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KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

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KINGSLEIGH PRIMARY SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	H Mckell R West N Leigh K Cutler J Glassborow
Trustees	H McKell, Chair R Cornish, Vice Chair J Lumber, Head Teacher (appointed 1 September 2019) K Roberts J Weller M Mcartan N Collinson J Edwards A Moles (appointed 6 March 2020) T Robinson (appointed 3 March 2020) S Lissenden (resigned 2 February 2020) L Ralph (resigned 5 March 2020) J Glassborow (resigned 9 July 2020) M Jacques (appointed 20 October 2020)
Company registered number	09872178
Principal and registered office	Hadow Road Bournemouth Dorset BH10 5HT
Accounting officer	J Lumber (appointed 1 September 2019)
Senior management team	J Lumber, Headteacher H Tarchetti, Deputy Headteacher H Chalk, Assistant Headteacher T Maguire, Assistant Headteacher V Monk, Deputy Headteacher (resigned 31 December 2019) K Bainton, School Business Manager
Independent auditors	Griffin Chartered Accountants Silverdown Office Park Exeter Airport Business Park Exeter EX5 2UX
Bankers	Lloyds 1480 Wimborne Road Kinson Bournemouth BH10 7AY

KINGSLEIGH PRIMARY SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The trust operates an academy for pupils aged 3 to 11 serving a catchment area in Bournemouth and locality with a high degree of deprivation. It has a main school pupil capacity of 820 and has a roll of 850 including pre-school pupils in the school census in January 2020. The school has expanded from a two form entry to a four form entry school.

Structure, governance and management

a. Constitution

The Academy Trust is a company limited by guarantee (registered number 09872178) and an exempt charity.

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

The Trustees of Kingsleigh Primary School are also the directors of the charitable company for the purpose of company law. The Trustees are referred to as Governors from section "d." onwards.

The charitable company is known as Kingsleigh Primary School and is part of the umbrella of Bournemouth Septenary Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved and are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Trustees' indemnities

In accordance with normal commercial practice the trust has insurance in place to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The limit of this indemnity is £10,000,000 and this cover is provided as part of the Risk Protection Arrangement offered by the Education and Skills Funding Agency.

d. Method of recruitment and appointment or election of Trustees

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

Governors undergo an induction and mentoring process. The training and induction provided for new Governors will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Governors have access to copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

f. Organisational structure

Kingsleigh Primary School has a Governing Body, the composition of which is set out in the Academy's Articles of Association. The Academy has two main Sub-Committees of which Governors are appointed.

1. Curriculum & Finance
2. Staffing, Premises & Communication

The Academy will also call on members of the Governing Body to sit on a Staff Dismissals Committee, Staff Dismissals Appeal Committee and/or a Pay and Salaries Committee on ad hoc basis, should the Committee be required. The Board of Governors normally meets at least 5 times every academic year. The Governing Body and its Sub-Committees have Terms of Reference which are reviewed annually and contain details of compositions, responsibilities, delegated authorities and matters reserved for the Governing Body itself.

The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Sub-Committees and other groups. It receives reports including policies from its Sub-Committees for ratification. It monitors the activities of the Sub-Committees through the minutes of their meetings. The Board may from time-to-time establish working groups to perform specific tasks over a limited timescale.

The following decisions are reserved to the Board of Governors:

- To consider any proposals for changes to the status or constitution of the Academy and its committee structure.
- To appoint or remove the Chair and/or Vice Chair
- To appoint the Headteacher and Clerk to the Governors
- To approve the School Improvement Plan
- To approve the budget and variations to budget over £10,000
- To authorise expenditure/orders over £50,000 (excluding payroll)

The Trustees and Board of Governors have devolved responsibility for the day-to-day management of the Academy to the Headteacher and Senior Leadership Team (SLT). The SLT comprises of:

- The Headteacher
- The Deputy Headteacher
- The Assistant Headteacher
- The Phase Leader of the Pre-School, Reception, Year 1 and Year 2
- The Phase Leader of Years 3 and 4
- The Phase Leader of Years 5 and 6

Their roles and responsibilities are reviewed annually by the Governing Body as part of the School Improvement Plan. This was last completed in August 2018. The SLT implement the policies laid down by the Governors and report back to them on performance. Our most recent Ofsted rated the school good in Leadership and Management. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation.

The Headteacher is responsible for the appointment of staff, though appointment panels for senior teaching posts always include a Governor. The Headteacher is also the Accounting officer.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

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

Pay and remuneration of key management personnel is set by the Pay and Salaries Committee – see the terms of reference below (further detail available in the Kingsleigh's Financial Procedures Document).

Pay & Salaries Committee Terms of Reference

The Committee's decisions and use of its delegated responsibilities and powers support the SIP (School improvement Plan).

The Committee has delegated responsibilities as follows:

- The Pay Committee has delegated powers to implement the Pay Policy for all school staff on behalf of the Governing Body to which it reports action taken.
- To ensure decisions on teachers' pay are communicated in writing by the Headteacher in accordance with the School Teachers' Pay and Conditions Document and by the Chairman of Governors, in writing, for the Headteacher.
- To consult school-based representatives of the teacher and support staff unions/associations on the Policy and its implementation.

