



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

# **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 2021**

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

## Reference and Administrative Details

Year Ended August 2021

### Members of the Trust

Mr L Bowker	Mr C Dyson
Mr S Ellison (as Chair of Trustees)	Mrs S Fallows
Mr R Mitchell	

### Trustees

Mrs M Banham *	Mr E Bloomfield
Mr G Bryant *	Mrs S Cade
Mrs E Charles	Mr S Ellison (Chair) *
Dr J Fearn-Smith	Mr R Hill* (Appointed 19/11/2020)
Mr R Gammon * (Headteacher)	Dr C Hawkins (staff Trustee) * (Resigned 31/08/2021)
Mrs C Hollingshead	Mr N Johnson *
Lady L Kennaway *	Mr J Lavender *
Ms R Miles-Haynes (Resigned 09/10/2020)	Mr D Nicholson (staff Trustee)
Mrs A Paul-Bossuet (Appointed 19/11/2020)	Miss H Rhodes (Appointed 01/09/2021)
Mrs S Starr * (Resigned 16/10/2020)	Mrs P Tipping (Vice Chair)
Mrs S Weeks (Appointed 19/11/2020)	Mrs N Wood (Appointed 21/10/2020)
Mrs S Wood	

\* Members of the Resources Committee

Company Secretary / Business Manager	Mr L Evans
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### 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 (Resigned 31/08/2021)
Deputy Head Curriculum	Mr N Twelves (Appointed 01/09/2021)
Assistant Head Post 16 Learning	Mr R Gerry

Principal and registered Office	The King's School Cadhay Lane Ottery St Mary Devon EX11 1RA
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Company Registration number	07560660 (England and Wales)
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Independent Auditor	Thompson Jenner LLP 1 Colleton Crescent, Exeter, Devon. EX2 4DG
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Bankers	Lloyds TSB 234 High Street Exeter Devon EX4 3NL	Aldermore Aldermore 1 <sup>st</sup> Floor Block B Western House Lynch Wood Peterborough PE2 6FZ
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Solicitors	Browne Jacobson LLP 1 Manor Court Dix's Field Exeter EX1 1UP
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## **Trustees' Report**

Year Ended 31 August 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period from 1 September 2020 to 31 August 2021. The company was incorporated on 11 March 2011 and commenced operations on April 1<sup>st</sup> 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: Mr L Bowker, Mr C Dyson, Mr S Ellison (as Chair of Trustees), Mrs S Fallows and Mr R Mitchell. 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 three Staff Trustees, 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 although this has been curtailed over the reporting period due to the COVID-19 pandemic. 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 and the roles Trustees carry out. 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 2020 until 31 August 2021 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.
Risk and 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 2021: Section 6 and 11 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 2021: Section 11 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 2021 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
4	2.51

Percentage of time spent on facility time	
Percentage of time	Number of Employees
0%	0
1% - 50%	3
51% - 99%	0
100%	1

Percentage of Pay Bill spent on facility time	
Total cost of facility time	
	£21,703
Total pay bill	
	£4,174,436
Percentage of the total pay bill spent on facility time	
	0.52%

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 Risk and Audit Committee
- 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. We are working with the SWIFT Teaching school hub to train our Early careers teachers (previously NQTs). 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.

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 September 2020 to August 2021 which reflected the unprecedented demands placed on the school during the COVID-19 pandemic and the needs of the School at the time. The objectives were influenced significantly by a period of national lockdown during the academic year 2019-20 in which the nation saw partial school closure and the cancellation of public examinations, replaced by Centre Assessed Grades. In setting the objectives for this period, we anticipated a full return to face-to-face teaching for the whole school community. As a result, there was a renewed focus on minimising the transmission of COVID-19, the emotional health and wellbeing of students and staff, a well-planned curriculum, and the use of technology to support learning, as well as maintaining the strategic development of the school.

Strategic Objectives (2020-21)	
Priority	Action
To provide an educational environment in which the risk of COVID-19 (coronavirus) spreading through direct and indirect transmission is minimised.	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.
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.	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.
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.	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.
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.	Facilitate CPD opportunities which support the sharing of good practice developed during school closure.
To ensure the school continues to deliver on key actions which bring about school improvement over the next 3-5 years	Implement key changes in structures and systems that will move the school forward despite the legacy of COVID-19.

