



The
King's School
Ottery St. Mary

The King's School Academy Trust

The King's School Ottery St Mary

(A Company Limited by Guarantee)

Company Registration: 07560660

DfE Registration: 878/4005

DfE URN: 136673

Annual Report & Financial Statements

Year Ended 31 August 2020

The King's School
Cadhay Lane
Ottery-St-Mary
Devon
EX11 1RA

Reference and Administrative Details

Year Ended August 2020

Members of the Trust

Mrs E Charles
Mrs S Fallows
Lady L Kennaway

Mr S Ellison
Dr J Fearn-Smith

Trustees

Mrs M Banham * (Appointed 16/10/2019)
Mr G Bryant*
Mrs E Charles
Dr J Fearn-Smith
Dr C Hawkins (staff Trustee)*
Mrs R Jacobs* (staff Trustee) (Resigned 05/02/2020)
Lady L Kennaway*
Ms R Miles-Haynes (Resigned 09/10/2020)
Mr D Nicholson (staff Trustee)
Mrs P Tipping (Vice Chair)

Mr E Bloomfield
Mrs S Cade
Mr S Ellison (Chair)*
Mr R Gammon* (Headteacher)
Mrs C Hollingshead
Mr N Johnson* (Appointed 16/10/2019)
Mr J Lavender*
Mr R Mitchell (Resigned 09/07/2020)
Mrs S Starr* (Resigned 16/10/2020)
Mrs S Wood

* Members of the Resources Committee

Company Secretary / Business Manager

Mr L Evans

Senior Leadership Team

Deputy Head	Inclusion	Mrs P Farrand
Deputy Head	Student Support	Mr M Garrick
Deputy Head	Teaching, Learning and Professional Development	Miss E Mower
Deputy Head	Curriculum	Mr D Williams
Assistant Head	Post 16 Learning	Mr R Gerry

Principal and registered Office

The King's School
Cadhay Lane
Ottery St Mary
Devon
EX11 1RA

Company Registration number

07560660 (England and Wales)

Independent Auditor

Thompson Jenner LLP
1 Colleton Crescent,
Exeter, Devon.
EX2 4DG

Bankers

Lloyds TSB
234 High Street
Exeter
Devon
EX4 3NL

Aldermore
Aldermore 1st Floor
Block B Western House
Lynch Wood
Peterborough
PE2 6FZ

Solicitors

Browne Jacobson LLP
1 Manor Court
Dix's Field
Exeter
EX1 1UP

Trustees' Report

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 period from 1 September 2019 to 31 August 2020. The company was incorporated on 11 March 2011 and commenced operations on April 1st 2011. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

Structure, Governance and Management

Constitution:

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The trust operates an academy for pupils aged 11 to 18 serving a catchment area in East Devon.

The Trustees of The King's School Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as The King's School Ottery St Mary.

Details of the Trustees who have served throughout the year are shown in the Reference and Administrative details on page 1.

Members' Liability:

There are five members of the Charitable Trust: S. Fallows, S. Ellison, J Fearn-Smith, L Kennaway and E. Charles. Each member of the Charitable Trust 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 cease to be a member.

Trustees' Indemnities:

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on 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.

Principal Activities:

The principal activity of the Academy is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Methods of Recruitment and Appointment or Election of Trustees:

The number of Trustees shall be not less than three and shall not be more than twenty one.

The Academy's Board of Trustees comprises the Headteacher, up to seven Parent Trustees, up to two Teacher Trustees, one support staff Trustee and up to seven Trustees appointed by the members and three co-opted Trustees who are appointed by the Trustee Board (excluding any Trustees who were themselves co-opted). The Trustees may also appoint Associate Members operating within the remit or such and without voting rights at the Board of Trustees.

Parent Trustees are elected by the parents of current students of the Academy Trust and Staff Trustees (teaching and support) are elected by the staff currently employed at the Academy Trust.

With regard to the appointment of other Trustees, the Board will give consideration to the skills mix of the Trustees in order to ensure that the Board of Trustees has the necessary skills and expertise to contribute fully to the Academy's development.

All Trustees are appointed to serve for a period of four years with the exception of associate Trustees who are appointed on an annual basis and have no voting rights and the Headteacher who is able to serve for the duration of their appointment as Headteacher. The Chair and Vice Chair of Trustees are elected annually.

Policies and Procedures Adopted for the Induction and Training of Trustees:

All new Trustees participate in a voluntary induction programme with training offered from a local provider but the induction provided will depend upon their existing experience and skillsets. A tour of the Academy and a chance to meet staff and pupils will always be offered. All Trustees are issued with a copy of the DfE Governors Handbook giving a wide range of information and guidance relating to the governance of an academy. A programme of Trustee training is provided according to need and specific roles. A skills audit is carried out bi-annually and training accessed according to needs indicated. The Board of Trustees holds training events when required based on key issues for Trustee and school development.

Organisational Structure:

The Board of Trustees normally meets four times a year. The Board establishes an overall framework for the governance of the Academy and agrees membership of Committees and Statutory and other Panels. It receives reports from its Committees and monitors their activities through the minutes of the meetings. It also establishes the Terms of Reference and Procedures for its Committees. The Board of Trustees may also, from time to time, establish Working Groups to perform specific tasks over a limited timescale.

The following decisions are reserved to the Board of Trustees: to determine any proposals for the alteration, closure or change of category of the Academy; to amend the constitution of the Board of Trustees; to appoint or remove the Chair and/or Vice Chair; to appoint the Secretary to the Trustees; to suspend Trustees; to delegate specific responsibilities to any Trustee, Committee, the Headteacher or other holder of an executive office, and to determine and review annually the terms of reference, constitution and membership of all Committees; to publish an annual report and accounts; to make arrangements for staff dismissal appeals; to set up panels for the selection of the Headteacher; to approve the annual School Development Plan; to approve the school budget and to monitor the annual Register of Interests.

For the period 1 September 2019 until 31 August 2020 there have been four Trustee sub-committees as follows:

Committee	Responsibilities
Resources	Meets five times a year dealing with all matters relating to finance, sites and buildings.
Audit	Meets three times a year dealing with the internal scrutiny and audit requirements of the trust.
Curriculum & Quality	Meets five times a year dealing with all matters relating to the quality of teaching and learning including the curriculum and general staffing issues.
Pay & Performance Committee	Meets once a year dealing with the specific issues relating to performance related pay for the staff and the Headteacher's Remuneration.

The SLT manages the Academy at an executive operational level, implementing the policies laid down by the Trustees and reporting back to them. Some spending control is devolved to Budget Holders, who are authorised in line with the Scheme of Delegation contained within the Finance Policy. The Headteacher is responsible for the appointment of staff. The Headteacher is the Accounting Officer as required by the Funding Agreement with the Department for Education. The responsibilities of the Accounting Officer are defined in the Governance Statement on page 17. An appointed external firm who reports to the Audit Committee supported the internal scrutiny during the period.

Arrangements for setting pay and remuneration of key management personnel:

The Headteacher must demonstrate sustained high quality of performance, with particular regard to leadership, management and student progress at the school and will be subject to a review of performance against their performance objectives before any pay increase will be awarded. The clarification of the application of the criteria (STPCD 2019: 6.1: 11.6.2 guidance) for Leadership Group progression will be taken fully into account. No pay progression for this post is automatic. Any progression is reviewed and agreed by trustees taking into account performance in role and national benchmarks including STPCD.

The Senior Leadership Team (SLT) must demonstrate sustained high quality of performance in respect of school leadership and management and pupil progress and will be subject to a review of performance against their performance objectives before any performance points will be awarded. The clarification of the application of the criteria (STPCD 2019: 13.1.1: 13.2.5 guidance) for

Leadership Group progression will be taken fully into account. Annual pay progression within the pay range for these posts is not automatic. Any progression will normally be by one point, but the Board of Trustees may consider movement by two points in exceptional circumstances. The national leadership scales as agreed by all unions in 2019 based on STPCD recommendations apply.

Trade Union Facility Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, the Trustees acknowledge the requirement to include information contained in Schedule 2 of the Regulations. This is detailed below:

Relevant Union Officials	
Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	1.51

Percentage of time spent on facility time	
Percentage of time	Number of Employees
0%	0
1% - 50%	2
51% - 99%	0
100%	1

Percentage of Pay Bill spent on facility time	
Total cost of facility time	£27,414
Total pay bill	£3,863,166
Percentage of the total pay bill spent on facility time	0.71%

Time spent on paid trade union activities as a percentage of total paid facility time hours	100%
---	------

Risk Management:

The Trustees are responsible for the management of risks to which the Academy Trust is exposed, and have undertaken a review of risks associated with its activities.

The key controls used by the Academy Trust include:

- Formal agendas for Trustees' meeting
- Detailed terms of reference for all committees
- A clear School Development Plan identifying key strategic planning objectives and the resources required to achieve them
- Comprehensive budget planning, monitoring and review
- Clear financial delegation levels
- Clear health and safety policy with a regular action log
- Formal written policies reviewed on a regular basis
- Clear safeguarding and vetting procedures as required by law to protect children and young people
- Rigorous review of educational achievement and attainment to ensure continuing high standards
- Comprehensive planning and review of admissions processes

The Board of Trustees has reviewed the major risks, focusing on operational, financial, governance, compliance and reputational risk, and has taken steps to mitigate likely risks and to ensure regular monitoring of the primary areas of potential risk. All of these are documented in an academy risk register which is updated and reviewed biennially.