The Committee has delegated powers as follows:

- To develop and keep under review the Pay Policy for the whole school, including the use of discretionary pay provisions, and keep up to date with developments relating to staff pay with the necessary information being supplied by the Headteacher.
- To apply the aims of the Pay Policy in a fair and effective manner.
- To ensure that the Headteacher or Deputy Headteacher apply the criteria set out in the Pay Policy in determining the pay of each member of staff at the annual review.
- To maintain all statutory and contractual obligations especially those related to race, sex, disability discrimination and equal pay.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	1
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

	£	
Total cost of facility time	290	
Total pay bill	3,619,821	
Percentage of total pay bill spent on facility time	-	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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i. Related parties and other connected charities and organisations

Kingsleigh Primary School is part of the Bournemouth Septenary Trust (BST) with 5 other local primary schools namely St Mark's CE Primary School, Kinson Primary School, Moordown St John's CE Primary School, Muscliff Community School, St. Michael's CE Primary School and Winton Primary School. All 6 schools have their unique ethos and are all striving to promote and secure outstanding school improvement and raise standards for the children in their schools. Each member school has recognised the value in coming together as a group of schools, as it promotes collaboration and the sharing of ideas. This works to strengthen each individual school through mutual respect and team work. Our shared vision enables our school staff to work together for staff inset and training. The Trust encourages Governing Bodies to share ideas for school improvement. More importantly the Trust benefits our children through outreach projects. Across the 6 schools there are opportunities for our children to work together in topic work and other activities. The Trust also benefits from economies of scale for purchasing and training. Further information is available on the Bournemouth Septenary Trust website.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

a. Objects and aims

The Governors confirm that they have complied with their duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties and in setting our objectives and planning our activities. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Aims of the Trust are to:

- **Promote and secure outstanding Academy improvement** so that every child in the trust can attend an outstanding Academy as judged by Ofsted in terms of the Academy's outcomes for children and learners, their Early years provision, the quality of teaching learning and assessment, the personal development, behaviour and welfare of learners and the effectiveness of leadership and management.
- **Innovate curriculum provision and pedagogy** based on research and best practice that will raise achievements for all children and learners
- **Provide professional challenge and accountability** in all of the key performance indicators including individual Academy's outcomes for children and learners, their Early Years provision, the quality of teaching learning and assessment, the personal development, behaviour and welfare of learners and the effectiveness of leadership and management.

The BST operates a network of working groups that collaborate to continuously improve the provision and outcomes of the pupils represented in the 6 academies. Networks of subject leaders, deputy head teachers, school business managers and head teachers are active and their collaboration is directed by a BST action plan that is reviewed annually and drives change across the 6 schools in the 3 aims identified above.

The strategic leadership of the Trust is provided by a board of directors that represent the 6 schools and their community and faith status. Operational leadership of the BST is delegated to an executive officer who advises the Trust Board on the effective collaboration of the Trust to meet its aims and objectives and for the monitoring and evaluation of each Academy's performance. The Academy has written into its own articles details about the accountability procedures and relationship it has with the BST. In summary, there is a process of annual risk assessment by the academy across the key areas of pupil outcomes, quality of teaching and learning, leadership and management and behaviour, welfare and pupil safety. The academy self-evaluates against agreed criteria and undertakes a challenge meeting with the executive officer to the BST Board who brings independent moderation and challenge to the process. The BST memorandum & articles set out the accountability process and the potential intervention by the BST board of directors if the academy under performs. The accountability process of the BST impacts on and contributes to the academy's self-evaluation and school improvement planning, helping to challenge and focus priorities and to access support. A review of the BST leadership will take place in the Autumn term 2020 by the Trust Board.

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TRUSTEES' REPORT (CONTINUED)
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Objectives and activities (continued)

b. Objectives, strategies and activities

Key priorities for the year were written in our School Development Plan. Unfortunately these priorities were only partially fulfilled due to the onset of the Covid pandemic in March and the subsequent lockdown.

During lockdown, the children of front line key workers attended school throughout March, April and May (including during school holidays and bank holidays). A small team of school staff worked continuously to teach this group of children.

The non-keyworker children were all set home-learning via the school website and teachers were in constant contact with them either via email or by phone. We also continued to provide either free school meals, hampers or food vouchers for eligible children.

After May half-term, years 1 and 2 returned to school in class 'bubbles' of up to 15 children. The groups of keyworker children also expanded in numbers and those children were ultimately taught in year group bubbles. More staff returned to school at this time and, by the end of July, most of the workforce had returned.

School Year 2020-2021

A robust risk assessment was written by the Senior Leadership Team to allow for all children to return safely to school in September 2020. The risk assessment included such measures as Covid hygiene requirements (e.g. handwashing and sanitising), social distancing, staggered start times, playground zoning and packed lunches (instead of hot school meals).

Our new school development plan priorities are as follows:

Post-Covid restructure; ensure that lessons have been learnt from the lockdown period that enables the school to run smoothly in the varying situations that it could find itself in over the coming months. Priorities to be that a curriculum is in place for children who are learning in school, at home as part of an isolated bubble or at home as an individual self-isolating.

Catch-up; ensure that assessment, teaching and interventions in class are targeted and enabling the children to close the gaps that have developed in their learning.

Curriculum Development; to further develop the curriculum so that the knowledge and skills the pupils gain at each stage is progressive and the sequence and philosophy of the learning is clear in all subjects. To ensure that the way the curriculum is taught builds upon their previous knowledge and allows the pupil to achieve and show what they can do as a result of the lessons they have received.

Improve the impact of performance management teams; ensure that targets and teams are set up to allow a substantial and sustained impact on the teaching and learning of all subjects across the school.

Staffing structure; ensure that the staffing structure is clear and meets the needs of the school. Ensure that teams and systems are clear so that there is a coherent approach to effectively meeting the needs of individuals and groups of children.

c. Public benefit

In setting the Academy Trust's objectives and planning activities the Directors have given careful consideration to the Charity Commission's general guidance on public benefit.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Achievements and performance

Due to the impact of COVID 19 the school's performance data remains as per 2018-2019. The school was in line to exceed those outcomes but the assessment procedures were ceased nationwide. Senior leadership staff have a thorough focus on the schools performance and catch up for 2020-2021.

a. Key performance indicators

Please note that we can only show the indications and results from the previous academic year due to Covid in the 19-20 academic year.