However, the impact of COVID-19 (Coronavirus) on the education sector throughout the entire year was significant. The day-to-day running of the school had to be altered in response to government guidance, often provided with little time to implement significant changes. We saw the introduction of 'bubbles', one-way systems, staggered starts, an amended timetable, and on-site testing to name just some of the challenges. This was even more difficult to deliver in light of a high level of staff absence due to COVID related reasons. The country saw 2 additional lock down periods. Schools were partially closed for a large part of the Spring term, with face-to-face education provided only for the children of critical workers and the most vulnerable students. This significant disruption to the education of students, and the requirement for some staff to work from home, meant that the use of remote education became even more important. The School responded by prioritising 'live' lessons, delivered using MS Teams; this was a challenge for staff who were asked to contend with teaching children in their classroom and at home simultaneously. Despite these challenges, we received a large number of positive comments from parents about the quality of the provision during the year.

A significant amount of time was also invested in providing examination boards with Teacher Assessed Grades, the replacement for external examinations. Teachers assessed their students' performance, based only on the content that had been delivered to them. These grades were awarded based on what students were able to show they knew and what they were able to do; teachers took into account a range of evidence including mock exam results and summer assessments. 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. This process required the marking, moderation, and standardisation of large amounts of evidence and was supported by the Board of Trustees, who approved 2 days of exceptional school closure to students in order to provide staff with the time to complete this activity.



The restrictions necessary in the School placed insurmountable barriers to many of the extra-curricular activities we would normally have undertaken. These were missed by students and staff alike, and had an adverse impact on relationships within the school community. We were not able to deliver activities such as Induction Week, Project Week, Work Experience, and many other significant experiences that truly enrich the education of students. We also saw an increase in the number and severity of emotional wellbeing issues amongst staff and students, and a lack of capacity from outside agencies to support our students.

Despite the challenges of a pandemic, we have continued to implement strategic changes to the school such as the restructuring of the Skills for Learning team. We were also able to develop the school site and were delighted with the delivery of the new build in Design and Technology: Food. 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, ensure that provision is targeted and support families to help students engage with school. Additionally this year they co-ordinated the logistics of food parcels/vouchers for students who were at home during the lockdowns.
- 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. The learning coaches also played a vitally important additional role during the last academic year, making regular contact with families during the lockdowns. This was to support the safeguarding team.
- 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. (each student is offered a laptop to aid their school work)
- 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 additional counselling specifically for disadvantaged students.
- Providing alternative learning environments such as the King's garden and the 'cabin'
- 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..

In addition to the Pupil Premium funding the school also received additional funding in 2020-2021 to support the COVID catch up programme. This funding was used to support those students who had been identified as having fallen behind as a result of COVID. The school commissioned 1:1 Mentors ( a recognised National tutoring programme provider) to provide bespoke tutoring to the identified students. Funding also supported a member of staff to co-ordinate the tutoring programme.

### **Achievements and Performance**

Due to the national lockdown, the government announced that students would not sit national examinations during the summer of 2021. To replace this the government confirmed that 'in summer 2021, students taking GCSE, AS and A levels regulated by Ofqual, should be awarded grades based on an assessment by their teachers.' At The King's, teachers used a range of evidence to make a judgement of the grade that students were performing at. Students were assessed on what they had been taught and a rigorous process of Teacher Assessments based on exam board exemplar material was used alongside other relevant work that had been completed by students. Finally, in-line with the key principles of the Ofqual guidance, the school undertook a rigorous 2-day moderation of the teacher assessed grades to ensure the robustness and validity of all submitted grades.

The DfE have stated that, as in 2020, 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 2021	Aug 2020	Aug 2019	Aug 2018	Aug 2017	Aug 2016	Aug 2015	Comment
Total Staffing costs as a percentage of GAG* income	88.82	88.98	88.1%	84.9%	88.0%	87.3%	88.4%	Staffing costs including non-teaching (excluding catering and cleaning staff)
Income per pupil	£5,790	£5,432	£5,096	£5,217	£4,963	£4,987	£4,840	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	17.79	19.21	19.07	18.33	17.94	18.29	17.78	Includes Unqualified Teachers
Current Ratio	2.78	2.58	3.29	2.23	4.20	7.10	3.47	The ability of the school to meet its short term financial obligations
Admissions Ratio	2.04	1.77	1.98	1.91	1.80	2.06	2.14	No of applications (1 <sup>st</sup> , 2 <sup>nd</sup> & 3 <sup>rd</sup> Preference) to the number accepted on roll

\*GAG – General Annual Grant provided by the DfE – Includes Teacher's Pay Grant and Pension Grant