The Board of Trustees is satisfied therefore that the major risks identified have been adequately mitigated where necessary. It is recognised, however, that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Connected Organisations, including Related Party Relationships:

The King's School is committed to working with other organisations which contribute to the improvement in provision for students and to ensure that their achievement and wellbeing is maximised.

The school is part of a successful and vibrant learning community which includes the 5 partner primary schools. We work in partnership to provide effective transition arrangements and best value, involving procurement and services. We have long held relationships with other organisations such as Exeter University in order to provide a high quality training programme for ITE students. The school works with three Teaching School alliances, the Jurassic Coast Teaching School Alliance, West Country Teaching School Alliance and Dartmoor Teaching School Alliance accessing training and training teachers through the School Direct programme. There are three middle leaders appointed as Senior Leaders in Education who work on school to school support. The school was a specialist Sports College. The ethos remains at the heart of the school's drive to provide rich and memorable learning experiences which have led to high quality learning and personal development. The impact legacy of the sports specialism is clearly visible through partnership working. The school hosts the East Devon School Games Organiser who works with 57 primary schools, one special school and 10 secondary schools supporting their engagement in the School Games programme.

The school's aspiration is to provide a personalised curriculum suited to meet the needs of students within the resources available. This is very much supported by the school's careers and work related learning provision in partnership with local business partners, some of whom are business mentors to some of our most vulnerable young people. We have a close relationship with the Careers SW personal advisor whose services we purchase to provide impartial Careers Education Information Advice and Guidance to students. The school actively participates in the East Devon Reintegration Panel supporting the school's ethos of 'achievement for all'. The school continues to work closely with the LA, contributes to the Headteacher' Associations and the Headteacher sits as a member of the Independent Panel for Exclusions.

The school has developed an increasing network of partnerships with other providers such as a SENCo group and is a member of the South West Academies Group – academies from across the South West who work collaboratively on school improvement.

As well as a strong local network of connected organisations the schools has active links with national and international partners including schools in India and Melanesia. Students have taken part, in the past in foreign language visits to France and we hosted students from Spain for several weeks last year.

The Academy Trust's association with all of these networks is to further promote the opportunities and achievements of our students and to enable our staff to share good practice and so raise the standard of teaching and learning.

Objectives and Activities

Public Benefit:

The Trustees have given consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education. The Academy Trust provides education to children and young people that is:

- balanced and broad
- promotes the spiritual, moral, cultural, mental and physical development of students at the school and of society
- prepares students at the school for the opportunities, responsibilities and experiences of later life
- promotes, sustains and increases individual and collective knowledge and understanding of specific areas of study, skills and expertise.

The Academy Trust is an 11-18 comprehensive school serving Ottery St Mary and surrounding villages. It works closely with its five main partner primary schools and draws mainly from these schools to fill its Planned Admission Number (PAN) of 180 from years 7-11. It has a fully mixed ability and gender intake and as it is over-subscribed, it employs Devon Local Authority to manage admissions and all appeals for places. It is subject to the current statutory arrangements as laid down in the School Admissions Code. Current arrangements for entry to the school are available in the section of the school website dealing with admissions arrangements.

Objectives:

The Academy Trust's objective is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The King's School ambition is to be one of the best comprehensive schools in the country. Our ambition is to develop all students academically, socially and emotionally in a happy, organised and disciplined environment so that they can make full use of their opportunities in life.

To be achieved by creating a place:

- Where all students have the highest aspirations for themselves and each other
- Where all staff have the highest aspirations for their students and themselves
- With staff who are confident in seeking out opportunities to develop their own practice and are happy to share their ideas and expertise with colleagues
- With a curriculum that is best suited to the current and future needs of the individual student in the best learning environment possible
- Where there is universal high quality teaching and learning so that students have true equality of opportunity
- Where there is a consistent message to students in terms of our expectations about behaviour, uniform, how we work together and how we treat each other
- Which empowers and involves its parents in helping and supporting their child to achieve

Strategic Report

A new set of Strategic Objectives were set for the period 2019-22 which reflected the educational climate, and the needs of the school, at the time. The objectives were influenced significantly by a renewed focus on the curriculum, school performance measures, changes to assessment at all key stages, the impact of funding in education, the recruitment and retention of teachers nationally and locally, and the emotional health and wellbeing of students and staff.

	Strategic Objectives (2019-22)
An outstanding curriculum	To ensure that all curriculum experiences are well considered, intentional, and implemented effectively leading to consistently high achievement for all.
Understanding the needs of every student	To further develop the knowledge, skills and capacity of staff to ensure those students who may be disadvantaged, have additional needs or barriers to learning or need a deeper learning experience have a positive educational experience and achieve strong outcomes based on their starting points.
The wellbeing of the whole school community	To further develop a culture in the school where wellbeing (creating the conditions for us all to thrive) is central to all decision making for everyone in the school community including students and staff.
6 th Form	To ensure sustainable and high quality 16-19 provision for all students
School Resources	To provide the school community with the best possible learning environment and resources, leading to raised aspirations for all.

In order to deliver against the strategic objectives, the trust established a set of Operational Priorities for 2019-22.

However, the impact of COVID-19 (Coronavirus) on the education sector in the second half of the year was significant. The country saw the shutdown of schools on 20 March 2020, with provision only in place for children of key workers and those with Education, Health and Care Plans (EHCPs). The school then re-opened for up to 25% of years 10 and 12 students on a daily basis from 15 June onwards. This significant disruption to the education of students, and the requirement for many staff to work from home, has meant that the operational priorities for 2019-20 changed quite significantly during the academic year. The focus quickly shifted to ensuring that students were well supported in their emotional health and wellbeing, as well as academic studies. Great efforts were made to ensure that there was regular contact with students and families by those in pastoral roles in the school e.g. Key Workers, Form Tutors, Learning Coaches, Pastoral Support Workers, Heads of House. There was also an emphasis placed on the effective delivery of remote education for those that were unable to attend school in person.

A significant amount of time was also invested in providing examination boards with Centre Assessment Grades. These were the grades that student were most likely to have achieved if they had sat the examinations and took into account a range of evidence including classwork, homework, mock exam results etc. The school followed the Ofqual published guidance on this process in order to ensure that the process was applied fairly, and without bias or discrimination, for students at this school.

Despite the challenges of a pandemic, we have continued to develop the school site and were delighted with the refurbishment of areas of the school such as the Design and Technology block and student toilet facilities. These changes will make a significant difference to the experience of the students on a day to day basis and will enhance their education.

Curriculum

At The King's School we endeavour to serve the local community by developing a learning environment based on high expectations, shared goals and strong partnerships. We encourage all members to develop their full potential in a caring environment where opinions are valued and achievement is celebrated.

At The King's School we seek to offer a curriculum that is broad and balanced and appropriate to all students irrespective of gender, ethnicity, belief, levels of ability or disability and social, cultural or economic background.

Our curriculum includes all the timetabled lessons together with various extra-curricular activities that are organised to enrich each student's experience and provide opportunities to build cultural capital. It also includes the hidden curriculum: what the students learn from the way that they are treated and expected to behave.

The curriculum intent

- to provide opportunities for all students to learn and achieve
- to provide students with the opportunities to become successful learners, who enjoy learning, make progress and achieve
- to promote students' spiritual, moral, social and cultural development
- to prepare all students for the opportunities, responsibilities and experiences of life
- to be differentiated and personalised to the needs of individual students
- to provide students with genuinely memorable lifelong experiences
- to provide students with as broad and balanced an educational experience as possible for as long as possible
- to reflect the overarching aim of inclusion
- to provide all students with the opportunity to master the key skills and content relevant to their key stage
- to promote British values of democracy, the rule of law, individual liberty and mutual respect and tolerance of those with different faiths and beliefs.

Pupil Premium (PP)

The school receives a sum of money based on Free School Meals (FSM) + 6 (anyone taking or having taken FSM in the last 6 years), students whose parents are in the services, those who are 'Looked After' or who have been adopted from care (post LAC). This is a proxy measure designed to support the performance of students who are deemed to be suffering from, or at risk of, deprivation. The school must use the lump sum of money to address progress of any students who we deem to be at risk of deprivation inhibiting their learning and progress. The money is spent on:

- Reducing class sizes in maths and English through years 7-11 – with some further decrease in year 7 for a targeted literacy lesson each week.
- Buying in additional teachers to release key maths and English staff to provide small group targeted intervention for disadvantaged students.
- Employing two Learning Coaches who mentor students, track progress and ensure that provision is targeted.
- Employing two Thrive practitioners to support the emotional needs of our disadvantaged students
- Providing financial support to families to pay for subject specific materials or trips/visits to enable students to access the full curriculum.
- Providing one-to-one tuition for year 11 students in maths and English.
- Supporting families financially to enable their children to access the full range of extra-curricular activities which have included drama tuition and music lessons.
- Running a daily homework club specifically for disadvantaged students.
- Providing a daily breakfast club.
- The school employs a designated teacher who attends Personal Education Plan meetings and any other meeting (and maintain the necessary paperwork) relating to the student in care.
- Providing students in receipt of free school meals with ICT equipment.
- Running an ASPIRE programme to provide a range of opportunities to inspire and raise the aspirations of disadvantaged students.
- Working with other agencies such as the Donkey Sanctuary to provide mental health support to vulnerable students.
- The purchase of additional Education Welfare Officer (EWO) hours to support improved attendance for our disadvantaged students.
- Providing counselling specifically for disadvantaged students.
- Providing alternative learning environments such as the King's garden.
- Supporting girls from disadvantaged families with sanitary products.

- Providing all year 7 students in receipt of free school meals with a school starter kit, including stationery and calculator.