Kingsleigh Primary School Performance Overview EYFS

- Three year downward trend

	2016-17		2017-18		2018-19	
	National	Kingsleigh	National	Kingsleigh	National	Kingsleigh
GLD	70.7%	72.8%	71.5%	69.8%	71.8%	62.4%

Year 1 Phonics

- Three Year Downward Trend

	2016-17		2017-18		2018-19	
	National	Kingsleigh	National	Kingsleigh	National	Kingsleigh
Phonics	81.2%	85.9%	82.5%	74.4%	81.9%	72.3%

KS1

- Reading similar over three-year trend
- Upward trend in writing
- Declining trend in maths
- Increasing trend in combined

	2016-17				2017-18				2018-19			
	National		Kingsleigh		National		Kingsleigh		National		Kingsleigh	
	E+	GD	E+	GD	E+	GD	E+	GD	E+	GD	E+	GD
Reading	75.6%	25.2%	68.4%	22.8%	75.4%	25.6%	69.8%	27.4%	74.9%	25.0%	68.6%	16.9%
Writing	68.2%	15.6%	58.2%	21.5%	69.9%	15.9%	63.2%	17.9%	69.2%	14.8%	70.3%	11%
Maths	75.1%	20.5%	73.4%	25.3%	76.0%	21.8%	70.8%		75.6%	21.7%	70.3%	19.5%
Combined (RWM)	63.7%	11.0%	55.7%	13.9%	65.3%	11.7%	58.5%	13.2%	64.9%	11.2%	61.0%	4.2%

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Achievements and performance (continued)

KS2

- Two-year decline in reading
- Downward trend in writing
- Downward trend in maths
- Downward trend in combined

	2016-17		2017-18		2018-19	
Reading	71.5%	78%	75.3%	75.3%	73.2%	74.4%
Writing	76.3%	91.5%	78.3%	81.2%	78.5%	73.3%
Maths	74.9%	86.4%	80%	75.6%	78.7%	74.4%
Combined	61.1%	71.2%	64.4%	70.6%	64.8%	66.7%
(RWM)						

KS2 Progress - significantly above average in reading and maths - below average in writing.

	Progress Score		
	2016-17	2017-18	2018-19
Reading	+ 1.6	- 0.1	+ 1.9
Writing	+ 3.2	+ 0.3	- 0.7
Maths	+ 1.8	+ 1.2	+ 2.8

Our most recent DFE Performance Tables can be found at:

<https://www.gov.uk/school-performance-tables>

b. Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

a. Financial Review 2019/20

Most of the academy's income is obtained from the Department of Education (DfE) via the Education Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset fund balance is reduced by annual depreciation charges over the useful economic life of the assets concerned, as defined in the academy's accounting policies.

During the 12 months to 31 August 2020, the academy received total revenue income of £3,951,240 and incurred total expenditure of £3,885,270. Therefore, there was a surplus in the year of £65,970. The funds carried forward as unspent were £148,445 of unrestricted funds and £326,725 of restricted funds.

The academy has a deficit in the Local Government Pension Scheme in respect of its non teaching staff. The deficit is incorporated within the statement of Financial Activity with details in Note 22.

b. Reserves policy

It is the Board of Director's view that there should be reserves to support Kingsleigh Primary School to achieve their outcomes for today's children and not hold reserves unnecessarily. The Board will review the reserve levels of the Academy annually.

The Board require the school to work towards a reserve of one months' staffing cost. This, they believe, will give the school a working capital buffer and the ability to make decisions that meet the outcomes for the pupils both in the short term and longer term.

This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Board take into consideration the future plans of the school, the uncertainty over future income streams and other key risks identified during the risk review.

The Board have determined that the appropriate level of free cash reserves should be one months salary which is approximately £200,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or to maintain staffing levels in the event of a reduction in funding. The level of free reserves as at 31 August 2020 was £475,170.

c. Investment policy

The school has investment policies in place which are adhered to and reviewed annually by Directors.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

d. Principal risks and uncertainties

The Directors consider the accuracy and appropriateness of the risk policy and register as part of its audit deliberations each year. It reports on this as part of the annual report. The annual accounts will include an assessment, agreed by the Board of Directors, of the principle risks faced by the School. The Auditor and the Finance Committee will be asked to review the risk policy and register as part of their annual examination of the Schools finances. Their conclusions will be reported to the Board of Directors.

The principal risks to the school are based around the large turn-over of pupils and our increasing roll; these mean that financial predictions are difficult to make with any form of real accuracy. The catch up of budget with rising rolls means that we appear to have a deficit, when in fact we do not. However, we have reached our final year of expansion and will not suffer from lagged funding from 1 September 2020.

Fundraising

Under the provisions of the Charities (Protection and Social Investment) Act 2016, we do not undertake widespread fundraising from the general public and we do not engage any commercial or professional fundraisers to fundraise on our behalf.

All of our fundraising is organised in-house including:

- Our Parent/Teacher Association arrange fundraising activities such as school discos and an annual summer fayre to raise funds for such items as library resources, leavers autograph books, etc.
- Our School Council team arrange fundraising activities such as pyjama days to raise funds for such items as outdoor games and equipment
- Our school 'houses' arrange cake sales and other fundraising activities to raise funds for their 'house charity'

The School Leadership Team monitors the amount of fundraising the school does so that we are not seen to be persistent and they also ensure that any fundraising conforms to recognised standards. As a result, the school has received no complaints in relation to fundraising activities. Fundraising has been limited this year as the majority of the pupils did not attend following the national lockdown in March 2020.

Plans for future periods

Kingsleigh Primary School will continue to work closely with other schools in the Septenary Trust as well as developing strong ties with Bourne Academy and Canford School.

Funds held as custodian on behalf of others

No funds are held as custodian on behalf of others.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on and signed on its behalf by:

H McKell
Chair of Trustees

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KINGSLEIGH PRIMARY SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
H McKell, Chair	6	6
R Cornish, Vice Chair	6	6
J Lumber, Head Teacher	6	6
K Roberts	6	6
J Weller	5	6
M Mcartan	2	6
N Collinson	6	6
J Edwards	6	6
A Moles	2	4
T Robinson	3	4
S Lissenden	1	2
L Ralph	2	2
J Glassborow	6	6
M Jacques	0	0

During the year we had two Directors leave, a Parent Director was replaced from the previous year, as well as a co-opted Director. We are actively recruiting to replace our last vacancy.

