents strong achievement, given the challenges faced by this cohort of pupils in terms of them being unable to fully access pre-school / nursery due to COVID-19 prior to arriving at The Olive Tree. Although not directly comparable to historic data, this is above the last published national average for EYFS in 2019 – which was 72% - whilst also being above the 2021 data recorded by the school which was 69%.

Performance in phonics at the end of Year 1 (Y1):

Pupils achievement of the Y1 Phonics Screen Check (PSC) showed that 83% of Y1 pupils passed the PSC. Again, this was above the last published national average data for 2019 (82%) and a clear indication of the positive impact of the school's efforts to strengthen pupils' early reading through its delivery of a robust phonics teaching programme.

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Performance in reading, writing and maths at the end of Year 2 (Y2):

Despite the challenges of COVID-19, whereby such young pupils missed large amounts of face-to-face teaching in the previous year, this cohort concluded the year with strong results with 75% of pupils achieving the expected standard in reading, 73% in writing and 78% in maths. Fuller comparisons against national data will be made when the Department for Education shares its statistical release in the autumn term.

Performance in reading, writing and maths at the end of Year 6 (Y6):

The excellent achievement data for this year group was a clear demonstration of the positive impact of the improvements the school has made since it completed its first year of KS2 SATs at the end of 2019. Despite the challenges of COVID-19, staff and pupils worked relentlessly to ensure year 6 pupils were equipped with the knowledge and skills needed to make a successful transition to secondary school. Consequently: 80% of pupils achieved the expected standard in reading (compared to 74% nationally), 78% of pupils achieved the expected standard in writing (compared to 69% nationally) and 83% of pupils achieved the expected standard in maths (compared to 71% nationally). As a composite figure, this represents fantastic achievement with 71% achieving the expected standard when combined for reading, writing and maths – in comparison to 59% nationally. This is an excellent testimony to the school's focused, evidence-based teaching approach which is further amplified and supported through a strong infrastructure of educational technology.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the school has adequate resources to continue in operational existence for the foreseeable future. For this reason, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

The school's total incoming resources during the year were £2,314,181 (2021: £2,196,366). The majority of the school's income derives from central government funding via the Education & Skills Funding Agency, in the form of current grants. Total funding received for the school's educational operations in the period was £2,287,645 (2021: £2,175,186). Capital grants of £8,691 (2021: £14,820) were received in the year.

Total outgoing resources for the year were £2,571,513 (2021: £2,347,806). The excess of expenditure over income was £257,332 (2021: deficit of £47,440).

At the year end the School's total reserves were £3,676,398 (2021: £3,329,730) of which £nil (2021: £nil) was unrestricted, £1,295,382 (2021: £796,701) was general restricted and £2,381,016 (2021: £2,533,029) represented restricted fixed asset funds. The general restricted funds are stated net of the Local Government Pension Scheme deficit of £54,000 (2021: £542,000). The school does not have an obligation to settle this liability immediately and there are no indications that it will crystallise in the foreseeable future. Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of the Trust closing, outstanding local government pension scheme liabilities would be met by the Department for Education.

At the year end all assets shown in the accounts are to be used exclusively for providing education and associated support services to pupils of the School.

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Reserves policy

Reserves are required to-

- Ensure sustainability of the school in the event of reductions in funding, reductions in pupil numbers or unexpected increases in expenditure.
- Fund capital projects and the replacement of equipment
- Enable the Trust to respond to opportunities and implement the longer term strategic

At 31 August the School held the following reserves.

	2022
Total reserves	3,676,398
Add back Pension reserve	54,000
Less reserves attributable to Fixed assets	<u>(2,381,016)</u>
Unrestricted and general restricted funds	1,349,382
Less restricted general funds	<u>(1,349,382)</u>
Free reserves	<u>-</u>

In order to bring the reserves in line with the reserves policy, the Trustees continually review financial and educational KPIs to ensure allocated funding is used for the full benefit of current pupils as per Department for Education expectation and inform future strategic decision making.

The Trust reviews the level of reserves throughout the year as part of management reporting.

Investment policy

The School has a limited investment policy that ensures funds are cleared from the current account to an interest account regularly. Due to the low levels of interest this is not a high priority, however the school does review on a regular basis how it will maximise the benefit of any excess funds.

Principal risks and uncertainties

The Board of Trustees review on an on-going basis strategic/reputational, financial, compliance and operational and safeguarding risks as part of the risk register review. Three independent internal scrutiny visits were undertaken during the year and no areas of major concern were identified. Further details can be found in the Trust Risk Management Strategy.

The internal financial systems are based on the Academies Trust Handbook and are documented in The Finance Policy & Procedures Manual. The systems are based on a framework of segregation of duties, schemes of delegation that include authorisation and approval. Financial management information is relevant, timely and accurate and seeks to minimise risks by consistently applying current circumstances to future years attempting to forecast ahead.

Further details can be found in the Trust Finance Policy & Procedures Manual.

Financial and Risk Management Objectives and Policies

In the year ended 31 August 2022, the objective was to ensure the academy policies and procedures were both robust and consistent with the Academies Trust Handbook to ensure continued day to day financial control and management of the capital projects.

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Fundraising

The Trust does not use any external fundraisers. All fundraising activity undertaken during the year is monitored by the Trustees and is usually limited to raising of funds via cake sales by pupils and a summer fair supported by staff and volunteers. As a result of Covid-19, no such activity took place during the financial year.

Plans for future periods

School Improvement Priorities

The school has a yearly development plan that sets the strategic direction and focus of The Olive Tree Primary School. This is reviewed and rolled forward annually as part of the monitoring and evaluation cycle.