Achievements and Performance

Due to the national lockdown, the government announced that students would not sit national examinations during the summer of 2020. To replace this, schools and colleges were asked by the exam regulator Ofqual to 'use their professional experience to make a fair and objective judgement of the grade they believed a student would have achieved had they sat their exams this year.' In addition, Ofqual announced that they would benchmark each centre's results against their two year performance (3 year for A Level) and their own algorithm in order to ensure that there would be no grade inflation. The school undertook a rigorous moderation of the teacher assessed grades to ensure the robustness and validity of the grades that we finally submitted to exam boards in line with the key principles of the Ofqual guidance.

In August 2020, the government abandoned this algorithm following criticism of the number of grades that had been changed for A Level students. Subsequently, students received their CAG or standardised grade, whichever was the higher.

The DfE have also stated that the results for this year would not be published in league tables and that centres would not be accountable for these results. Previous whole school performance measures such as P8 (Progress 8) are therefore irrelevant for this cohort.

Key Performance Indicators

Although the key measures of success for the Academy Trust are reflected in the earlier achievements section of this report, the Trustees have agreed a number of key performance indicators which support the assessment and monitoring of the school's performance. These are as follows:

KPI	Aug 2020	Aug 2019	Aug 2018	Aug 2017	Aug 2016	Aug 2015	Aug 2014	Comment
Total Staffing costs as a percentage of GAG* income	88.98	88.1%	84.9%	88.0%	87.3%	88.4%	87.6%	Staffing costs including non-teaching (excluding catering and cleaning staff)
Income per pupil	£5,432	£5,096	£5,217	£4,963	£4,987	£4,840	£4,937	Income on an annualised basis (excluding catering, Restricted General other Funds, Income from Conversion and Capital) - Pupils on roll at Jan census
Pupil to Teacher (FTE) ratio	19.21	19.07	18.33	17.94	18.29	17.78	17.34	Includes Unqualified Teachers
Current Ratio	2.58	3.29	2.23	4.20	7.10	3.47	3.32	The ability of the school to meet its short term financial obligations
Admissions Ratio	1.77	1.98	1.91	1.80	2.06	2.14	1.93	No of applications (1 st , 2 nd & 3 rd Preference) to the number accepted on roll

*GAG – General Annual Grant provided by the DfE – Includes Teacher's Pay Grant for Aug 19

Other Achievements

Students

The Academy Trust provides a comprehensive extra-curricular programme which, despite being compromised by partial school closure and COVID-19 restrictions, over the period has included:

- Training students for Ten Tors 2020 – students were not able to complete the event due to the pandemic.
- Maintained the link with a Children's home and school in Tamil Nadu, India through a UK based charity.
- Sending 88 Christmas boxes to our link charity in Moldova.
- Raising over £10,000 for charity.
- Sending students to Normandy and India as curriculum enhancement.
- Continuing to develop our leadership programme with advanced leadership schemes sitting alongside the prefect system, JSLA, CSLA, Literacy Leaders, Maths Leaders, Language Leaders, House Leaders and more.
- Representatives of the Teen Health Group spoke at a Devon RSE Conferences during the academic year.
- Encouraging volunteering amongst the student body to achieve both internal and external accreditation.
- Developing Mindfulness Leaders to work alongside our Teen Health Group, our 6th Form Teen Health Group, Anti Bullying Ambassadors and Mental Health volunteers.
- Ensuring that the House Councils feed into the School Parliament so that it is more accountable to the student body.
- Further enhanced a Spanish Exchange Programme with a school in Madrid and a French exchange with a school in Strasbourg.
- Extending links with Higher Education providers developing the "Step-Up Scheme" with New College, Oxford.
- Achieved the School Games GOLD Mark Award
- Entered students in a range of external competitions and events including the Spirited Arts competition and the Anne Frank Writing Competition.
- Held a number of internal house events in sports and the arts.

General

- Held a Sports Presentation Evening for students and parents.
- Held a Carol Concert
- Staged a Production of "Back to the 80's"
- Held a virtual art exhibition.
- Held a lunch for old people in the local area.
- Held workshops and talks from a range of visiting guests including the Camborne School of Mines, the University of Southampton and Exmoor National Park.
- Ran a Mini Enterprise competition which raised £2179.03 for charity.
- Organised trips to various external events and competitions including theatre trips, poetry competitions, fieldwork etc.
- Hosted visits from Town and County councillors.
- Trained new teachers to the profession.
- Maintained and developed our Business Forum to ensure that students get regular contact with local Business Partners and the world beyond school.
- Conducted Mock Interviews with local business partners for all Year 11 students.

External Achievements

Junior Boys East Devon Cross Country Runners Up

Senior Boys East Devon Cross Country Champions

U15 Girls Badminton East Devon Runners Up

U13 Boys East Devon Indoor Cricket Champions

U15 Boys Devon Indoor Cricket Runners Up

U16 Girls Hockey East Devon Champions

Boccia East Devon Ability Counts Champions

New Age Kurling East Devon Ability Counts Champions

Boccia South West Ability Counts Champions

U13 Boys Hockey East Devon Champions

U13 Boy's Futsal East Devon Champions

U14 Sports Hall Athletics Pentathlon Devon Virtual Games Champions

Over 50 students (the highest in Devon) took part in the Devon Virtual School Games during Lockdown

Winner of the Exeter Schools Cook off at the Exeter Food Festival and the Rotary Future Chef South West Champion.

The school was awarded the National Schools Games Mark Gold Award for the fifth year running

Inter Boys East Devon Cross Country Runners Up

U13 Boys Badminton East Devon Runners Up

U14 Girls East Devon Badminton Runners Up

U15 Boys East Devon Indoor Cricket Runners Up

U14 Girls Hockey East Devon Runners Up

U15 Girls Hockey East Devon Runners Up

Seated Volleyball East Devon Ability Counts Champions

Seated Volleyball Devon Ability Counts Champions

U13 East Devon Indoor Athletics Champions

U13 Girls Netball East Devon League Champions

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

Despite continued financial uncertainty and turbulence in government funding, years of real terms cuts to school funding and a funding formula that disadvantages schools with a similar profile to The King's, the Trustees are content that the Academy Trust is in a strong financial position due to a culture and history of prudent financial management and governance. The Trustees remain committed to ensuring that any funds expended, will impact positively on the teaching and learning of our students.

Restricted funds:

Over this reporting period, the Academy Trust received a General Annual Grant of £5,440k (including the Teachers' Pay and Pension Grants) which is the primary mechanism for funding the schools objectives. We have spent £5,178k on the academies primary educational operational expenditure together with a transfer of £17.1k from GAG to support our role in school sports and £260k to support capital investments. This means we are carrying a GAG balance of nil through to the next period.

The income relating to pupil premium remained at the same rate as the prior reporting period at £935 per eligible pupil. The specific interventions relating to Pupil Premium are highlighted earlier in this report. The expenditure is supplemented by GAG as some interventions support a wider student population than just those who are identified as warranting pupil premium intervention.

The fund to support developing schools across the Jurassic Coast Teaching Schools Alliance (JCTSA), remains in place this year as the project continues. Similarly our role as a School Games Organiser continues therefore the Sports Partnership and Games fund remains.

Restricted Fixed Asset Funds:

During the period, the school has seen significant investment in Capital projects both through investment directly from the school and devolved capital funds with additions of £692k.

Unrestricted:

The Academy trust brought forward an Unrestricted Fund balance of £773k. During the reporting period incoming resources associated with Canteen Income, Traded activities and donations amounted to £347k and the cost of generating such income was £304k. This together with a transfer of £409k to support capital investments, the unrestricted funds at the end of the period are £407k.

Reserves Policy:

The Trustees recognise the need to maintain a reserve to support:

- The need for working capital.
- Unexpected expenditure due to risks materialising.
- Short-term shortfalls in income if payments from income sources were delayed or incorrect.
- The three year projected costs of the Academy Trust in an environment where government income falls below the inflationary costs of the academy.

The main reason for maintaining reserves is to support significant unforeseen risks that materialise despite mitigations that have been put in place. A level of resources from the Unrestricted Fund will be carried forward as a risk budget but to also support capital investment (at the end of this period £407K).

The amount to be carried forward from the General Annual Grant is no longer subject to restrictions stipulated by the DfE as a deed of variation was agreed between the Trust and the DfE on the 11th April 2013 but at the end of this period was £nil.

Balancing the risks associated with a site and facilities that require investment to maintain effectively, the total reserves across the three funds will be in the long term maintained between two thresholds:

Reserve Min: £200,000

Reserve Max: £450,000 (approximately 1 month operational costs)

If the level of reserves exceeds the maximum stated, the Trustees would seek to invest the funds in capital improvements for the benefit of the school. However, at the current time the trust are very conscious that the 3 year forecast for the academy, projects a cumulative deficit due to restrained government income, continued uncertainty regarding the implementation of a National Funding Formula coupled with rising costs such as Teachers' Pensions and the stated government aspirations of increased teachers' salaries. Whilst some re-structuring of the curriculum has taken place to ensure the school is on a more sustainable footing, the uncertainty and fluctuations with the Trust's main source of income continues to challenge longer term decision making as such reserves are held at the higher end of the reserve policy.

The minimum reserve should be maintained where possible and not used for standard operational expenditure. The reserve is held to meet the objectives described above and as such should only be drawn from in the event of a risk materialising or a short term shortfall in income to meet expenditure. This policy is subject to an annual review and will be adjusted to ensure the needs of the academy are met dependent on the financial environment at the time.