A Directors skills audit is in the process of being completed at this present time.

In all committee and Board meetings the Directors constantly discuss, support and challenge the school to raise standards. Along with reviewing the data presented to us and challenging what can be done to improve outcomes. Unfortunately, with the onset of the pandemic visits into school have been curtailed. All meetings therefore have been online. Along with the number of meetings we increased the number in May, June and July to support the school with the changing preparations needed at that time.

All meetings of the board are self-evaluated.

We continue to collaborate with the Bournemouth Septenary Trust and continue to have a representative on the board.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The School Business Committee is a sub-committee of the main board of trustees. It meets at least once a term, but more frequent meetings are arranged if necessary. The main responsibilities are detailed in written terms of reference which have been authorised by the Board of Trustees and include:

- the initial review and authorisation of the annual budget;
- the regular monitoring of actual expenditure and income against budget;
- ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DfE guidance issued to academies;
- authorising of contracts over £7,500;
- authorising changes to the personnel establishment;
- reviewing the internal audit reports on the effectiveness of the financial procedures and controls (these reports must also be reported to the full Board of Trustees);
- authority to approve disposal of assets between the values of £1,001 and £6,000 at any one time; and
- authority to approve capital expenditure provided it can be contained within the annual capital budget or approved capital programme.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
H McKell	4	4
J Glassborow	4	4
J Lumber	4	4
J Weller	1	1
M McCartan	2	4
A Moles	1	1
N Collinson	4	4
J Edwards	3	4
T Robinson	1	1

KINGSLEIGH PRIMARY SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

Achieving value for money (VFM) means obtaining the maximum benefit from goods and services within available resources. It is the relationship between the cost of services and the quality of services. It involves economy, efficiency and effectiveness. VFM measures cost, quality, fitness for purpose, timeliness and convenience.

The Directors of Kingsleigh Primary School are committed to achieving VFM in all decisions made. We use the principles of VFM as they apply to securing continuous improvement in this school and will:

- Regularly review the functions of the school, challenging how and why services are provided and setting targets and performance indicators for improvement;
- Monitor outcomes and compare performance with similar schools and within the school;
- Consult appropriate stakeholders before major decisions are made and promote fair competition through quotations and tenders to ensure that goods and services are secured in the most economic, efficient and effective way

We will strive to ensure that the school is using its resources effectively to meet the needs of pupils. VFM will also be assessed as the educational and societal outcomes achieved in return for the taxpayer resources used to fund the system. In particular:

- The increase in educational standards and other societal outcomes achieved given the taxpayer resources used to fund the system
- Whether the value of all of the relevant outcomes (both those directly related to education and the wider economic and social outcomes) outweighs the cost of delivering them; and
- Whether the adopted approach is the most cost-effective way of achieving our objectives.

Largely through our collaboration with the Bournemouth Septenary Trust, we have been able to achieve huge economies of scale and VFM during the last academic year, three examples are:

- Reduction of cost of RM Integrus support over a 3-year period
- First aid training – a reduction of almost £100 per person per training course
- Paper supplies – a BST price has been agreed with a supplier which is saving every school hundreds of pounds

KINGSLEIGH PRIMARY SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Kingsleigh Primary School for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

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KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to employ an independent firm as internal auditor.

Due to the requirements of the newly revised FRC Ethical Standard for Auditors, the academy has re-tendered for their internal audit service as previously, the external auditor has done this work. The School Business Manager is currently obtaining quotes for internal auditors which may be shared across the Trust or independently depending on best value.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. In particular the checks carried out in the current period included income, purchases, fixed assets, governance and regularity, financial budgeting and monitoring the impact Covid-19 has had on the school.

On a quarterly basis, the internal auditor reports to the board of Trustees through the school business committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities. The internal auditor has delivered their schedule of work as planned and no material control issues arose as a result of their work.

KINGSLEIGH PRIMARY SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the work of the internal auditors;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on
their behalf by:

and signed on

H Mckell
Chair of Trustees

J Lumber
Accounting Officer

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Kingsleigh Primary School I have considered my responsibility to notify the Academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2019.

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

J Lumber
Accounting Officer
Date:

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KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on
and signed on its behalf by:

H McKell
Chair of Trustees

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KINGSLEIGH PRIMARY SCHOOL**

Opinion

We have audited the financial statements of Kingsleigh Primary School (the 'Academy') for the year ended 31 August 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KINGSLEIGH PRIMARY SCHOOL (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

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

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KINGSLEIGH PRIMARY SCHOOL (CONTINUED)**

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
KINGSLEIGH PRIMARY SCHOOL (CONTINUED)**

Use of our report

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

Misty Nickells FCA (Senior statutory auditor)

for and on behalf of
Griffin
Statutory Auditor

Silverdown Office Park
Exeter Airport Business Park
Exeter
EX5 2UX

Date:

DRAFT

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KINGSLEIGH
PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 21 August 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Kingsleigh Primary School during the year 1 September 2019 to 31 August 2020 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 Kingsleigh Primary School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Kingsleigh Primary School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Kingsleigh Primary School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Kingsleigh Primary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Kingsleigh Primary School's funding agreement with the Secretary of State for Education dated 1 December 2015 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KINGSLEIGH
PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Misty Nickells FCA (Senior statutory Auditor)
Reporting Accountants

Silverdown Office Park
Exeter Airport Business Park
Exeter
EX5 2UX

Date:

DRAFT

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants	3	1,325	5,000	12,788	19,113	60,833
Charitable activities	4	5,843	3,881,449	-	3,887,292	3,538,661
Other trading activities		57,363	-	-	57,363	98,416
Investments	6	260	-	-	260	292
Total income		64,791	3,886,449	12,788	3,964,028	3,698,202
Expenditure on:						
Raising funds		45,115	-	-	45,115	65,390
Charitable activities	7	100,062	4,057,229	128,888	4,286,179	3,839,491
Total expenditure		145,177	4,057,229	128,888	4,331,294	3,904,881
Net expenditure		(80,386)	(170,780)	(116,100)	(367,266)	(206,679)
Transfers between funds	16	-	(10,864)	10,864	-	-
Net movement in funds before other recognised gains/(losses)		(80,386)	(181,644)	(105,236)	(367,266)	(206,679)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	22	-	(1,075,000)	-	(1,075,000)	(292,000)
Net movement in funds		(80,386)	(1,256,644)	(105,236)	(1,442,266)	(498,679)
Reconciliation of funds:						
Total funds brought forward		228,831	(1,961,631)	5,475,485	3,742,685	4,241,364
Net movement in funds		(80,386)	(1,256,644)	(105,236)	(1,442,266)	(498,679)
Total funds carried forward		148,445	(3,218,275)	5,370,249	2,300,419	3,742,685

The Statement of financial activities includes all gains and losses recognised in the year.