For the financial year 2022-23, the trust's school will be focusing on the following school improvement priorities:

- Priority 1: To strengthen the quality of teaching through coaching, collaborative and innovative practice (lesson study);
- Priority 2: To strengthen learning provision for more able pupils and those with SEND;
- Priority 3: To strengthen subject leadership across the school with a particular focus on Art and Design Technology, Performing Arts and History;
- Priority 4: To continue to develop the curricula for character and religious education to increase their impact on the social, moral, cultural and spiritual development of pupils.
- Priority 5: To strengthen leadership of our early years provision so that the quality of education provided is exceptional.

Auditor

In so far as the trustees are aware:

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

A resolution proposing that MHA Moore and Smalley be reappointed as auditor of the charitable company will be put to the members.

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



Mr A A Chohan
Chair

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

The trustees acknowledge that they have overall responsibility for ensuring that The Olive Tree Primary School Bolton Limited 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 organisational objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss. The trustees have reviewed and taken account of the guidance in the DFE's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Olive Tree Primary School Bolton Limited and the Secretary of State for Education. The principal is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report. The board of trustees has formally met 8 times during the year for five full board meetings and three 'extraordinary' meetings. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr A A Chohan (Chair)	7	8
Mr I I Bhika	6	8
Mrs T Patel (Vice Chair)	7	8
Mr I Kala (Resigned 24 May 2022)	3	5
Mr C D Mole	7	8
Ms L McCaffrey	4	8
Mr M Sardar (Parent)	7	8
Mr P S Broster (Resigned 18 July 2022)	7	8
Mrs S Cardwell (Resigned 27 June 2022)	3	6

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Key changes in the composition of the board of trustees

The composition of the board has largely remained the same with the exception of the resignation of our Safeguarding trustee. We are actively recruiting for this position and will be considering applicants our next board meeting.

Although there were no changes to the overall composition of the board of trustees throughout the year, the final (summer) term saw the resignation of three trustees - all due to personal reasons unrelated to the function of the trust board. In response to these, the trust board conducted an external recruitment campaign, from which expressions of interest were received. A review of these expressions is scheduled to take place at the board meeting dated 12th December 2022 following which the board will consider the suitability of the candidates and make a decision (vote) on appointing them to the board. Similarly, in order to expand upon the current number of parent trustees a second round of recruitment activity was scheduled after the initial round failed to return any interested applicants. Once the deadline for nominations has passed (25.11.22) a parental ballot will be held to make a decision (vote) on appointing them to the board.

The coverage of the board's work

Trustees have continued to ensure leaders are accountable and provided critical friendship through various board expertise ranging from teaching and learning, safeguarding and finance. The trust board has expertise in all the aforementioned areas.

Trustees have continued to focus on ensuring that the strategic direction of the trust has been in line with the national agenda and as such has continued discussions about establishing a MAT. This has included liaising with other trusts to better understand how we build capacity and build a vision that has a positive impact on the wider community.

Through the termly meetings of the standards, safeguarding and inclusion committee, trustees focussed on holding the Principal to account for the educational performance of the school and its pupils - with a particular emphasis on ensuring the leadership team of the trust's school had in place and implemented a robust COVID-19 recover plan to deliver continuity of learning and enable pupils to 'catch up and keep up' following the disruption of the pandemic. The committee also provided strategic oversight in relation to the school's provision for SEND and safeguarding to ensure they remained effective.

The trust's finance, HR and premises committee continued to ensure the leadership team of the trust's school had in place and implemented an effective COVID-19 risk assessment and outbreak management strategy to operate safely until COVID-19 restrictions were lifted in April 2022. This committee also provided the required oversight to ensure effective financial performance of the trust and compliance with a number of external audit practices, to include health and safety audit, risk management and strategy and the internal / external audit of trust financial management to ensure compliance with the requirements of the Education and Skills Funding Agency (ESFA) and the academies handbook.

The trust's pay committee ensured its school's leadership team completed the effective performance management of its staff.

The board has also supported the leadership team this year with a remodelling project through the use of reserve funds.

The board's performance, including assessment of its own effectiveness and any particular challenges that have arisen for the board

Although the annual skills audit showed a balanced trust board, three trustees resigned at the end of this academic year due to work commitments. The recruitment of trustees will be a challenge. This has been the case with the appointment of a second parent trustee.

Information about the quality of the data used by the board, and why the board finds it acceptable

The trust is using data supplied by the school leadership team. The quality of data is acceptable to the board as the school is using an external advisor to verify practice from a teaching and learning perspective.

Finance data has been acceptable to the trust board based on external audits by an independent audit company that was approved by the trust board. The audits have not highlighted any issues with respect to compliance, processes or data.

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Review of value for money

As accounting officer the Principal has responsibility for ensuring the school 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 school'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 school has delivered improved value for money during the year by:

- Membership of the Education & Skills Funding Agency (ESFA) Risk Protection Arrangement (RPA) continues to deliver substantial cost savings on insurance(s)
- At a time of record highs in wholesale energy prices and a gas supply shortage, the securing of a fixed rate deal for both gas and electricity supply in previous years has delivered a combined cash saving in excess of £40,000 on energy costs based on current prices..
- A robust cycle of review and evaluation of all annual Service Level Agreements, supporting by robust renegotiation continues to ensure value for money.

The school undertakes an annual benchmarking exercise to compare itself against schools of a similar size and pupil intake. The exercise demonstrated that the school's income and expenditure was similar to that in the sample size.

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 school policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Olive Tree Primary School Bolton Limited for the period 1 September 2021 to 31 August 2022 and has been further developed up to the date of approval of the annual report and financial statements.

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Capacity to handle risk

Since its appointment, the Board of Trustees has reviewed the key risks to which the school 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 now a formal ongoing process for identifying, evaluating and managing the academy trust's school's significant risks that have been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Trust has a Risk Register that is updated on a regular basis and presented to the Trustees. The main areas of Risk identified are :-

Finance - Adverse impact on the Trust's capacity to offer a high-quality education as a result of reduced funding nationally which in turn would lead to a reduction in academy funding.