Investment Policy:

Although the current economic climate is not conducive to achieving high returns in low risk investments, the Trustees are committed to ensuring that all funds managed by the academy on their behalf are used in such a way as to maximise return whilst minimising risk. This is not a key activity for the school and the risk profile of any investments made should be low but should provide an effective utilisation of school assets.

The cash held by the school will only be deposited in bank accounts with an FSA Approved provider. Where cash is not required to meet operating expenses, the Trustees will seek to invest this in higher rate, low risk deposit accounts.

Where significant funds have been accumulated that are not required in the short term for operational expenses, or as part of a planned surplus for a specific project, Trustees may consider the investment of these funds in order to generate a longer term income or capital fund. The approval of the Resources Committee is required before any investments are made.

Principal Risks and Uncertainty:

The most obvious risk to the academy at this present time is the impact of the COVID-19 (coronavirus) pandemic. In order to reduce the risk of transmission of the virus, the school has had to adapt many of its normal operating procedures. This has had an impact on the experience of the students and staff at the school as well as incurring significant unplanned expenditure.

What is unknown at this stage is the impact of the pandemic on the emotional health and wellbeing of students and also their academic attainment. We are aware that there is much support needed for students to ensure that attendance and behaviour continues to remain outstanding given the changes that have had to be made to the structure of the day, access to pastoral support, play space, lesson delivery etc. We are also aware of the need to support students as they prepare for the summer examination series 2021. We have amended the delivery of examination courses to reflect the challenges of partial school closure and remote learning.

The government have stated their desire to ensure that examinations take place in 2021. We welcome the news that the exams will mostly take place after the May half term break ensuring an additional 3 weeks of teaching time for these students. This is to allow scope for schools to support students to catch up on their learning following lock down and any periods of self isolation. There is a need for a national contingency plan should examinations not take place. The school will continue to respond to any directives from the DfE or Ofqual on these issues.

The ethos of the school is built on the firm belief that personal, as well as academic, outcomes are important for students. With the changes due to COVID-19, many of the activities that contribute to the personal development of students have been curtailed. However, the staff are doing their best to ensure that students do engage in the wider curriculum and continue to access additional opportunities where possible. A good example of this is the way in which the school will be providing mock interviews for student using a 'virtual' experience with employers.

The risk to students and staff due to the pandemic has been highlighted in the school's formal risk assessment. There is great uncertainty in our ability to ensure that all students receive a face to face educational experience at the present time. The government have given schools a legal duty to provide continuity of education for those students that are self-isolating and we

have a remote learning contingency plan in place should we need to move teaching to this format. What is harder to plan for is significant staff absence and we will do our best to ensure that the impact of any staff absence is minimised.

Plans for Future Periods:

The strategic priorities for the school for the period 2020-21 have been set in response to the pandemic and the continued disruption to the provision of education for student at the school. These priorities, and the actions to support delivering these, are listed below.

1. To provide an educational environment in which the risk of COVID-19 (coronavirus) spreading through direct and indirect transmission is minimised.

Action: Implement a thorough risk assessment which takes a range of approaches and actions, in line with government guidance, to substantially reduce the risk of transmission.

2. To provide an environment in which the emotional wellbeing of students and staff is a priority as we open the school to the whole school community.

Action: Have a well-considered approach to pastoral care which is clearly communicated to students, parents and staff, and meets the needs of our school community.

3. To provide a high quality learning experience that allows students to make strong academic progress and builds on their experience of home learning during school closure.

Action: Plan a carefully considered curriculum and assessment experience which takes account of the impact of school closure on curriculum coverage and delivery.

4. To build on the knowledge and experience gained by staff during school closure, with specific reference to the use of ICT to support learning and independent study.

Action: Facilitate CPD opportunities which support the sharing of good practice developed during school closure.

5. To ensure the school continues to deliver on key actions which bring about school improvement over the next 3-5 years

Action: Implement key changes in structures and systems that will move the school forward despite the legacy of COVID-19.

Auditor:

In so far as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 12th December 2019 and signed on the board's behalf by:



Steve Ellison
Chair of Trustees

Governance Statement

Scope of Responsibility:

As Trustees, we acknowledge we have overall responsibility for ensuring that The King's School Academy Trust 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 The King's School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the 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 full Board of Trustees has formally met 3 times during the reporting period (one meeting was cancelled due to the COVID-19 pandemic). Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meeting Attended	Out of a possible
Maria Banham	1	3
Ted Bloomfield	3	3
Gordon Bryant	2	3
Sue Cade	3	3
Liz Charles	3	3
Steve Ellison	3	3
Jason Fearn-Smith	2	3
Rob Gammon	3	3
Charlotte Hawkins	2	3
Charlotte Hollingshead	2	3
Becky Jacobs	1	2
Nicholas Johnson	1	3
Lucy Kennaway	3	3
John Lavender	3	3
Ruth Miles-Haynes	2	3
Robin Mitchell	3	3
Dave Nicholson	3	3
Susan Starr	1	3
Petrina Tipping	3	3
Susan Wood	3	3

Since the last reporting period, Mrs R Jacobs, Mrs R Miles-Haynes, Mr R Mitchell and Mrs S Starr and have left the Board of Trustees and Mrs. M Banham, Mr. N Johnson were appointed.

The Trustees maintain a full skills audit of the board members in order to inform future appointments and identify any gaps in knowledge as well as support development of existing board members. This has been renewed during the course of this year.

The table below describes the three formal committees of the Board of Trustees during the period and the attendance is shown in the following table.

Committee	Responsibilities
Resources	Meets five times a year dealing with all matters relating to finance, sites and buildings. This year met 4 times due to one meeting being cancelled as a result of the COVID-19 pandemic.
Audit	Meets three times a year dealing with the internal scrutiny and audit requirements of the trust.
Curriculum & Quality	Meets five times a year dealing with all matters relating to the quality of teaching and learning including the curriculum and general staffing issues.
Pay & Performance Committee	Meets once a year dealing with the specific issues relating to performance related pay for the staff and the Headteacher's Remuneration.

	Resources		Audit		Curriculum & Quality		Pay & Performance	
Trustee	Meeting Attended	Out of a possible	Meeting Attended	Out of a possible	Meeting Attended	Out of a possible	Meeting Attended	Out of a possible
Maria Banham	3	3	3	3	-	-	-	-
Ted Bloomfield	-	-	-	-	5	5	1	1
Gordon Bryant	4	4	3	3	-	-	-	-
Sue Cade	-	-	-	-	2	5	1	1
Liz Charles	-	-	-	-	5	5	1	1
Steve Ellison	2	4	2	3	-	-	1	1
Jason Fearn-Smith	-	-	-	-	2	5	-	-
Rob Gammon	4	4	-	-	5	5	1	1
Charlotte Hawkins	3	4	-	-	-	-	-	-
Charlotte Hollingshead	-	-	-	-	4	5	-	-
Becky Jacobs	-	-	-	-	1	3	-	-
Nicholas Johnson	2	3	2	3	-	-	-	-
Lucy Kennaway	2	4	2	3	-	-	-	-
John Lavender	4	4	3	3	-	-	-	-
Ruth Miles-Haynes	-	-	-	-	5	5	-	-
Robin Mitchell	-	-	-	-	4	5	1	1
Dave Nicholson	-	-	-	-	4	5	-	-
Susan Starr	3	4	2	3	-	-	-	-
Petrina Tipping	-	-	-	-	4	5	-	-
Sue Wood	-	-	-	-	5	5	-	-

As well as the above formal committees the Board of Trustees has established a working party focused on academic data. It does not hold any delegated powers or decision making responsibility however supports the relevant committee by deepening trustees understanding of academic data.

Review of Value for Money

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

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

1. Improving outcomes with appropriate use of financial oversight and governance

The School is governed by a body drawn from staff, parents, and those appointed by the Trustees themselves to ensure that the governing board maintain the breadth of skills required to support and challenge the school. The Board of Trustees meets at least four times a year and is committed to ensuring that governance of the School's financial management is robust. It approves the budget and reviews it throughout the year and is mindful of the need to balance expenditure against income to ensure the Academy remains a "going concern". As such the budget is always completed on an annual income vs. expenditure basis with little or no reliance on the schools reserves. The Board of Trustees takes an active interest in teaching and learning within the Academy, receiving updates on tracking data and holding the Senior Leadership Team accountable for performance.

More detailed financial oversight is supplied by the Resources Committee, which currently meets five times per year. The Committee has a clear Terms of Reference which is reviewed annually. The Committee membership includes the Headteacher. The Committee receives regular budget monitoring management reports which are provided in a consistent format and with explanatory notes. The audit committee receives 2 reports a year from the appointed firm to support the internal scrutiny function which tests the schools controls and financial management systems. The Resources Committee considers and ratifies policies, scrutinises the schools budget forecast and ensures that the school complies with agreed policies and procedures. Spending proposals outside of the budget setting process are brought to the Resources committee for approval. The Committee considers the annual reports and financial statements, and makes recommendations to the Board of Trustees, who approve the Annual Report and Accounts.

The Resources Committee is also responsible for maintenance of the School's Risk Register, which it reviews at bi-annually, taking into account changes in the wider political and economic climate. This helps direct the school plan strategically to avoid wasting time, money or resources.

The school's senior leadership team reviews the detailed budget performance every half term as a standing agenda item in senior leadership meetings so that the impact on teaching and learning and hence value for money is a key consideration across the senior staff. The school has a clear financial delegation and control framework as set out in our financial policy and management handbook (available on our website) which details budget holders and other responsibilities and accountabilities. When setting the budget the Senior Leadership Team and Trustees, consider a number of options and scenarios to both deliver the core aims and objectives of the academy and elements of the school development plan that require specific financial and other resources.