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The notes on pages 33 to 63 form part of these financial statements.

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KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 09872178

BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	5,370,249	5,475,485
		<u>5,370,249</u>	<u>5,475,485</u>
Current assets			
Debtors	14	158,558	135,090
Cash at bank and in hand		536,170	539,441
		<u>694,728</u>	<u>674,531</u>
Creditors: amounts falling due within one year	15	(219,558)	(265,331)
Net current assets		<u>475,170</u>	<u>409,200</u>
Total assets less current liabilities		<u>5,845,419</u>	<u>5,884,685</u>
Net assets excluding pension liability		<u>5,845,419</u>	<u>5,884,685</u>
Defined benefit pension scheme liability	22	(3,545,000)	(2,142,000)
Total net assets		<u><u>2,300,419</u></u>	<u><u>3,742,685</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	16	5,370,249	5,475,485
Restricted income funds	16	326,725	180,369
		<u>5,696,974</u>	<u>5,655,854</u>
Restricted funds excluding pension asset	16	5,696,974	5,655,854
Pension reserve	16	(3,545,000)	(2,142,000)
Total restricted funds	16	<u>2,151,974</u>	<u>3,513,854</u>
Unrestricted income funds	16	148,445	228,831
Total funds		<u><u>2,300,419</u></u>	<u><u>3,742,685</u></u>

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The financial statements on pages 28 to 63 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:

H McKell
Chair of Trustees

The notes on pages 33 to 63 form part of these financial statements.

DRAFT

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	18	7,332	223,355
Cash flows from investing activities			
	19	(10,603)	(31,032)
Change in cash and cash equivalents in the year		(3,271)	192,323
Cash and cash equivalents at the beginning of the year		539,441	347,118
Cash and cash equivalents at the end of the year	20, 21	536,170	539,441

The notes on pages 33 to 63 form part of these financial statements

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy 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 financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

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

• **Grants**

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

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

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

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.3 Income (continued)

- **Sponsorship income**

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities in the year in which it is receivable (where there are no performance-related conditions) where 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.

- **Other income**

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.6 Taxation

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.7 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Land	- 125 years straight line
Long-term leasehold property	- 50 years straight line
Furniture and equipment	- 7 years straight line
Computer equipment	- 4 years straight line

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.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.10 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

KINGSLEIGH PRIMARY SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.12 Pensions

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

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

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

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

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FOR THE YEAR ENDED 31 AUGUST 2020

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 2020. 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 judgment:

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Donations	1,325	5,000	-	6,325
Capital Grants	-	-	12,788	12,788
	<u>1,325</u>	<u>5,000</u>	<u>12,788</u>	<u>19,113</u>
		<i>Unrestricted funds 2019 £</i>	<i>Restricted fixed asset funds 2019 £</i>	<i>Total funds 2019 £</i>
Donations		25,113	-	25,113
Capital Grants		-	35,720	35,720
		<u>25,113</u>	<u>35,720</u>	<u>60,833</u>

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4. Funding for the Academy's education

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
DfE/ESFA grants			
General Annual Grant	-	2,792,114	2,792,114
Other DfE/ESFA Grants	-	307,430	307,430
Pupil Premium	-	316,564	316,564
	-	3,416,108	3,416,108
Other government grants			
Special Educational Needs	-	167,241	167,241
Local authority grants	-	268,611	268,611
	-	435,852	435,852
Other funding			
Other income from the academy trust's educational operations	5,843	-	5,843
	5,843	-	5,843
Exceptional government funding			
Coronavirus exceptional support	-	29,489	29,489
	-	29,489	29,489
	5,843	3,881,449	3,887,292

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding". The funding received for coronavirus exceptional support covers £9,195 of premises related costs, £5,396 of free school meals costs and £14,898 of additional cleaning costs. These costs are included in note 7 below.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
DfE/ESFA grants			
General Annual Grant	-	2,583,522	2,583,522
Other DfE/ESFA Grants	-	187,504	187,504
Pupil Premium	-	309,491	309,491
	-	3,080,517	3,080,517
Other government grants			
Special Educational Needs	-	78,444	78,444
Local authority grants	-	363,841	363,841
	-	442,285	442,285
Other funding			
Other income from the academy trust's educational operations	15,859	-	15,859
	15,859	-	15,859
	15,859	3,522,802	3,538,661

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FOR THE YEAR ENDED 31 AUGUST 2020

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £
Hire of facilities	13,770	13,770
Other	43,593	43,593
	<u>57,363</u>	<u>57,363</u>

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Hire of facilities	20,705	20,705
Other	77,711	77,711
	<u>98,416</u>	<u>98,416</u>

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Bank interest	260	260
	<u>260</u>	<u>260</u>

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Bank interest	292	292
	<u>292</u>	<u>292</u>