Finance – Inability of the Trust to manage the reserves properly, by either allowing reserve balances to fall too low, potentially compromising delivery of educational outcomes, or allowing reserve balances to be too high indicating a lack of effective resource planning and poorer educational outcomes than otherwise could have been achieved.

Finance – Current & future volatility in global energy markets, impacting on financial planning. A reduction in resources available to the Trust as a result of increased expenditure on energy impacting teaching & learning, and limiting the school's ambitions for growth.

Business – Disruption to the provision of effective education, and/or damage to Trust assets as a result of a natural disaster, including pandemic, fire, flood or earthquake.

The risk and control framework

The school'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 the preparation and presentation of monthly management accounts which are reviewed and agreed by the chair of the board of trustees and the Finance, HR, and Buildings committee;
- regular reviews by the finance committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has decided:

- to employ Haines Watts Chartered Accountants as internal auditor

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. During the financial year the internal scrutiny programme comprised of 3 termly formal reviews of the processes and procedures to validate:

- that the necessary processes and procedures exist
- the processes and procedures are adhered to
- the School conforms to the Academy Trust Handbook
- that the School is achieving value for money and follows the seven principles of public life
- that there is openness and transparency
- that fraud prevention is in place
- the School benchmarks itself against other educational establishments

The Internal Auditors specifically review:

- expenditure systems and controls
- purchasing
- bank systems and controls
- governance and compliance
- income systems and controls
- payroll systems and controls
- management information
- fixed assets system and controls
- academy website
- risk management

The internal auditor reports to the board of trustees, through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Review of effectiveness

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

- Reports from the School Business Manager
- The Financial Procedures & Policy Manual
- Termly internal scrutiny reports from Haines Watts
- The external audit
- Financial Management and Governance Self Evaluation
- Benchmarking Report

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

Approved by order of the board of trustees on 12 December 2022 and signed on its behalf by:



Mr A A Chohan
Chair

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2022

As accounting officer of The Olive Tree Primary School Bolton Limited, I have considered my responsibility to notify the school 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 school, under the funding agreement in place between the school and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the school's board of trustees are able to identify any material irregular or improper use of funds by the school, or material non-compliance with the terms and conditions of funding under the school'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 during the year ended 31 August 2022. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.



Mr H Asghar
Accounting Officer

12 December 2022

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

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

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

In preparing these accounts, the trustees are required to:

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

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

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

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

Approved by order of the members of the board of trustees on 12 December 2022 and signed on its behalf by:



Mr A A Chohan
Chair

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the accounts

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, are detailed below:

- Enquiries with management, including governors, about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health & Safety; compliance with the Academies Trust Handbook; safeguarding and child protection; employment law; data protection and compliance with the UK Companies Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognize the non-compliance.

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

Use of our report

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

Nicola Mason

Nicola Mason (Senior Statutory Auditor)
for and on behalf of MHA Moore and Smalley
Chartered Accountants
Statutory Auditor

Richard House
9 Winckley Square
Preston
PR1 3HP

20/12/2022
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THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 19 November 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 The Olive Tree Primary School Bolton Limited during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Olive Tree Primary School Bolton Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Olive Tree Primary School Bolton Limited's funding agreement with the Secretary of State for Education dated 14 September 2012 and 13 August 2013 and the Academies Financial Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

We have undertaken testing as appropriate in line with the guidance included in Technical release 08/12AAF from the Institute of Chartered Accountants in England and Wales.

The work undertaken to draw our conclusion includes an evaluation of the control environment of the Academy together with enquiry, analytical review and substantive testing of transactions.

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Conclusion

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

MHA Moore and Smalley

Reporting Accountant MHA Moore and Smalley

Richard House
9 Winckley Square
Preston
PR1 3HP

20/12/2022

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THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

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

		Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total 2022	Total 2021
	Notes	£	£	£	£	£
Income and endowments from:						
Donations and capital grants	3	8,278	-	8,691	16,969	17,568
Charitable activities:						
- Funding for educational operations	4	23,129	2,264,516	-	2,287,645	2,175,186
Other trading activities	5	9,415	-	-	9,415	3,478
Investments	6	152	-	-	152	134
Total		<u>40,974</u>	<u>2,264,516</u>	<u>8,691</u>	<u>2,314,181</u>	<u>2,196,366</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	40,974	2,350,681	179,858	2,571,513	2,243,806
Total	7	<u>40,974</u>	<u>2,350,681</u>	<u>179,858</u>	<u>2,571,513</u>	<u>2,243,806</u>
Net expenditure		-	(86,165)	(171,167)	(257,332)	(47,440)
Transfers between funds	17	-	(19,154)	19,154	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	604,000	-	604,000	(151,000)
Net movement in funds		-	498,681	(152,013)	346,668	(198,440)
Reconciliation of funds						
Total funds brought forward		-	796,701	2,533,029	3,329,730	3,528,170
Total funds carried forward	17	-	1,295,382	2,381,016	3,676,398	3,329,730

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13		2,374,757		2,523,445
Current assets					
Debtors	14	90,543		97,342	
Cash at bank and in hand		1,468,032		1,373,449	
		1,558,575		1,470,791	
Current liabilities					
Creditors: amounts falling due within one year	15	(202,934)		(122,506)	
Net current assets			1,355,641		1,348,285
Net assets excluding pension liability			3,730,398		3,871,730
Defined benefit pension scheme liability	19		(54,000)		(542,000)
Total net assets			3,676,398		3,329,730
Funds of the school:					
Restricted funds	17				
- Fixed asset funds			2,381,016		2,533,029
- Restricted income funds			1,349,382		1,338,701
- Pension reserve			(54,000)		(542,000)
Total restricted funds			3,676,398		3,329,730
Unrestricted income funds	17		-		-
Total funds			3,676,398		3,329,730

The accounts on pages 23 to 44 were approved by the trustees and authorised for issue on 12 December 2022 and are signed on their behalf by:



Mr A A Chohan
Chair

Company registration number 07956473

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by operating activities	20		116,910		155,118
Cash flows from investing activities					
Dividends, interest and rents from investments		152		134	
Capital grants from DfE Group		8,691		14,820	
Purchase of tangible fixed assets		(31,170)		(30,192)	
Net cash used in investing activities			(22,327)		(15,238)
Net increase in cash and cash equivalents in the reporting period			94,583		139,880
Cash and cash equivalents at beginning of the year			1,373,449		1,233,569
Cash and cash equivalents at end of the year			1,468,032		1,373,449

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

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), judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Sponsorship income

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

Donations

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

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the school 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 school's educational operations, including support costs and costs relating to the governance of the school apportioned to charitable activities.