## Other Achievements

### Students

The Academy Trust provided a range of extra curricular opportunities for students despite the partial school closure and the COVID-19 restrictions. These included:

- The school was awarded the highest Devon secondary school scores in The Summer School Games Virtual Andy Murray Tennis Challenge and The Devon Autumn School Games Virtual Games Skills Challenge
- Participated in a number of 'Virtual Games Events' including
- Devon Virtual Cross Country - 119 participants (Years 7&8)
- Devon Virtual Games Skills Challenge - 182 participants (Year 7)
- Devon Virtual Gymnastics - 88 participants (Year 7 & 8)
- Devon Virtual Sportshall athletics - 153 participants (Year 7 & 8)
- Devon Virtual Basketball Challenge - 89 participants (Years 7&8)
- Devon Virtual Skipping Challenge - 10 Pupil Premium participants (Year 7)
- Devon Virtual Ultimate Frisbee Challenge - 30 participants (Year 7)
- Virtually Boccia - National virtual competition (Over 50 participants from Years 7-10)
- Our Sports leaders filmed 'how to' videos that were shared with the Devon wide network giving introductory explanations of how to take part in the Games Skills and Basketball challenges
- Our Sports Leaders acted as judges for the 70 + East Devon Virtual Gymnastics entries
- Maintained links with a children home and school in Tamil Nadu, India through a UK based charity.
- Raising over £1,200 for charity despite the challenges of the pandemic sponsored sporting events and 'Christmas Jumper Day'
- Using technology in creative and innovative ways we have continued to develop our leadership programme with advanced leadership schemes sitting alongside the prefect system JSLA, CSLA, House Leaders, Sports Council and many more.
- Continuing the encouragement of volunteering amongst the student body and supported them when they have adapted and changed their practices to succeed in internal and external accreditation.
- Hosted virtual talks for students preparing for university developing the 'Step-Up Scheme' with New College Oxford.
- Extending links with the community working alongside a local councillor with a campaign around issues of diversity.
- Organised visits to the school from external providers to deliver sessions including; Forest School, Circus Skills and a Music Workshop

- Entered students in external competitions and events including; South West 'Wild Art' Competition and Spirited Arts Competition.
- Held a number of house and sporting events.
- Held a virtual Art Exhibition.

### General

- Hosted a virtual Sports Presentation Evening for students and parents
- Hosted a virtual Academic Presentation Evening for students and parents
- Trained new teachers to the profession including giving a lecture to a cohort of new teachers.
- Conducted Mock Interviews virtually for all Year 11 students.
- Organised virtual encounters with employers for all Year 10 students
- Organised various competitions including in English, maths, music, sports and art
- Hosted talk and workshops virtually with guests including Exeter University
- Organised various trips and fieldtrips including; year 7 teambuilding trip to Bicton College and Magdalen Farm.
- Maintained links with local Businesses to ensure that students were given support despite the pandemic.
- Developed further links with WESC where SEN students have volunteered with the charity.

### 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 £5,911k (including the Teachers' Pay and Pension Grants) which is the primary mechanism for funding the schools objectives. We have spent £5,653k on the academies primary educational operational expenditure together with a transfer of £17.8k from GAG to support our role in school sports and £146k to support capital investments. This results in carrying a GAG balance of £95k 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. However, an increase in numbers eligible for Pupil Premium has seen a balance of £12k carried forward to next year.

As a result of the COVID-19 pandemic, the government have provided a "Catch Up Premium" to support interventions that help students recover from any lost learning during the COVID-19 pandemic. We had received £73k of income during the reporting year but had only spent £21k leading to £52k being carried forward until next year.

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 £596k.

**Unrestricted:**

The Academy trust brought forward an Unrestricted Fund balance of £407k. During the reporting period incoming resources associated with Canteen Income, Traded activities and donations amounted to £314k and the cost of generating such income was £288k. The unrestricted funds at the end of the period are £432k.

**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 £432K).

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 11<sup>th</sup> April 2013 but at the end of this period was £95k.

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 remains the impact of COVID-19 (coronavirus) both in terms of the day-to-day running of the School and also on the academic progress of students over time. The government's priority is for schools to deliver face-to-face, high-quality education to all students. We have embraced this, whilst trying to reduce the direct and indirect transmission of the virus. However, we are seeing a large amount of student and staff absence in the first few weeks of the new academic year and this is leading to disrupted learning.