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7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Expenditure on raising voluntary income:				
Direct costs	-	-	166	166
Expenditure on fundraising trading activities:				
Direct costs	42,104	-	2,845	44,949
Education:				
Direct costs	2,848,651	89,164	170,135	3,107,950
Support costs	729,066	180,932	268,231	1,178,229
	<u>3,619,821</u>	<u>270,096</u>	<u>441,377</u>	<u>4,331,294</u>
	<u>3,619,821</u>	<u>270,096</u>	<u>441,377</u>	<u>4,331,294</u>
	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
Expenditure on raising voluntary income:				
Direct costs	-	-	21,969	21,969
Expenditure on fundraising trading activities:				
Direct costs	43,421	-	-	43,421
Education:				
Direct costs	2,437,840	85,419	132,445	2,655,704
Allocated support costs	750,166	142,367	291,254	1,183,787
	<u>3,231,427</u>	<u>227,786</u>	<u>445,668</u>	<u>3,904,881</u>
	<u>3,231,427</u>	<u>227,786</u>	<u>445,668</u>	<u>3,904,881</u>

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8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Education	3,107,950	1,178,229	4,286,179

	<i>Activities undertaken directly 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Education	2,655,704	1,183,787	3,839,491

Analysis of direct costs

	Education 2020 £	Total funds 2020 £
Staff costs	2,808,537	2,808,537
Depreciation	110,035	110,035
Educational supplies	103,698	103,698
Staff development	14,589	14,589
Other costs	24,505	24,505
Supply teachers	40,114	40,114
Technology costs	6,472	6,472
	<u>3,107,950</u>	<u>3,107,950</u>

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NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Education 2019 £</i>	<i>Total funds 2019 £</i>
Staff costs	2,413,922	2,413,922
Depreciation	101,152	101,152
Educational supplies	62,088	62,088
Staff development	34,158	34,158
Other costs	19,797	19,797
Supply teachers	23,918	23,918
Technology costs	669	669
	<u>2,655,704</u>	<u>2,655,704</u>

Analysis of support costs

	Education 2020 £	Total funds 2020 £
Pension finance costs	38,000	38,000
Staff costs	729,066	729,066
Depreciation	18,853	18,853
Other costs	210	210
Maintenance of premises and equipment	89,903	89,903
Cleaning	28,732	28,732
Rent and rates	14,540	14,540
Heat and light	32,481	32,481
Insurance	15,130	15,130
Security and transport	11,332	11,332
Catering	105,174	105,174
Technology costs	23,456	23,456
Office overheads	46,645	46,645
Legal and professional	17,909	17,909
Bank interest and charges	394	394
Governance costs	6,404	6,404
	<u>1,178,229</u>	<u>1,178,229</u>

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8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Education</i> 2019 £	<i>Total</i> <i>funds</i> 2019 £
Pension finance costs	39,000	39,000
Staff costs	750,166	750,166
Depreciation	25,491	25,491
Other costs	4,768	4,768
Maintenance of premises and equipment	58,806	58,806
Cleaning	10,295	10,295
Rent and rates	26,772	26,772
Heat and light	37,544	37,544
Insurance	15,521	15,521
Security and transport	14,313	14,313
Catering	114,048	114,048
Technology costs	19,885	19,885
Office overheads	39,509	39,509
Legal and professional	22,331	22,331
Bank interest and charges	2,203	2,203
Governance costs	3,135	3,135
	1,183,787	1,183,787
	1,183,787	1,183,787

9. Net expenditure

Net expenditure for the year includes:

	2020 £	2019 £
Operating lease rentals	4,239	2,120
Depreciation of tangible fixed assets	128,887	141,030
Fees paid to auditors for:		
- audit	2,900	2,900
- other services	2,400	2,652
	2,400	2,652
	2,400	2,652

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10. Staff**a. Staff costs**

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	2,532,046	2,357,300
Social security costs	209,979	193,876
Pension costs	822,067	656,333
	<u>3,564,092</u>	<u>3,207,509</u>
Agency staff costs	40,114	23,918
Staff restructuring costs	15,615	-
	<u>3,619,821</u>	<u>3,231,427</u>

Staff restructuring costs comprise:

	2020 £	2019 £
Severance payments	15,615	-
	<u>15,615</u>	<u>-</u>

b. Non-statutory/non-contractual staff severance payments

Included within staff restructuring costs is a £15,615 (2019 - £Nil) non- contractual severance payment paid to one employee on 31 December 2019.

c. Staff numbers

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

	2020 No.	2019 No.
Management	5	3
Teachers	42	37
Admin & support staff	77	76
	<u>124</u>	<u>116</u>

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10. Staff (continued)

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2020	2019
	No.	No.
Management	4	3
Teachers	34	33
Admin & support	73	66
	<u>111</u>	<u>102</u>

d. Higher paid staff

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

	2020	2019
	No.	No.
In the band £70,001 - £80,000	1	1
	<u>1</u>	<u>1</u>

e. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £410,996 (2019 £235,026).

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NOTES TO THE FINANCIAL STATEMENTS
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11. Trustees' remuneration and expenses

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

		2020	<i>2019</i>
		£	£
J Lumber	Remuneration	70,000 -	
		75,000	
	Pension contributions paid	15,000 -	
		20,000	
J Weller	Remuneration	35,000 -	
		40,000	
	Pension contributions paid	5,000 -	
		10,000	
R Gower (resigned 31 August 2019)	Remuneration		<i>70,000 -</i>
			<i>75,000</i>
	Pension contributions paid		<i>10,000 -</i>
			<i>15,000</i>
M Cutler (resigned 7 July 2019)	Remuneration		<i>35,000 -</i>
			<i>40,000</i>
	Pension contributions paid		<i>0 - 5,000</i>

During the year ended 31 August 2020, no Trustee expenses have been incurred (*2019 - £NIL*).