1.5 Tangible fixed assets and depreciation

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

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

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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

Short leasehold buildings	25 years from 1 September 2016
Computer equipment	3 years
Fixtures, fittings & equipment	5 years

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

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

1.6 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the school 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.

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

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

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

Financial liabilities

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

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

1.9 Taxation

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

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.10 Pensions benefits

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

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

The LGPS is a funded scheme and the assets are held separately from those of the school 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.

1.11 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency and other funders.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The school 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 OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and areas of judgement

(Continued)

Useful economic life of tangible fixed assets

The useful economic life of tangible fixed assets is judged at the point of purchase.

A useful economic life of 25 years was applied to the long leasehold building which the School occupy, 3 years for computer equipment and 5 years for fixtures, fittings and equipment.

Impairment of fixed assets

At each balance sheet date, management undertake an assessment of the carrying value of tangible fixed assets to determine whether there is any indication that the value has been impaired. Where necessary, an impairment is recorded as an impairment loss.

Valuation of the Local Government Pension Scheme defined benefit liability

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

Classification of finance and operating leases

At the inception of each lease, management undertake an assessment of the terms of the lease including the payments to be made over the life of the lease, the fair value of the asset subject to the lease, the length of the lease and whether the terms of the lease transfer substantially all of the risks and rewards of ownership.

Based on this assessment, management will determine whether the lease should be classified as a finance or operating lease.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Capital grants	-	8,691	8,691	14,820
Other donations	8,278	-	8,278	2,748
	<u>8,278</u>	<u>8,691</u>	<u>16,969</u>	<u>17,568</u>

The income from donations and capital grants was £16,969 (2021: £17,568) of which £8,278 was unrestricted (2021: £2,748) and £8,691 was restricted fixed assets (2021: £14,820).

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the school's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
DfE/ESFA grants				
General annual grant (GAG)	-	1,883,789	1,883,789	1,707,770
Other DfE/ESFA grants:				
- UIFSM	-	61,220	61,220	71,841
- Pupil premium	-	123,191	123,191	132,025
- Others	-	136,680	136,680	176,876
	-	2,204,880	2,204,880	2,088,512
Other government grants				
Local authority grants	-	59,636	59,636	40,608
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	-	-	33,600
Other incoming resources	23,129	-	23,129	12,466
Total funding	23,129	2,264,516	2,287,645	2,175,186

The income from funding for educational operations was £2,287,645 (2021: £2,175,186) of which £23,129 was unrestricted (2021: £12,466) and £2,264,516 was restricted (2021: £2,162,720).

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Other income	9,415	-	9,415	3,478

The income from other trading activities was £9,415 (2021: £3,478) of which £9,415 was unrestricted (2021: £3,478).

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Short term deposits	152	-	152	134

The income from funding for investment income was £152 (2021: £134) of which £152 was unrestricted (2021: £134).

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2022 £	Total 2021 £
Academy's educational operations					
- Direct costs	1,421,570	34,971	198,527	1,655,068	1,527,823
- Allocated support costs	311,360	433,057	172,028	916,445	715,983
	<u>1,732,930</u>	<u>468,028</u>	<u>370,555</u>	<u>2,571,513</u>	<u>2,243,806</u>

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	8,085	7,350
- Other services	2,980	2,715
Depreciation of tangible fixed assets	179,858	220,710
Net interest on defined benefit pension liability	10,000	6,000
	<u></u>	<u></u>

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Direct costs				
Educational operations	15,028	1,640,040	1,655,068	1,527,823
Support costs				
Educational operations	25,946	890,499	916,445	715,983
	<u>40,974</u>	<u>2,530,539</u>	<u>2,571,513</u>	<u>2,243,806</u>

The expenditure on charitable activities was £2,571,513 (2021: £2,243,806) of which £40,974 was unrestricted (2021: £18,826), £2,350,681 was restricted (2021: £2,004,270) and £179,858 was restricted fixed assets (2021: £220,710).

	2022 £	2021 £
Analysis of support costs		
Support staff costs	311,360	229,113
Depreciation	144,887	179,621
Premises costs	277,906	154,013
Legal costs	27,018	23,548
Other support costs	136,120	109,244
Governance costs	19,154	20,444
	<u>916,445</u>	<u>715,983</u>

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff

Staff costs

Staff costs during the year were:

	2022 £	2021 £
Wages and salaries	1,280,905	1,163,066
Social security costs	111,732	100,075
Pension costs	299,380	222,931
Staff costs - employees	1,692,017	1,486,072
Agency staff costs	40,913	59,574
Total staff expenditure	1,732,930	1,545,646

Staff numbers

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

	2022 Number	2021 Number
Teachers	18	23
Administration and support	44	29
Management	2	4
	64	56

The number of persons employed, expressed as a full time equivalent, was as follows:

	2022 Number	2021 Number
Teachers	17	15
Administration and support	28	25
Management	2	4
	47	44

Higher paid staff

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

	2022 Number	2021 Number
£60,001 to £70,000	-	1
£70,001 to £80,000	1	-

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff

(Continued)

Key management personnel

The key management personnel of the school 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 school was £397,025 (2021: £398,620).

10 Trustees' remuneration and expenses

None of the trustees were paid any remuneration or has received other benefits from an employment with the school. 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, they are not part of the board of trustees.