2. Improved Purchasing

The School takes a prudent approach to expenditure. As around 85% of the Academy's government budget is spent on staffing, the staffing is reviewed annually to ensure that value for money in meeting the needs of our students and delivering the objectives detailed in the school development plan. Temporary changes to permanent contracts are frequently used to ensure that longer term value for money is achieved.

All of the school's supply contracts are regularly reviewed (at least annually) to ensure they are delivering value for money and re-negotiated / tendered as appropriate and remain fit for purpose. A particular focus of recent contract negotiation has been success criteria and ensuring that contract wording is focussed on the positive outcomes for the school. The school has a clear procurement and purchasing policy as laid down in the Financial Policy and Management Handbook which is available on our website. All purchasing follows best value principles. A scheme of delegation is in place, as are separation of duties. Purchases of over £5,000 require three written quotations, and contracts and orders over £10,000 are authorised by the Resources Committee. All goods and services ordered with a value of over £50,000, or for a series of contracts which in total exceed £50,000 are subject to formal tendering procedures and authorised by the Resources Committee. Competitive tendering procedures are detailed in the Finance Policy and Management Handbook.

Locally sourced and national benchmarking data is used to inform the procurement process; however, sharing procurement experiences, detailed approaches to specific requirements and lessons learnt with other organisations has delivered significant benefits. Where possible and beneficial, the school will seek to obtain best value from economies of scale purchasing either between schools, frameworks or using Devon county purchasing services. Caution must be exercised however as we have found that the cost associated with administration and management of some larger bulk contracts (such as cleaning and grounds maintenance and payroll) have not provided value for money and alternative approaches have been adopted. Options for different approaches for delivery of the schools core services are always considered when contracts are reviewed (e.g. bringing Payroll in house which increased the quality of service provided to employees and reduced the total cost by greater than 30%).

3. *Improving Income Generation*

The school has a lettings policy in place and explores opportunities to generate income through the hire of the premises outside of core curriculum time. A proactive approach is taken towards bids for possible future funding as well as seeking opportunities to support the wider educational community in school improvement and support services.

4. *Reviewing Costs and Managing Risks*

The Board of Trustees has reviewed the major risks, focusing on operational, financial, governance, compliance and reputational risk, and has taken steps to mitigate likely risks and to ensure regular monitoring of the primary areas of potential risk. All of these are documented in an academy risk register which is updated and reviewed biennially.

The Trustees review the reserve levels of the Academy annually and we have a Reserves Policy in place which is again reviewed annually. The reserves policy is maintained to deal with some unforeseen risks, those that are cost prohibitive to mitigate further, those that are not covered by our comprehensive insurance policy and provide sufficient working capital to cover any delays between receiving income and committing expenditure. Insurance levels are reviewed annually to ensure appropriate cover is in place and the solution is cost effective.

5. *Lessons Learned*

The very close link between the curriculum and the budget is even more evident now than ever. The school recognises the importance of early information gathering with regards to option choices at year 9 and 11 so that the curriculum and staffing match can be as accurate as possible. This enables the school to design a timetable and staff timetable which minimises any wastage in staffing costs. As the staffing costs for the school are high compared to other schools we know we have to ensure that this provides value for money in terms of outcomes for students. Currently a large number of our staff are highly experienced thus generate high salary costs. However, we have learnt that in terms of student outcomes we would always appoint the best person for the role irrespective of their staffing cost as they are likely to provide the best outcomes for the students. Our results justify this budgetary decision as does our Outstanding OfSTED judgement in all categories in March 2014.

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 ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The King's School Academy Trust for the period 1st September 2019 to 31st 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period ending 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.

The Risk and Control Framework:

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint an external firm to complete a programme of assurance work. For the year ending 31st August 2020, Griffin Accountancy performed two separate internal audit reviews during the spring and summer terms. A range of checks on the Academy Trust's financial and governance systems were completed, including testing Fixed Assets processes, Governance regularity and risk management, purchases and cash payments, financial budgeting and monitoring and income. The work of the internal auditors is based on risks identified by the Audit Committee.

Review of Effectiveness:

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

- the work of the audit committee and internal scrutiny function;
- the work of the external auditor;
- the work of the Business Manager within the Academy Trust who has 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 Resources 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 10th December 2020 and signed on its behalf by:



Steve Ellison
Chair of Trustees



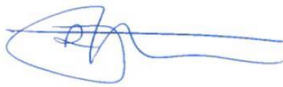
Robert Gammon
Accounting Officer

Statement on Regularity, Propriety and Compliance

As accounting officer of The King's School Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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.



Robert Gammon
Accounting Officer

10th December 2020

Statement of Trustees' Responsibilities

The Trustees (who act as Trustees for charitable activities of The King's School Academy Trust and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and 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; and
- 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 the 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 10th December 2020 and signed on its behalf by:



Steve Ellison
Chair of Trustees

Independent Auditor's Report on the Financial Statements to the Board of Trustees of The King's School Academy Trust

Opinion

We have audited the financial statements of The King's School Academy Trust for the year ended 31 August 2020 which comprises the Statement of Financial Activities incorporating income and expenditure account, the Balance Sheet, Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and in accordance with the requirements of the Companies Act 2006;
- have been prepared in accordance with the Charities SORP 2019 and the Academies Annual 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 Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusion 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.

Other information (covers the Reference and Administrative Details)

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 auditor's report thereon. 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 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.

Independent Auditor's Report on the Financial Statements to the Board of Trustees of The King's School Academy Trust

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 (incorporating the Strategic Report and the Directors Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governance Statement and Trustees' Report.

We have nothing to report in respect of the following matters where 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 the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 23], the Trustees 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.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control.

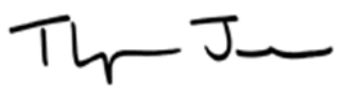
Independent Auditor's Report on the Financial Statements to the Board of Trustees of The King's School Academy Trust

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Academy to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Academy audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's Trustees, 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 Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its Trustees as a body, for our audit work, for this report, or for the opinion we have formed.



.....
SIMON LEWIS (Senior Statutory Auditor)
For and on behalf of Thompson Jenner LLP, Statutory Auditor
1 Colleton Crescent,
Exeter, Devon.
EX2 4DG

Independent Reporting Auditor's Assurance Report on Regularity to the Board of Trustees of The King's School Academy Trust Limited and the Education Funding Agency

In accordance with the terms of our engagement letter dated 9 March 2015 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 the academy trust during the period 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 the Board of Trustees of the King's School Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The King's School Academy Trust and the ESFA those matters we are required to state to it in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The King's School Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The King's School Academy Trust's accounting officer and the reporting auditor

The Accounting Officer is responsible, under the requirements of The King's School Academy Trust's funding agreement with the Secretary of State for Education dated 31st March 2011 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 period 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 the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

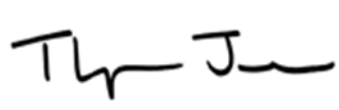
The work undertaken to draw to our conclusion have been designed to comply with the requirements set out in The Accounts Direction 2019 to 2020 and includes:

- Inspection and review of documentation providing evidence of governance procedures
- Evaluation of the system of internal controls for authorisation and approval
- Performing substantive tests on relevant assumptions

Independent Reporting Auditor's Assurance Report on Regularity to the Board of Trustees of The King's School Academy Trust Limited and the Education Funding Agency Continued

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 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.

A handwritten signature in black ink, appearing to read 'Th J', is positioned above a horizontal dotted line.

.....
SIMON LEWIS (Senior Statutory Auditor)
For and on behalf of Thompson Jenner LLP, Chartered Accountants
1 Colleton Crescent,
Exeter, Devon.
EX2 4DG

Statement of Financial Activities for Year to 31 August 2020**(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2020 £	Total 2019 £
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Donations and Capital Grants	2	2,350	200	23,548	26,098	356,463
Transfer from Local Authority on incorporation		-	-	-	-	-
Income from other trading activities	3	73,688	-	-	73,688	91,619
Investment income	4	7,137	-	-	7,137	7,706
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	5	263,583	5,995,518	-	6,259,101	6,035,312
Total incoming resources		346,758	5,995,718	23,548	6,366,024	6,491,099
Resources expended						
<i>Cost of generating funds:</i>						
Fundraising trading		-	-	-	-	-
<i>Charitable activities:</i>						
Academy's educational operations	7	303,736	5,969,938	511,481	6,785,155	6,744,825
Development costs	7	-	-	-	-	-
Total resources expended	6	303,736	5,969,938	511,481	6,785,155	6,744,825
Net incoming (outgoing) resources before transfers		43,022	25,780	(487,933)	(419,131)	(253,726)
Transfers						
Gross transfers between funds	15	(409,047)	(259,855)	668,902	-	-
Net income / (expenditure) for the year		(366,025)	(234,075)	180,969	(419,131)	(253,726)
Other recognised gains and losses						
Actuarial (losses) gains on defined benefit pension schemes	15,25		(308,000)		(308,000)	(470,000)
Net movement in funds		(366,025)	(542,075)	180,969	(727,131)	(723,726)
Reconciliation of funds						
Total funds brought forward at 1 September 2019	15	772,575	(3,002,065)	15,611,788	13,382,298	14,106,024
Total funds carried forward at 31 August 2020		406,550	(3,544,140)	15,792,757	12,655,167	13,382,298

All of the Academy's activities derive from continuing operations during the above financial period.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities

Balance Sheet as at 31 August 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	11		15,792,758		15,611,791
Total fixed assets			15,792,758		15,611,791
Current assets					
Stock	12	-		1,200	
Debtors	13	215,141		163,981	
Cash at bank and in hand		497,689		1,024,003	
Total current assets		712,830		1,189,185	
Liabilities:					
Creditors: Amounts falling due within one year	14	(276,421)		(361,678)	
Net current assets			436,409		827,507
Total assets less current liabilities			16,229,167		16,439,298
Creditors: Amounts falling due after more than one year	14		-		-
Net assets excluding pension liability			16,229,167		16,439,298
Pension scheme liability	25		(3,574,000)		(3,057,000)
Net assets including pension liability			12,655,167		13,382,298
Funds of the academy:					
Restricted funds					
Fixed asset fund(s)	15		15,792,757		15,611,788
Pension Reserve	15		(3,574,000)		(3,057,000)
Restricted General funds	15		10,694		24,390
Restricted General Other Funds	15		19,166		30,545
Total restricted funds			12,248,617		12,609,723
Unrestricted funds					
General funds	15		406,550		772,575
Total unrestricted funds			406,550		772,575
Total Funds			12,655,167		13,382,298

The financial statements on pages 27 to 55 were approved by the Trustees, and authorised for issue on 10th December 2020 and signed on their behalf by:

S. Ellison

Steve Ellison
Chair

Cash Flow Statement for the year ended 31 August 2020

		2020 £	2019 £
Net cash inflow/(outflow) from operating activities	19	135,449	(25,655)
Returns on investments and servicing of finance	20	7,137	7,706
Capital expenditure	21	(668,900)	(43,300)
Increase/(decrease) in cash in the period	22	(526,314)	(61,250)
Reconciliation of net cash flow to movement in net funds			
Net Funds at 1 September 2019		1,024,003	1,085,253
Net funds at 31 August 2020		497,689	1,024,003

Notes to Financial Statements for the Year Ending August 2020

Note 1. Statement of accounting policies:

Basis of Preparation

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

A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

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

Incoming Resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **Grants receivable**

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 and there is not unconditional entitlement to the income, its recognition is deferred and included in creditors as deferred income. 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 period is deducted from income and recognised as a liability.

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

- **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 period it is receivable and to the extent the goods have been provided or on completion of the service.

Note 1. Statement of accounting policies (Continued):

- **Donated goods, facilities and services**

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

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

Resources Expended

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.

- **Costs of generating funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

Note 1. Statement of accounting policies (Continued):

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. Assets below this value where they form part of one larger project are also capitalised as part of that project.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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

• Freehold buildings	50 Years straight line
• Building Improvements	10 Years
• Plant and Machinery	10 Years
• Vehicles	10 years
• Furniture	10 Years
• ICT equipment	4 Years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Leased Assets

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

Stock

Unsold catering material is valued at the lower of cost or net realisable value.

Taxation

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

Liabilities

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

Note 1. Statement of accounting policies (Continued):

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. 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 charity's wholly owned subsidiary are held at face value less any impairment.

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund Accounting

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

Note 1. Statement of accounting policies (Continued):

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

Restricted general funds comprise all other restricted funds received and include grants with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

Critical accounting estimates and areas of judgement

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

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

Note 2. Donations and capital grants

	Unrestricted Funds	Restricted Funds	2020 Total	2019 Total
	£	£	£	£
Devolved Formula Capital allocations	-	23,548	23,548	84,960
Other Capital Donations	-	-	-	1,000
Local Developer Capital Donation	-	-	-	263,768
Other Donations	2,350	200	2,550	6,735
	2,350	23,748	26,098	356,463

The income from donations and capital grants was £26,098 (2019: £356,463) of which £2,350 was unrestricted (2019: £4,735), £200 restricted (2019: £2,000) and £23,548 restricted fixed assets (2019: £349,728).

Note 3. Income from other trading activities

	Unrestricted Funds	Restricted Funds	2020 Total	2019 Total
	£	£	£	£
Hire of Facilities	6,579	-	6,579	12,083
Other Services	67,108	-	67,108	79,536
	73,687	-	73,687	91,619

The activities for generating funds was £73,687 (2019: £91,619) of which £73,687 was unrestricted (2019: £91,619), £nil restricted (2019: £nil) and £nil restricted fixed assets (2019: £nil).

Note 4. Investment income

	Unrestricted Funds	Restricted Funds	2020 Total	2019 Total
	£	£	£	£
Short term deposits - Interest	7,137	-	7,137	7,706
	7,137	-	7,137	7,706

The investment income was £7,137 (2019: £7,706) of which £7,137 was unrestricted (2019: £7,706), £nil restricted (2019: nil) and £nil restricted fixed assets (2019: £nil).

Note 5. Funding for Academy's educational operations

	Unrestricted Funds	Restricted Funds	2020 Total	2019 Total
	£	£	£	£
DfE / EFA revenue grants				
General Annual Grant (GAG)	-	5,144,108	5,144,108	5,071,268
16-19 Bursary Fund	-	16,240	16,240	12,767
Pupil Premium	-	119,374	119,374	113,224
Other DfE / EFA grants	-	295,985	295,985	50,244
		5,575,707	5,575,707	5,247,503
Other Government grants				
SEN from Local Authority	-	138,899	138,899	135,967
JCTSA	-	-	-	4,050
LA Formula Correction for SEN	-	111,631	111,631	37,163
School Games Organiser	-	24,820	24,820	25,059
Other income from Educational Operations				
Catering Income	225,280	80	225,360	310,655
Educational Activities Income	38,303	-	38,303	49,553
Trips and Visits	-	144,381	144,381	225,362
	263,583	419,811	683,394	787,809
	263,583	5,995,518	6,259,101	6,035,312

The funding of the academies educational operations was £6,259,101 (2019: £6,035,312) of which £263,583 was unrestricted (2019: £358,128), £5,995,518 restricted (2019: £5,677,184) and £nil restricted fixed assets (2019: £nil).

Note 6. Resources Expended

	Staff £	Non Pay Expenditure Premises £	Other Costs £	Total 2020 £	Total 2019 £
Costs of activities for generating funds	-	-	-	-	-
Academy's educational operations					
Direct costs	4,446,178	488,438	334,698	5,269,314	5,083,941
Allocated support costs	765,418	248,921	501,502	1,515,841	1,660,884
Development costs	-	-	-	-	-
	5,211,596	737,359	836,199	6,785,155	6,744,825

Net Incoming/(outgoing) resources for the year include:

		2020 £	2019 £
Operating leases		6,990	7,789
Fees payable to auditor	- audit	5,000	5,000
	- other	1,300	800

The resources expended was £6,785,155 (2019: £6,744,825) of which £303,736 was unrestricted (2019: £376,982), £5,969,939 restricted (2019: £5,891,266) and £511,480 restricted fixed assets (2019: £476,577).

Note 7. Charitable Activities - Academy's educational operations

	Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
	£	£	£	£
Direct costs				
Teaching and educational support staff costs	47,428	4,398,749	4,446,178	4,179,684
Depreciation	-	488,438	488,438	456,256
Technology Costs	-	30,508	30,508	28,448
Educational supplies	2,235	176,782	179,017	204,582
Examination fees	-	85,128	85,128	113,563
Staff development	-	13,473	13,473	15,005
Educational consultancy	-	19,068	19,068	33,271
Other direct costs	1,350	6,155	7,505	53,133
	51,014	5,218,300	5,269,314	5,083,941
Allocated support costs				
Support staff costs	121,316	644,102	765,418	802,758
Depreciation	-	23,042	23,042	20,321
Technology costs	-	68,023	68,023	55,928
Recruitment and support	-	7,892	7,892	12,144
Premises Costs	-	248,921	248,921	266,577
Other Support Costs	-	36,099	36,099	14,517
Pension Finance Charge	-	58,000	58,000	58,000
Catering	131,406	18,230	149,636	201,742
Trips and Visits	-	150,977	150,977	221,576
Governance Costs	-	7,833	7,833	7,321
	252,722	1,263,119	1,515,841	1,660,884
Development costs				
	303,736	6,481,419	6,785,155	6,744,825

The resources expended for the Academy's educational operations was £6,785,155 (2019: £6,744,825) of which £303,736 was unrestricted (2019: £376,982), £5,939,939 restricted (2019: £5,891,266) and £511,480 restricted fixed assets (2019: £476,577).

Note 8. Staff Costs

Staff costs during the period were:

	Total 2020 £	Total 2019 £
Wages and salaries	3,863,166	3,776,670
Social security costs	353,530	337,863
Other pension costs	971,336	822,485
Apprenticeship Levy	4,400	4,030
	5,192,432	4,941,048
Supply teacher costs	19,164	41,394
Staff Restructuring Costs	-	-
	5,211,596	4,982,442
Staff restructuring costs comprise:		
Redundancy Payments	-	-
Severance Payments	-	-
Other restructuring costs	-	-
	-	-

The average number of persons (including senior management team) employed by the Academy during the year was as follows:

	2020 FTE	2020 Headcount	2019 FTE	2019 Headcount
Charitable Activities				
Teachers	57	69	57	69
Administration and support	49	74	48	73
Management	7	7	7	7
	113	150	112	149

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

	2020 No.	2019 No.
£60,000 - £70,000	5	5
£90,000 - £100,000	1	1

Five of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2020, pension contributions for these employees amounted to £81,856 (2019: £55,074).

One of the above employees participated in the Local Government Pension Scheme. During the year ended 31 August 2020, pension contributions for this employee amounted to £10,186 (2019: £9,356)

The key management personnel of the academy trust comprise the staff trustees and the senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for the services they provide to the academy trust was £770,669 (2019: £712,350)

Note 9. Related Party Transactions - Trustees' Remuneration and Expenses

The Headteacher and staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The remuneration for those staff Trustees that have voting rights and are Trustees are shown below.