12. Trustees' and Officers' insurance

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

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13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2019	5,821,638	26,191	106,066	5,953,895
Additions	8,771	14,880	-	23,651
At 31 August 2020	<u>5,830,409</u>	<u>41,071</u>	<u>106,066</u>	<u>5,977,546</u>
Depreciation				
At 1 September 2019	389,425	14,478	74,507	478,410
Charge for the year	104,440	5,866	18,581	128,887
At 31 August 2020	<u>493,865</u>	<u>20,344</u>	<u>93,088</u>	<u>607,297</u>
Net book value				
At 31 August 2020	<u>5,336,544</u>	<u>20,727</u>	<u>12,978</u>	<u>5,370,249</u>
At 31 August 2019	<u>5,432,213</u>	<u>11,713</u>	<u>31,559</u>	<u>5,475,485</u>

14. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	8,416	3,195
Other debtors	19,113	11,850
Prepayments and accrued income	131,029	120,045
	<u>158,558</u>	<u>135,090</u>

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15. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	27,924	85,992
Other taxation and social security	47,505	47,046
Other creditors	61,196	49,004
Accruals and deferred income	82,933	83,289
	<u>219,558</u>	<u>265,331</u>
	<u>219,558</u>	<u>265,331</u>
	2020	2019
	£	£
Deferred income at 1 September 2019	79,329	79,380
Resources deferred during the year	78,973	79,329
Amounts released from previous periods	(79,329)	(79,380)
	<u>78,973</u>	<u>79,329</u>
	<u>78,973</u>	<u>79,329</u>

At the balance sheet date, the academy was holding funds received in advance of the 2020/21 financial year for Universal Infant Free School Meals and Rates Relief.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds	228,831	64,791	(145,177)	-	-	148,445
Restricted funds						
General Annual Grant	180,369	2,792,114	(2,634,894)	(10,864)	-	326,725
Pupil Premium	-	316,564	(316,564)	-	-	-
Higher Needs	-	167,241	(167,241)	-	-	-
Other LA grants	-	81,566	(81,566)	-	-	-
Early years funding	-	187,045	(187,045)	-	-	-
Other grants and donations	-	341,919	(341,919)	-	-	-
Pension reserve	(2,142,000)	-	(328,000)	-	(1,075,000)	(3,545,000)
	<u>(1,961,631)</u>	<u>3,886,449</u>	<u>(4,057,229)</u>	<u>(10,864)</u>	<u>(1,075,000)</u>	<u>(3,218,275)</u>
Restricted fixed asset funds						
Transfer on conversion	5,403,314	-	(103,755)	-	-	5,299,559
DFE/ESFA capital grants	46,229	12,788	(9,042)	(1,766)	-	48,209
Capital donations	2,864	-	(736)	-	-	2,128
Capital expenditure from GAG	23,078	-	(15,355)	12,630	-	20,353
	<u>5,475,485</u>	<u>12,788</u>	<u>(128,888)</u>	<u>10,864</u>	<u>-</u>	<u>5,370,249</u>
Total Restricted funds	<u>3,513,854</u>	<u>3,899,237</u>	<u>(4,186,117)</u>	<u>-</u>	<u>(1,075,000)</u>	<u>2,151,974</u>
Total funds	<u><u>3,742,685</u></u>	<u><u>3,964,028</u></u>	<u><u>(4,331,294)</u></u>	<u><u>-</u></u>	<u><u>(1,075,000)</u></u>	<u><u>2,300,419</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

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

General Annual Grant

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

Pupil Premium

Funding received from the ESFA for children that qualify for free school meals to enable the academy to address the current underlying inequalities between those children and their wealthier peers.

Higher Needs

Income from the Local Authority to fund further support for pupils with additional needs.

Other LA Grants

This represents income from the Local Authority to support the academy's growth in pupil numbers and to support additional classes needed in order to meet the infant class size regulation.

Early Years Funding

Income received from the Local Authority to enable the academy to early year's education entitlements for children aged 3 and 4.

Other Grants and Donations

This fund represents:

Universal Infant Free Schools Meals income provided by the ESFA to fund a free school meal each day for every pupil in key stage 1.

PE Sports Grant income from the ESFA to fund sports activities to ensure that children and young people have access to at least 60 minutes of sport and physical activity per day.

Rates Funding from the ESFA to meet the costs of national non-domestic rates.

Teacher's Pension Pay Grant income from the ESFA to support schools and local authorities with the cost of the increase in employer contributions to the teacher's pension scheme.

Coronavirus Exceptional Support received from the ESFA to help cover the costs of additional expenditure such as cleaning due to the coronavirus outbreak.

Talbot Village Trust grant income to help cover the costs of additional expenditure such as cleaning due to the coronavirus outbreak.

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NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

Pension Reserve

The academy's share of the assets and liabilities in the Local Government Pension Scheme. This is currently in deficit due to an excess of scheme liabilities over scheme assets.

Transfer on conversion

This fund represents the land and buildings donated to the school on conversion to an academy trust.

DfE/ESFA Capital Grants

Funding received from the ESFA to help cover the maintenance and purchase of fixed asset additions.

Capital Donations

Funding received from the PTA towards the purchase of fixed asset additions.

Capital Expenditure from GAG

Funds transferred from the restricted GAG fund to purchase fixed assets.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

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FOR THE YEAR ENDED 31 AUGUST 2020

16. Statement of funds (continued)

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

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
Unrestricted funds						
General Funds	178,194	139,680	(89,043)	-	-	228,831
Restricted general funds						
General Annual Grant	59,861	2,583,522	(2,443,915)	(19,099)	-	180,369
Pupil Premium	-	309,491	(309,491)	-	-	-
Higher Needs	-	78,444	(78,444)	-	-	-
Other LA grants	-	138,867	(138,867)	-	-	-
Early years funding	-	224,974	(224,974)	-	-	-
Other grants and donations	6,000	187,504	(193,504)	-	-	-
Pension reserve	(1,550,000)	-	(300,000)	-	(292,000)	(2,142,000)
	(1,484,139)	3,522,802	(3,689,195)	(19,099)	(292,000)	(1,961,631)
Restricted fixed asset funds						
Transfer on conversion	5,507,112	-	(103,798)	-	-	5,403,314
DFE/ESFA capital grants	19,068	35,720	(8,559)	-	-	46,229
Capital donations	3,600	-	(736)	-	-	2,864
Capital expenditure from GAG	17,529	-	(13,550)	19,099	-	23,078
	5,547,309	35,720	(126,643)	19,099	-	5,475,485
Total Restricted funds	4,063,170	3,558,522	(3,815,838)	-	(292,000)	3,513,854