During the year, travel and subsistence payments totalling £29 (2021: £230) were reimbursed or paid directly to one governor (2021: one governor).

Other related party transactions involving the trustees are set out within the related parties note.

11 Trustees' and officers' insurance

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

12 Intangible fixed assets

	Computer software £
Cost	
At 1 September 2021 and at 31 August 2022	93,603
Amortisation	
At 1 September 2021 and at 31 August 2022	93,603
Carrying amount	
At 31 August 2022	-
At 31 August 2021	-

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

13 Tangible fixed assets

	Short leasehold buildings £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 September 2021	3,027,540	247,141	350,352	3,625,033
Additions	-	22,374	8,796	31,170
At 31 August 2022	3,027,540	269,515	359,148	3,656,203
Depreciation				
At 1 September 2021	603,671	190,105	307,812	1,101,588
Charge for the year	121,103	34,971	23,784	179,858
At 31 August 2022	724,774	225,076	331,596	1,281,446
Net book value				
At 31 August 2022	2,302,766	44,439	27,552	2,374,757
At 31 August 2021	2,423,869	57,036	42,540	2,523,445

14 Debtors

	2022 £	2021 £
VAT recoverable	33,974	28,271
Prepayments and accrued income	56,569	69,071
	90,543	97,342

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	55,854	55,143
Other creditors	20	1,110
Accruals and deferred income	147,060	66,253
	202,934	122,506

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Deferred income

	2022 £	2021 £
Deferred income is included within:		
Creditors due within one year	74,774	37,217
Deferred income at 1 September 2021	37,217	45,446
Released from previous years	(37,217)	(45,446)
Resources deferred in the year	74,774	37,217
Deferred income at 31 August 2022	74,774	37,217

At the balance sheet date the school was holding funds received in advance for Grants from the ESFA and the Local Authority relating to Universal infant free school meals, Rates, Other factors and High Needs.

17 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	1,318,793	1,883,789	(1,834,046)	(19,154)	1,349,382
UIFSM	-	61,220	(61,220)	-	-
Pupil premium	-	123,191	(123,191)	-	-
Other DfE/ESFA grants	-	136,680	(136,680)	-	-
Other government grants	-	59,636	(59,636)	-	-
Other restricted funds	19,908	-	(19,908)	-	-
Pension reserve	(542,000)	-	(116,000)	604,000	(54,000)
	796,701	2,264,516	(2,350,681)	584,846	1,295,382
Restricted fixed asset funds					
DfE group capital grants	2,429,492	8,691	(127,074)	(12,017)	2,299,092
Capital expenditure from GAG	103,537	-	(52,784)	31,171	81,924
	2,533,029	8,691	(179,858)	19,154	2,381,016
Total restricted funds	3,329,730	2,273,207	(2,530,539)	604,000	3,676,398
Unrestricted funds					
General funds	-	40,974	(40,974)	-	-
Total funds	3,329,730	2,314,181	(2,571,513)	604,000	3,676,398

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

(Continued)

Under the funding agreement with the Secretary of State, the School was not subject to a limit on the amount of GAG that it could carry forward at the year end. The school is aware of the need to manage its funds to ensure it does not go into deficit and it can manage its day to day cashflows.

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

General Annual Grant must be used for the normal running expenses of the School and any amounts carried forward at the end of a financial period must be used in accordance with the terms of the Funding Agreement.

Other DfE/ESFA grants comprise additional funding received for the furtherance of education, which must be used in accordance with the specific terms of each grant, all grants were fully expended in the period.

The pension reserve represents the value of the School's share of the deficit in the Local Government Pension Scheme.

Restricted fixed asset funds include assets capitalised out of GAG and other capital grants during the period, and unspent capital grants received or accrued for a specific project. Depreciation is charged against this fund.

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Funds

(Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	1,122,715	1,707,770	(1,496,320)	(15,372)	1,318,793
UIFSM	-	71,841	(71,841)	-	-
Pupil premium	-	132,025	(132,025)	-	-
Other DfE/ESFA COVID-19 funding	-	33,600	(33,600)	-	-
Other DfE/ESFA grants	-	176,876	(176,876)	-	-
Other government grants	-	40,608	(40,608)	-	-
Other restricted funds	19,908	-	-	-	19,908
Pension reserve	(338,000)	-	(53,000)	(151,000)	(542,000)
	<u>804,623</u>	<u>2,162,720</u>	<u>(2,004,270)</u>	<u>(166,372)</u>	<u>796,701</u>
Restricted fixed asset funds					
DfE group capital grants	2,580,560	14,820	(157,152)	(8,736)	2,429,492
Capital expenditure from GAG	142,987	-	(63,558)	24,108	103,537
	<u>2,723,547</u>	<u>14,820</u>	<u>(220,710)</u>	<u>15,372</u>	<u>2,533,029</u>
Total restricted funds	<u>3,528,170</u>	<u>2,177,540</u>	<u>(2,224,980)</u>	<u>(151,000)</u>	<u>3,329,730</u>
Unrestricted funds					
General funds	-	18,826	(18,826)	-	-
Total funds	<u>3,528,170</u>	<u>2,196,366</u>	<u>(2,243,806)</u>	<u>(151,000)</u>	<u>3,329,730</u>

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	2,374,757	2,374,757
Current assets	-	1,552,316	6,259	1,558,575
Current liabilities	-	(202,934)	-	(202,934)
Pension scheme liability	-	(54,000)	-	(54,000)
Total net assets	<u>-</u>	<u>1,295,382</u>	<u>2,381,016</u>	<u>3,676,398</u>

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	2,523,445	2,523,445
Current assets	-	1,461,207	9,584	1,470,791
Current liabilities	-	(122,506)	-	(122,506)
Pension scheme liability	-	(542,000)	-	(542,000)
Total net assets	-	796,701	2,533,029	3,329,730

19 Pension and similar obligations

The school'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 Greater Manchester Pension Fund. Both are multi-employer defined benefit schemes.