	Sept '19 to Aug '20 £	Sept '18 to Aug '19 £
Mr R Gammon (Headteacher)		
Remuneration	£95,000 - £100,000	£90,000 - £95,000
Employer's Pension contributions	£20,000 - £25,000	£15,000 - £20,000
Dr C Hawkins (Staff Trustee)		
Remuneration	£40,000 - £45,000	£40,000 - £45,000
Employer's Pension contributions	£5,000 - £10,000	£5,000 - £10,000
Mr D Nicholson (Staff Trustee)		
Remuneration	£20,000 - £25,000	£20,000 - £25,000
Employer's Pension contributions	£0 - £5,000	£0 - £5,000
Mrs R Jacobs (Staff Trustee)		
Remuneration	£45,000 - £50,000	£45,000 - £50,000
Employer's Pension contributions	£10,000 - £15,000	£5,000 - £10,000

During the year ended 31 August 2020, travel and subsistence expenses were incurred totalling £41 (2019 - £0) were reimbursed to 1 trustees (2019- 0 trustees).

Other related party transactions involving the Trustees are set out in note 27.

Note 10: Trustees' and Officers' Insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on 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.

Note 11: Tangible Fixed Assets

	Leasehold Land and Buildings	Furniture and Equipment	Plant & Machinery	Computer Equipment	Motor Vehicles	Building Improve	Assets Under Construction	Total £
Cost								
At 1 Sept 2019	16,280,520	142,467	207,023	296,970	41,040	1,540,778	64,837	18,573,635
Additions	-	30,876	60,965	78,419	-	3,082	519,106	692,448
Transfers	-	-	4,540	-	-	573,737	(578,277)	-
Disposals	-	-	-	-	-	-	-	-
At 31 Aug 2020	16,280,520	173,343	272,528	375,389	41,040	2,117,596	5,666	19,266,083
Depreciation								
At 1 Sept 2019	2,050,387	63,875	124,766	196,491	30,952	495,373	-	2,961,844
Charged in year	268,513	13,734	23,042	46,773	4,104	155,314	-	511,480
Disposals	-	-	-	-	-	-	-	-
At 31 Aug 2020	2,318,900	77,609	147,808	243,264	35,056	650,687	-	3,473,324
Net book values								
At 31 Aug 2020	13,961,620	95,734	124,720	132,125	5,984	1,466,909	5,666	15,792,758
At 1st Sept 2019	14,230,133	78,592	82,257	100,479	10,088	1,045,405	64,837	15,611,791

Note 12: Stock

	2020 £	2019 £
Catering	-	1,200
	-	1,200

Note 13: Debtors

	2020 £	2019 £
Trade debtors	(259)	401
Prepayments	158,722	101,581
Accrued Income	18,188	17,760
Other debtors	2,569	1,636
VAT recoverable	35,921	42,604
	215,141	163,981

Note 14: Creditors

	2020 £	2019 £
Creditors: Amounts falling due within one year		
Trade creditors	102,990	115,750
Other Creditors	11,790	10,530
Accruals and deferred income	161,641	235,397
	276,421	361,687

Deferred income

	£
Deferred Income at 1 September 2019	142,240
Resources deferred in the year	126,869
Amounts released from previous years	(142,240)
Deferred Income at 31 August 2020	126,869

Deferred Income at 31st August 2020 comprises the following:

	£
EFA 2020/21 Devolved Capital	13,641
EFA Rates	17,034
Sports Games Organiser	13,883
Teacher training	3,150
Facility Hire	799
Trips and Visits	64,161
Ottery Local Learning Community	14,200
	126,869

Note 15: Funds

	Balance at 1 September 2019	Incoming Resources	Resources Expended	Gains, losses and transfers	Balance at 31 August 2020
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	14,519	5,440,093	(5,177,627)	(276,984)	-
Pupil Premium	-	119,374	(119,374)	-	-
16-19 Bursary	9,871	16,240	(15,418)	-	10,694
Local Authority SEN	-	250,530	(250,530)	-	-
	24,390	5,826,237	(5,562,949)	(276,984)	10,694
Restricted general other funds					
JCTSA	5,283	-	(2,635)	-	2,648
School Sports & Games Partnership	5,015	24,820	(42,049)	17,129	4,915
Endeavour Fund	2,255	200	(865)	-	1,590
DETA	4,920	80	(1,463)	-	3,537
Trips and Visits	13,072	144,381	(150,977)	-	6,476
	30,545	169,481	(197,989)	17,129	19,166
Defined Benefit Pension Scheme	(3,057,000)	-	(209,000)	(308,000)	(3,574,000)
	(3,026,455)	169,481	(406,989)	(290,871)	(3,554,834)
Restricted fixed asset funds					
On Conversion	11,653,908	-	(213,050)	-	11,440,858
DfE/ESFA Devolved Capital Grant	184,907	23,548	(31,779)	-	176,675
ACMF / CIF Capital Grant	2,131,550	-	(102,281)	-	2,029,270
Capital expenditure from GAG / Unr	885,069	-	(125,627)	668,902	1,428,344
Capital expenditure from Donations	756,354	-	(38,744)	-	717,610
	15,611,788	23,548	(511,481)	668,902	15,792,757
Total restricted funds	12,609,723	6,019,266	(6,481,419)	101,047	12,248,617
Unrestricted funds					
Unrestricted funds	772,575	346,758	(303,736)	(409,047)	406,550
Total unrestricted funds	772,575	346,758	(303,736)	(409,047)	406,550
Total funds	13,382,298	6,366,024	(6,785,155)	(308,000)	12,655,167

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

General Annual Grant

This includes all monies received from the ESFA to carry out the objectives of the Academy. It includes the School Budget Share, ESG (Educational Services Grant) and rates grant as well as the Teacher's Pay Grant.

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

Pupil Premium

The school receives a grant from the ESFA based on Free School Meals + 6 (anyone taking or having taken FSM in the last 6 years), students whose parents are in the services, those who are Looked After or adopted from care. This is a proxy measure designed to address performance of students who are deemed to be suffering or at risk of deprivation. The school must use the funds to

address progress of any students who we deem to be at risk of deprivation inhibiting their learning and progress. Details are contained in the Trustees' report. The fund includes money received from the EFA for Year 7 Catch Up and funds transferred from local authorities for Pupil Premium students who may move into the school mid-way through the year.

16-19 Bursary

A grant provided to the academy from the ESFA to provide bursary support directly to students in the 6th Form that are in need of financial support to complete their studies.

Local Authority SEN

Funding received from the local authority to support students with individual statutory EHCPs (Educational and Health Care Plans).

JCTSA

The fund associated with our work as part of the Jurassic Coast Teaching Alliance. This supports the development of best practice across the alliance and has included a specific focus on the SEND area.

School Sports and Games partnership

The fund includes monies received from a number of sources in support of our work as a sports games coordinator, community sports, and other monies specifically targeted at sports participation.

Endeavour Fund

The school is privileged to have received donations from a local organisation that allows staff to nominate specific students for additional support from an "Endeavour Fund". Any member of staff can nominate a student, but the student must be in receipt of Free School Meals or the school be made aware of a particular hardship case. Examples of the types of materials/activities that could be supported by the fund include: supporting the costs of a musical instrument, paying for participation in a sporting activity within or beyond school, materials for an art project, a subscription to a journal, etc.

DETA

We manage the funds associated with the Devon Education Technicians' Association. This is a collaboration and partnership between local schools to provide affordable & local training for School Science Technicians in Devon and surrounding areas.

Trips and Visits

This represents funds provided by parents and carers to support the expenditure associated with curricular and extra-curricular trips and visits.

Defined Benefit Pension Scheme

This represents the negative reserve in respect of the LGPS scheme transferred over and subsequent movements – see Note 26.

Restricted Fixed Asset Funds

The fund includes the value of the Fixed Assets of the Academy on conversion, monies received from The EFA specifically for the Capital Expenditure on Fixed Assets and monies transferred from GAG for the purchase of Fixed Assets. Donations to the school for the purchase of specific fixed assets are also included.