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. Statement of funds (continued)

	<i>Balance at 1 September 2018</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2019</i>
	£	£	£	£	£	£
Total funds	<u>4,241,364</u>	<u>3,698,202</u>	<u>(3,904,881)</u>	<u>-</u>	<u>(292,000)</u>	<u>3,742,685</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020	Restricted funds 2020	Restricted fixed asset funds 2020	Total funds 2020
	£	£	£	£
Tangible fixed assets	-	-	5,370,249	5,370,249
Current assets	368,003	326,725	-	694,728
Creditors due within one year	(219,558)	-	-	(219,558)
Provisions for liabilities and charges	-	(3,545,000)	-	(3,545,000)
Total	<u>148,445</u>	<u>(3,218,275)</u>	<u>5,370,249</u>	<u>2,300,419</u>

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019</i>	<i>Restricted funds 2019</i>	<i>Restricted fixed asset funds 2019</i>	<i>Total funds 2019</i>
	£	£	£	£
Tangible fixed assets	-	-	5,475,485	5,475,485
Current assets	494,162	180,369	-	674,531
Creditors due within one year	(265,331)	-	-	(265,331)
Provisions for liabilities and charges	-	(2,142,000)	-	(2,142,000)
Total	<u>228,831</u>	<u>(1,961,631)</u>	<u>5,475,485</u>	<u>3,742,685</u>

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

	2020 £	2019 £
Net expenditure for the period (as per Statement of financial activities)	(367,266)	(206,679)
Adjustments for:		
Depreciation	128,887	126,630
Capital grants from DfE and other capital income	(12,788)	(35,720)
Dividends, interest and rents from Investments	(260)	(292)
Defined benefit pension scheme cost less contributions payable	290,000	261,000
Defined benefit pension scheme finance cost	38,000	39,000
Increase in debtors	(24,045)	(18,224)
(Decrease)/increase in creditors	(45,196)	57,640
Net cash provided by operating activities	7,332	223,355

19. Cash flows from investing activities

	2020 £	2019 £
Dividends, interest and rents from investments	260	292
Purchase of tangible fixed assets	(23,651)	(67,044)
Capital grants from DfE Group	12,788	35,720
Net cash used in investing activities	(10,603)	(31,032)

20. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	536,170	539,441
Total cash and cash equivalents	536,170	539,441

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21. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	539,441	(3,271)	536,170
	<u>539,441</u>	<u>(3,271)</u>	<u>536,170</u>

22. Pension commitments

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

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

Contributions amounting to £60,859 were payable to the schemes at 31 August 2020 (2019 - £48,519) and are included within creditors.

Teachers' Pension Scheme

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

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

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22. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £323,267 (2019 - £204,167).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £282,000 (2019 - £255,000), of which employer's contributions totalled £217,000 (2019 - £195,000) and employees' contributions totalled £ 65,000 (2019 - £60,000). The agreed contribution rates for future years are 18.8% per cent for employers and 5.5 - 6.8% per cent for employees.

As described in note 1.12 the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

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22. Pension commitments (continued)

Principal actuarial assumptions

	2020	<i>2019</i>
	%	%
Rate of increase in salaries	3.25	3.70
Rate of increase for pensions in payment/inflation	2.25	2.20
Discount rate for scheme liabilities	1.60	1.85
Inflation assumption (CPI)	2.25	2.20

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

	2020	<i>2019</i>
	Years	Years
<i>Retiring today</i>		
Males	23.3	22.9
Females	24.8	24.8
<i>Retiring in 20 years</i>		
Males	24.7	24.6
Females	26.2	26.7

Sensitivity analysis

	2020	<i>2019</i>
	£000	£000
Discount rate +0.1%	(144)	(94)
Discount rate -0.1%	148	96
Mortality assumption - 1 year increase	206	140
Mortality assumption - 1 year decrease	(199)	(135)
CPI rate +0.1%	18	83
CPI rate -0.1%	(18)	(81)

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22. Pension commitments (continued)

Share of scheme assets

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

	2020 £	2019 £
Equities	1,189,000	1,027,000
Gilts	250,000	236,000
Corporate bonds	165,000	128,000
Property	347,000	283,000
Cash and other liquid assets	22,000	47,000
Asset backed securities	94,000	83,000
Secured income funds	11,000	-
Total market value of assets	2,078,000	1,804,000

The actual return on scheme assets was £82,000 (2019 - £132,000).

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

	2020 £	2019 £
Current service cost	506,000	406,000
Past service cost	-	49,000
Interest income	(35,000)	(41,000)
Interest cost	73,000	80,000
Administrative expenses	1,000	1,000
Total amount recognised in the Statement of financial activities	545,000	495,000

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22. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	3,946,000	2,976,000
Interest cost	73,000	80,000
Employee contributions	65,000	60,000
Actuarial losses	1,089,000	383,000
Benefits paid	(56,000)	(8,000)
Past service costs	-	49,000
Current service cost	506,000	406,000
At 31 August	5,623,000	3,946,000

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

	2020 £	2019 £
At 1 September	1,804,000	1,426,000
Interest income	35,000	41,000
Actuarial gains	14,000	91,000
Employer contributions	217,000	195,000
Employee contributions	65,000	60,000
Benefits paid	(56,000)	(8,000)
Administration expenses	(1,000)	(1,000)
At 31 August	2,078,000	1,804,000

23. Operating lease commitments

At 31 August 2020 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	4,239	4,239
Later than 1 year and not later than 5 years	2,120	6,359
	6,359	10,598

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

25. Related party transactions

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

N Tarchetti is a Trustee and the Headteacher of Winton Primary School and husband to H Tarchetti who is part of the senior management team at Kingsleigh Primary School. During the year, Kingsleigh Primary School made sales of £2,814 (2019 - £4,928) for IT licensing. The balance outstanding at the year end was £Nil (2019 - £Nil).