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

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

Teachers' Pension Scheme

Introduction

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

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

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 OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £143,046 (2021: £140,042).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 15% for employers and 5.5% to 12.5% for employees.

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

Total contributions made	2022 £	2021 £
Employer's contributions	41,000	30,000
Employees' contributions	13,000	10,000
	<hr/>	<hr/>
Total contributions	54,000	40,000
	<hr/>	<hr/>
Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.80	3.65
Rate of increase for pensions in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.65
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THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations

(Continued)

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

	2022 Years	2021 Years
Retiring today		
- Males	20.3	20.5
- Females	23.2	23.3
Retiring in 20 years		
- Males	21.6	21.9
- Females	25.1	25.3

Sensitivity analysis:

	Approximate increase to pension liability %	Approximate monetary amount £000
0.1% decrease in real discount rate	4	15
1 year increase in member life expectancy	4	16
0.1% increase in the salary increase rate	-	-
0.1% increase in the pension increase rate	4	15

Defined benefit pension scheme net liability

	2022 £	2021 £
Scheme assets	351,000	293,000
Scheme obligations	(405,000)	(835,000)
Net liability	(54,000)	(542,000)

The school's share of the assets in the scheme

	2022 Fair value £	2021 Fair value £
Equities	242,000	208,000
Bonds	49,000	44,000
Cash	28,000	20,000
Property	32,000	21,000
Total market value of assets	351,000	293,000

The actual return on scheme assets was £4,000 (2021: £45,000).

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Pension and similar obligations	(Continued)	
Amount recognised in the statement of financial activities	2022 £	2021 £
Current service cost	147,000	77,000
Interest income	(5,000)	(4,000)
Interest cost	15,000	10,000
Total operating charge	157,000	83,000
Changes in the present value of defined benefit obligations	2022 £	2021 £
At 1 September 2021	835,000	546,000
Current service cost	147,000	77,000
Interest cost	15,000	10,000
Employee contributions	13,000	10,000
Actuarial (gain)/loss	(605,000)	192,000
At 31 August 2022	405,000	835,000
Changes in the fair value of the school's share of scheme assets	2022 £	2021 £
At 1 September 2021	293,000	208,000
Interest income	5,000	4,000
Actuarial loss/(gain)	(1,000)	41,000
Employer contributions	41,000	30,000
Employee contributions	13,000	10,000
At 31 August 2022	351,000	293,000

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2022 £	2021 £
Net expenditure for the reporting period (as per the statement of financial activities)		(257,332)	(47,440)
Adjusted for:			
Capital grants from DfE and other capital income		(8,691)	(14,820)
Investment income receivable	6	(152)	(134)
Defined benefit pension costs less contributions payable	19	106,000	47,000
Defined benefit pension scheme finance cost	19	10,000	6,000
Depreciation of tangible fixed assets		179,858	220,710
Decrease in debtors		6,799	4,295
Increase/(decrease) in creditors		80,428	(60,493)
Net cash provided by operating activities		116,910	155,118

21 Analysis of changes in net funds

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	1,373,449	94,583	1,468,032

22 Long-term commitments

Operating leases

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

	2022 £	2021 £
Amounts due within one year	71,814	72,085
Amounts due in two and five years	284,000	284,814
Amounts due after five years	923,000	994,000
	1,278,814	1,350,899

THE OLIVE TREE PRIMARY SCHOOL BOLTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

23 Related party transactions

Z Patel, wife of A Chohan, Chair of Governors, is employed by the academy as Deputy Principal. Z Patel's appointment was made in open competition and A Chohan was not involved in the decision-making process regarding the appointment. Z Patel receives no special treatment as a result of her relationship to the governor. Her remuneration was £50,001 - £55,000 (2021: £50,001 - £55,000) which is within the normal pay scale. Employer's pension contributions for this employee were £10,001 - £15,000 (2021: £10,001 - £15,000).

Mr A Chohan (Governor) is Vice President of Learning for Showbie Inc. The school paid £6,732 to Showbie Inc. for educational services during the year. These transactions were pre-approved by the ESFA.

Prior year

Z Patel, wife of A Chohan, Chair of Governors, is employed by the academy as Deputy Principal. Z Patel's appointment was made in open competition and A Chohan was not involved in the decision-making process regarding the appointment. Z Patel receives no special treatment as a result of her relationship to the governor. Her remuneration was £50,001 - £55,000 (2020: £50,001 - £55,000) which is within the normal pay scale. Employer's pension contributions for this employee were £10,001 - £15,000 (2020: £10,001 - £15,000).

Mr A Chohan (Governor) is Vice President of Learning for Showbie Inc. The school paid £6,231 to Showbie Inc. for educational services during the year. These transactions were pre-approved by the ESFA.

24 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he or she ceases to be a member.

The Olive Tree Primary School Bolton Ltd

Audit Findings Report for the year ended 31
August 2022





Contents

Executive summary	3
Audit and accounting issues	5
Significant risks	7
Elevated risks	9
Financial statements	11
Adjusted misstatements	12
Unadjusted misstatements	13
Other matters	14
Written representations	15
Communication plan	16
Confirmation of independence and objectivity	17



Executive summary

Introduction

This Audit Findings Report (AFR) has been prepared to aid discussion with you about the significant and other matters encountered during the audit and how we have concluded on them.

Audit risks

We have obtained sufficient and appropriate audit evidence to conclude on the risks identified in the Outline Audit Strategy.

Going concern

The financial statements have been prepared on the going concern basis

Financial statements

We have reviewed your draft financial statements and the accounting policies are appropriate and have been applied consistently; the disclosures are in line with the Academies Accounts Direction, 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 and FRS 102. The assumptions used in your key accounting estimates are reasonable

We do not expect to modify our audit or otherwise include either an 'emphasis of matter' or 'other matter' paragraph

Misstatements

Total unadjusted misstatements, as shown page 13, represent a net overstatement of deficit and understatement of net assets of £4,302.