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

	Balance at 1 September 2018	Incoming Resources	Resources Expended	Gains, losses and transfers	Balance at 31 August 2019
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	-	5,121,512	(5,043,856)	(63,138)	14,519
Pupil Premium	64	113,224	(113,288)	-	-
16-19 Bursary	8,986	12,767	(11,881)	-	9,872
Local Authority SEN	-	173,130	(173,130)	-	-
	9,050	5,420,633	(5,342,155)	(63,138)	24,390
Restricted general other funds					
JCTSA	3,887	4,050	(2,654)	-	5,283
School Sports & Games Partnership	442	25,059	(40,013)	19,527	5,015
Endeavour Fund	1,273	2,000	(1,018)	-	2,255
DETA	4,690	2,080	(1,850)	-	4,920
Trips and Visits	9,286	225,362	(221,576)	-	13,072
	19,578	258,551	(267,111)	19,527	30,545
Defined Benefit Pension Scheme	(2,305,000)		(282,000)	(470,000)	(3,057,000)
	(2,285,422)	258,551	(549,111)	(450,473)	(3,026,455)
Restricted fixed asset funds					
On Conversion	11,867,050	-	(213,142)	-	11,653,908
DfE/ESFA Devolved Capital Grant	127,978	84,960	(28,032)	-	184,907
ACMF / CIF Capital Grant	2,233,532	-	(101,981)	-	2,131,551
Capital expenditure from GAG / Unr	954,505	-	(113,047)	43,611	885,069
Capital expenditure from Donations	511,961	264,768	(20,376)	-	756,354
	15,695,026	349,729	(476,577)	43,611	15,611,788
Total restricted funds	13,418,654	6,028,912	(6,367,843)	(470,000)	12,609,723
Unrestricted funds					
Unrestricted funds	687,370	462,187	(376,982)	-	772,575
Total unrestricted funds	687,370	462,187	(376,982)	-	772,575
Total funds	14,106,024	6,491,099	(6,744,825)	(470,000)	13,382,298

Note 16: Analysis of Net Assets between Funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted General fund	Restricted General fund	Restricted Fixed asset fund	Total 2020
	£	£	£	£
Tangible fixed assets	-	-	15,792,758	15,792,758
Current assets	476,390	236,440	-	712,830
Current liabilities	(69,840)	(206,580)	(1)	(276,421)
Non-Current Liabilities	-	-	-	-
Pension scheme liability	-	(3,574,000)	-	(3,574,000)
Total net assets 2020	406,550	(3,544,140)	15,792,757	12,665,167

Note 17: Capital Commitments

	2020 £	2019 £
Contracted for, but not provided in the financial statements	-	-

Note 18: Finance Commitments

Operating leases

At 31 August 2020 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £	2019 £
<u>Land and buildings</u>		
Expiring within one year	-	-
Expiring within two and five years inclusive	-	-
Expiring in over five years	-	-
	-	-
<u>Other</u>		
Expiring within one year	10,634	3,615
Expiring within two and five years inclusive	12,438	2,689
Expiring in over five years	-	-
	23,072	6,304

Note 19: Reconciliation of consolidated operating surplus to net cash inflow/(outflow) from operating activities

	2020 £	2019 £
Net Income for the period	(419,131)	(253,726)
Depreciation (note 11)	511,480	476,578
Net Assets Transferred on Conversion	-	-
Loss on Disposal of Tangible Fixed Assets	-	-
Capital grants from DfE and other capital income	(23,548)	(349,729)
Interest receivable (note 4)	(7,137)	(7,706)
FRS 17 pension cost less contributions payable (note 25)	151,000	224,000
FRS 17 pension finance income (note 25)	58,000	58,000
Decrease / (Increase) in stock	1,200	(700)
Decrease / (Increase) in debtors	(51,159)	45,505
(Decrease) / Increase in creditors	(85,256)	(217,877)
Net cash inflow/(outflow) from operating activities	135,449	(25,654)

Note 20: Returns on investments and servicing of finance

	2020 £	2019 £
Interest received	7,137	7,706
Net cash inflow from returns on investment and servicing of finance	7,137	7,706

Note 21: Capital expenditure and financial investment

	2020 £	2019 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(692,484)	(393,029)
Capital grants from DfE/ESFA	23,584	84,960
Capital funding received from sponsors and others	-	264,768
Receipts from sale of tangible fixed assets	-	-
Net cash (outflow) / inflow from capital expenditure and financial investment	(668,900)	(43,300)

Note 22: Analysis of changes in net funds

Analysis of changes in net funds	At 1 September		At 31 August
	2019	Cash flows	2020
	£	£	£
Cash in hand and at bank	1,024,003	(526,314)	497,689
	1,024,003	(526,314)	497,689

Note 23: Contingent Liabilities

The Trustees are not aware of any contingent liabilities.

Note 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.

Note 25: Pension and Similar Obligations

The academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff which is managed by Devon County Council. Both are defined-benefit schemes. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,000 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 TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.08%).

The pension costs paid to TPS in the period amounted to £570,000 (2019: £429,000)

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

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

Note 25: Pension and Similar Obligations (Continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £303,000 (2019: £221,000) of which employer's contributions totalled £250,000 (2019: £170,000) and employees' contributions totalled £53,000 (2019: £50,000). The agreed contribution rates for future years are 17.6% for employers and a range of 5.5% to 8.5% depending on the salary received by the employee. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal Actuarial Assumptions	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	3.25%	3.7%
Rate of increase for pensions in payment / inflation	2.25%	2.2%
Discount rate for scheme liabilities	1.6%	1.9%
Inflation assumption (CPI)	2.25%	2.2%
Inflation assumption (RPI)	3.05%	3.2%
Commutation of pensions to lump sums	50%	50%

It is also assumed that active Members will retire at one retirement age for all tranches of benefit, which will be the pension weighted average tranche retirement age and that the proportion of active members that had taken up the 50:50 option under the new LGPS to pay 50% of contributions for 50% of benefits will remain the same.

The following table sets out the impact of a small change in the discount rates on the defined benefit obligation and projected service cost along with a +/- 1 year age rating adjustment to the mortality assumption.

	£000's	£000's	£000's
Adjustment to Discount Rate	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	6,068	6,231	6,398
Projected Service Cost	471	485	500
Adjustment to Long Term Salary Increase	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	6,255	6,231	6,207
Projected Service Cost	485	485	485
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present Value of Total Obligation	6,373	6,231	6,093
Projected Service Cost	499	485	471
Adjustment to mortality age rating assumption	+1 Year	None	-1 Year
Present Value of Total Obligation	6,457	6,231	6,013
Projected Service Cost	502	485	469

The mortality improvement projection has been updated to use the latest version of the Continuous Mortality Investigation's model, CMI_2018, which was released in March 2019. The assumed life expectations on retirement age 65 are:

	At 31 August 2020	At 31 August 2019
<i>Retiring today</i>		
Males	22.9	22.5
Females	24.1	24.4
<i>Retiring in 20 years</i>		
Males	24.3	24.2
Females	25.5	26.2

Note 25: Pension and Similar Obligations (Continued)

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31 August 2020	Fair value at 31 August 2019
	£000's	£000's
Equities - UK	336	377
Equities - Overseas	1,250	1,026
Gilts	95	84
Other Bonds	125	44
Property	211	205
Infrastructure	107	89
Cash	30	31
Alternative Assets	169	123
Target Return Portfolio	334	328
Private equity	-	43
Total market value of assets	2,657	2,350
 Present value of scheme liabilities		
- Funded	(6,231)	(5,407)
Deficit in the scheme	(3,574)	(3,057)

The total return on the fund assets for the year 31 August 2020 is £11,000 (2019: £98,000)

Total expenditure recognised in the Statement of Financial Activities

	2020	2019
	£000	£000
Service Cost	401	393
Net Interest cost	56	58
Administration Expenses	2	1
Total loss	459	452

Note 25: Pension and Similar Obligations (Continued)

The actual gains and losses for the current year are recognised in the statement of financial activities. Allowances have been made for the estimated impact of the recent McCloud judgement as a past service cost. This allowance was described in the previous accounting report and incorporated into the accounting results as at 31 August 2019. These results, including the allowance, have been rolled forward and re-measured to obtain the accounting results as at 31 August 2020.

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

	2020 £'000	2019 £'000
At 1 September	5,407	4,399
Current service cost	401	329
Interest cost	103	116
Employee contributions	53	50
Experience loss/(gain) on defined benefit obligation	13	-
Benefits paid	(25)	(61)
Past Service costs, including curtailments	-	64
Change in demographic assumptions	(172)	(280)
Change in Financial Assumptions	451	790
At 31 August	6,231	5,407

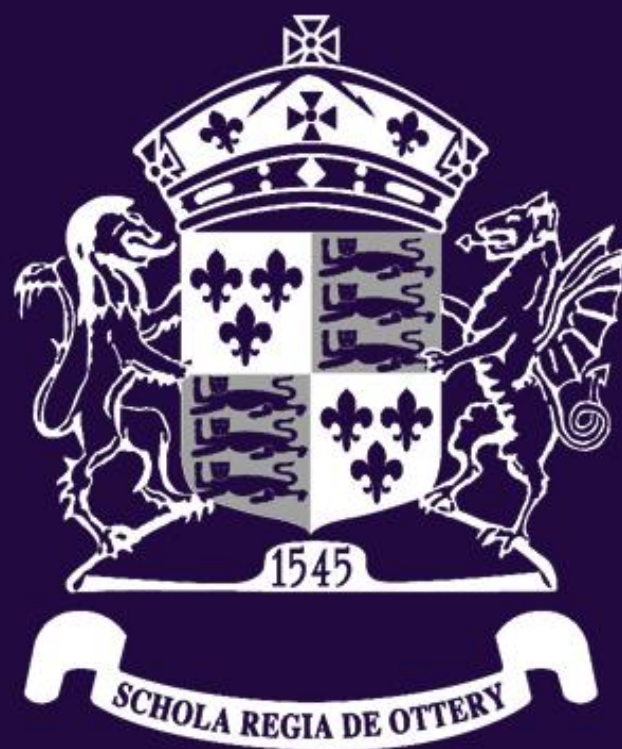
Movements in the fair value of academy's share of scheme assets:

	2020 £'000	2019 £'000
At 1 September	2,350	2,094
Expected return on assets	-	-
Actuarial gains / (losses)	20	-
Employer contributions	250	170
Employee contributions	53	50
Benefits paid	(25)	(61)
Interest on Assets	47	58
Return on plan assets (excluding net interest on the net defined pension liability)	(36)	40
Administration Expenses	(2)	(1)
At 31 August	2,657	2,350

Note 26: Related Party Transactions

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

- The Headteacher's spouse was recruited into a Learning Coach role during the course of this year. The appointment was advertised on the open market and Mr Gammon played no role in the appointment process or selection.



— *The* —
King's School
— *Ottery St. Mary* —