Executive summary continued

Control recommendations

We have no recommendations

Independence

As we noted in our Outline Audit Strategy document, there are no significant facts or matters that impact on our independence as auditors/ we considered that appropriate safeguards were in place to address the threats to our independence.

There have been no changes since we communicated with you at the planning stage



Audit and accounting issues



As part of the preparation of the accounts we generally discuss the correct accounting treatment for transactions with the Trust finance staff. The outcome of any discussion and the decisions reached are included below for your approval.

Significant findings	Treatments in accounts
Going Concern	<p>We are taking the opportunity to remind Directors of their responsibilities with regard to the assessment of the Academy Trust's going concern status. The balance on GAG reserves at 31 August 2022 was £1,349,382. The remaining restricted reserves total £nil.</p> <p>Director and Accounting Officer responsibilities: The Academy Financial Handbook requires the Academy Trust to prepare and monitor financial plans to ensure financial health of the Academy Trust.</p> <p>The Governors are required to confirm in their Annual Report and Accounts that they have considered the financial status of the Academy Trust for a minimum period of 12 months from the date the accounts are approved and that the Academy Trust is a going concern.</p> <p>The Governing Body must notify the ESFA within 14 days if it is formally proposing to set a deficit revenue budget for the current financial year which it is unable to address after unspent funds from previous years are taken into account.</p> <p>The Directors have been asked to confirm their opinion of the Academy Trust's going concern status in the Letter of Representation.</p> <p>We have discussed the going concern status with the School Business Manager and the finance committee for 2021/22 who consider that the Trust will be a going concern for at least 12 months from the approval of the accounts.</p> <p>As part of the completion process have reviewed the budgets in place together with the disclosures included in the accounts in relation to going concern.</p> <p>Based on the evidence provided we are satisfied that there is no significant concern regarding the ability of the Trust to continue as a going concern for the 12 months to December 2023.</p>

Audit and accounting issues



As part of the preparation of the accounts we generally discuss the correct accounting treatment for transactions with the Trust finance staff. The outcome of any discussion and the decisions reached are included below for your approval.

Significant findings	Treatments in accounts
Related Party transactions	Approval was requested in December 2020 for transactions with Showbie which is a related party. Although the transaction was approved, there were some comments in the letter which should be incorporated in to the current years renewal. The Trust should ensure that three quotes are obtained as required by the scheme of delegation. There should also be evidence of a review of the renewal sufficiently in advance of the renewal date.
Reception refurbishments	The work on the reception area which has cost circa £145,000 has been expensed rather than capitalised as the work is considered as repairs and renewals and doesn't meet the definition of capital.

Significant risks



The significant audit risks identified at the planning stage are set out below, together with the results of our testing:

Risk	Audit work and conclusion
Management override of controls Management is in a unique position to perpetrate fraud because of management’s ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities. Due to the unpredictable way in which such override could occur, it is a risk of material misstatement due to fraud and thus a significant risk.	<ul style="list-style-type: none">• Tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.• Made inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments.• Reviewed accounting estimates for bias and evaluated whether this represents a risk of material misstatement due to fraud. <p>We can conclude that there is no evidence of management override of controls.</p>
Risk of fraud in revenue It is a rebuttable presumption that the risk of fraud in revenue is significant.	<p>Reviewed cashbooks, credit card statements, expense claim forms and any non-routine transactions outside the normal course of business.</p> <p>There is sufficient audit evidence to conclude that revenue is not materially mis-stated.</p>
Completeness of income Income may not have been allocated correctly between restricted and unrestricted funds. Income may not be recognised in the correct period or in full.	<p>The allocation of the various income streams has been tested to ensure they are correctly allocated between unrestricted and restricted funding.</p> <p>We have reviewed income recognised pre and post year end to ensure it is recognised within the correct period.</p> <p>We performed testing to provide assurance on the completeness of incoming resources.</p> <p>There is sufficient audit evidence to conclude that revenue is not materially mis-stated.</p>

Significant risks



The significant audit risks identified at the planning stage are set out below, together with the results of our testing:

Risk	Audit work and conclusion
Regularity Income and expenditure may not have been applied for the purposes intended and approval may not have been sought from the DFE as required for certain transactions.	<p>We have reviewed income and expenditure (including credit card and petty cash expenditure) to identify unusual or unexpected transactions which may not be valid or appropriate, and to identify transactions which require DFE approval to ensure that this has been obtained. We have completed a review of governance arrangements in line with the Financial Handbook and the Accounts Direction.</p> <p>No breaches of regularity requirements have been identified.</p>
Local Government Pension Scheme Deficit The pension deficit may not have been calculated correctly.	<p>We have considered the qualifications of the actuary valuing the liability and also ensured that the assumptions used are reasonable.</p> <p>There is sufficient audit evidence to conclude that the Local Government Pension Scheme deficit is not materially mis-stated.</p>

Elevated risks



The elevated audit risks identified at the planning stage are set out below, together with the results of our testing:

Risk	Audit work and conclusion
Disclosures All required disclosures may not be included correctly in the accounts.	We have reviewed the accounts in conjunction with disclosure checklists to ensure the requirements of the Companies Act, Charities SORP and Academies Accounts Direction have all been met.
Going concern The Academy Trust is unable to continue in operation for a period of 12 months from the date of the accounts approval and to sustain operations for the foreseeable future. Consideration of impact on disclosures and audit opinion	New audit report requirements have led to enhanced auditor reporting in relation to going concern, where we have to set out our conclusions in a separate section of the audit report. Our audit work must include consideration of events after the year end and any factors affecting the future financial performance and position of the school. We requested management provide us with their own assessment of going concern and will consider whether there are any events or conditions which could cast significant doubt over the entity's ability to continue trading as a as going concern. We have reviewed the forecasts and projections in place for a period of at least twelve months following approval of the accounts and considered whether the entity appears to have sufficient cash resources to meet their liabilities as they fall due. We are satisfied that the production of accounts on a going concern basis is appropriate.
Fixed Assets Fixed asset additions may not have been capitalised in accordance with the academy's policy.	We have reviewed repairs/maintenance expenditure to identify potential capital items.

Elevated risks



The elevated audit risks identified at the planning stage are set out below, together with the results of our testing:

Risk	Audit work and conclusion
Covid funding Additional funding claimed in respect of Covid may not have been claimed appropriately.	All Covid catch up funding has been spent in the year. We have reviewed disclosures in the accounts and the treatment of donated laptops which is in line with the supplemental guidance issued by the ESFA.



We are required by ISAs to make certain communications you as set out below:

Aspect of financial statements	Conclusions
Accounting policies and financial statement disclosures	The financial statements have been prepared in accordance with 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. As part of our audit work, we have reviewed your draft financial statements including the accounting policies which we found to be appropriate and have been applied consistently.
Key accounting estimates	<p>We identified the following key accounting estimates:</p> <ul style="list-style-type: none"> • Local Authority Pension scheme – We have reviewed the assumptions used in the calculation of the Local Government Pension Scheme liability and benchmarked them against assumptions used for other Trusts. The liability has decreased by £488k in the year. This is due to a current service cost in excess of contributions of £116k and an actuarial gain of £604k. <p>We found no evidence of management bias and concluded that the accounting estimate was reasonable.</p>
Audit report and assurance report on regularity	<p>There are no expected modifications to the audit report(and we do not intend to include either an 'emphasis of matter' or 'other matter' paragraph.</p> <p>There are no expected modifications to the assurance report on regularity.</p>
Other matters we are required to report to you	There are no other matters that we need to report to you

Adjusted misstatements



This is a summary of the adjustments made to the financial statements during the course of our work:

There were no adjusted misstatements.

Unadjusted misstatements



This is a summary of the uncorrected misstatements identified during the course of our work. As noted above, you will be asked to confirm via a letter of representation that you do not consider it necessary to adjust them as they are immaterial, individually and in aggregate

The Olive Tree Primary School	Balance Sheet		SoFA	
	Dr	Cr	Dr	Cr
Understatement of fixed assets	1,725			(1,725)
Overstatement of accrued expenses	2,577			(2,577)
Total	4,302			(4,302)
Impact on reserves				4,302

Other matters

There are no other matters we wish to discuss



Written representations

As part of our completion process, we will ask you to provide a letter making certain representations to us including that:

- You have fulfilled your responsibilities in respect of the preparation of the financial statements including that they reflect all transactions and any assumptions in respect of estimates made are reasonable;
- We have had access to all relevant information, books and records;
- Individual and aggregated unadjusted misstatements are immaterial;
- You have disclosed any non-compliance with laws and regulations/ litigations and claims to us and that they have been accounted for appropriately; and
- Any relevant post-balance sheet event adjustments/ disclosures are properly included in the financial statements.



Communication plan



As we noted in our Outline Audit Strategy Document, ISA 260, ISQC (UK) 1* and certain other ISAs specify the communications we are required to make and we have summarised these as follows.

Required communications	OAS	AFR
The respective responsibilities of the auditor and management/ those charged with governance	✓	
An overview of the planned scope and timing of our audit, including the significant risks we have identified	✓	
Significant facts and matters that may bear upon our integrity, objectivity and independence	✓	✓
Non-compliance with laws and regulations	✓	✓
Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern	✓	✓
Our views about significant qualitative aspects of your accounting practices, including accounting policies, accounting estimates and financial statement disclosures		✓
Any significant matters arising and/ or significant difficulties encountered during the audit		✓
Uncorrected misstatements the effect they may have on the opinion on our report		✓
Significant deficiencies in internal control identified during the audit		✓
Circumstances that will affect the form and content of our report, including modifications to the auditor's report or the inclusion of an emphasis of matter paragraph		✓
Identified or suspected fraud which results in a material misstatement of the financial statements and whether it involves management		✓
The written representations we are requesting		✓

In addition, we will maintain other such timely communication as required throughout the audit to ensure there is robust two-way dialogue between us and those charged with governance, particularly if we encounter any significant difficulties during the audit.

* ISQC (UK) 1 (Revised November 2019), *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*.

Confirmation of Independence and Objectivity



In line with the FRC’s Revised Ethical Standard 2019, as part of our audit planning procedures we are required to assess any threats to our integrity and objectivity, including any which could impair our independence. Where such threats are identified, we are required to implement safeguards which will either:

- Eliminate the threat; or
- Reduce the threat to level at which independence is not compromised.

We have identified the following potential threats and have outlined how we plan to guard against them:

Threats	Safeguards
Non-audit services	
We prepare your financial statements which could give rise to management and self-review threats.	We consider the preparation of your financial statements to be mechanical in nature. Management will be asked to approve the financial statements and any adjustments proposed in arriving at the final reported figures.
Our prepare and audit the Annual Accounts Return.	We use separate teams to carry out the completion and audit of the Annual Accounts Return. Any supplemental information not available from the audit file is provided by the Trust.
We complete the Agreed Upon Procedures in respect of the Teachers Pension Scheme End of Year Certificate.	A separate team is responsible for the work completed on the End of Year certificate.

In addition, all of our partners and staff are required to make annual declarations about their independence and ‘fit and proper status’.

We consider that appropriate safeguards are in place to address the threats to our independence. We confirm that MHA Moore and Smalley and the engagement team are independent and that our integrity and objectivity are not impaired.

This memorandum has been prepared by MHA Moore and Smalley in connection with the audit of the financial statements of The Olive Tree Primary School Bolton Limited and has been prepared solely for the benefit of this organisations. MHA Moore and Smalley neither owes nor accepts any duty of care to any third party and shall not be liable for any loss, damage and/or expense which is caused by any reliance that any other party may place on this information.

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