We are also starting to become more aware of the impact of the disruption from the pandemic on previous learning. Evidence points to the fact that students starting at the school in year 7 are further behind in their knowledge and understanding than previous cohorts. We are also aware that the current cohort of students who are facing public examinations in summer 2022 have had a disrupted experience and therefore there will be gaps in their knowledge and skills. This is being mitigated by the government's plans for these examinations, as well as targeted tutoring and intervention activities within and beyond the classroom. There is also the contingency of reverting to Teachers Assessed Grades in 2022 should the national context of COVID-19 require this. The school will continue to respond to any directives from the DfE or Ofqual on these issues.

What is becoming more obvious is the impact of the pandemic on the emotional health and wellbeing of students and also their academic attainment. We are aware there is support needed for students to ensure that attendance and behaviour continues to remain outstanding given the changes to the normal routines and structures they experienced last academic year. We are working hard to ensure that the positive ethos and values of the School are reflected in the students' engagement in their learning and commitment to extra-curricular activities.

Post 16 recruitment and unknown national pay awards are still the greatest area of financial risk. We saw a drop in retention from year 11 to year 12 in the 2021 cohort. This is in large part due to the impact of the pandemic and a desire by a number of student to 'try something different'. We will need to work hard over the coming period to ensure that students in current year 11 understand the benefits of remaining at The King's School for their post 16 study, whilst continuing to provide effective careers advice and guidance for all students, regardless of their preferred route beyond year 11. There has been a national pay freeze for teachers in 2021-22. There is uncertainty as to the pay award for future years, which has an impact on our staffing costs. These unknowns make 3 year budget forecasting very challenging.

**Plans for Future Periods:**

The strategic priorities for the school for the period 2021-22 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 reduced whilst balancing this against the government's priority for schools to deliver face-to-face, high-quality education to all students.  
*Action: Implement a thorough risk assessment for September 2021 which takes a range of approaches and actions, in line with government guidance, to substantially reduce the risk of transmission and allow continuity of a high quality education for students. The Risk Assessment will be kept under review throughout the academic year.*
2. To provide a well-structured learning environment in which students feel safe, secure, and supported as well as inspired by their learning and teaching.  
*Action: Articulate and action high expectations within and beyond the classroom, supported by clear routines and procedures. This will result in improved behaviour and excellent commitment to learning. We will also offer support to students who have suffered emotionally and improve the emotional wellbeing of our students. Staff wellbeing will continue to be a focus.*
3. To re-ignite a culture amongst staff that facilitates students' broader development, enabling students to develop and discover their interests and talents, as well as developing their resilience, confidence and independence.  
*Action: Actively promote the personal development of students through an ambitious approach to extra-curricular activities, with rich and diverse opportunities which appeal to a broad range of students, including disadvantaged students.*
4. To provide a high quality learning experience, based on improvements to teaching practice developed during the pandemic, allowing students to make strong academic progress.

Action: Reflect on current assessment data and carefully plan learning experiences which meet the needs of all students, supported by targeted interventions from national initiatives such as the National Tutoring Programme, and school-led interventions.

5. To look within and beyond the school to develop pedagogy, maximising expertise and utilising new and existing partnerships, building on knowledge and experience gained by staff the past 12 months.

Action: Facilitate CPD opportunities which support the sharing of good practice developed as a result of the school's response to the pandemic, as well as developing leadership capacity for the future.

6. 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 9<sup>th</sup> December 2021 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 4 times during the reporting period. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meeting Attended	Out of a possible
Maria Banham	2	4
Ted Bloomfield	4	4
Gordon Bryant	4	4
Sue Cade	3	4
Liz Charles	4	4
Steve Ellison	4	4
Jason Fearn-Smith	1	4
Rob Gammon	4	4
Charlotte Hawkins	4	4
Rupert Hill	3	3
Charlotte Hollingshead	4	4
Nicholas Johnson	3	4
Lucy Kennaway	4	4
John Lavender	4	4
Ruth Miles-Haynes	0	0
Dave Nicholson	4	4
Alina Paul-Bossuet	3	3
Susan Starr	0	0
Petrina Tipping	3	4
Sarah Weeks	3	3
Nicola Wood	3	4
Susan Wood	4	4

Since the last reporting period, Mrs. R Miles-Haynes, Dr. C Hawkins and Mrs. S Starr have left the Board of Trustees and Mr. R Hill, Mrs. A Paul-Bossuet, Miss. H Rhodes, Mrs. S Weeks and Mrs. N Wood 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 was renewed during the course of the previous 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.
Risk and Audit	Meets three times a year dealing with the internal scrutiny and audit requirements of the trust as well as the management and oversight of risk.
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.

Trustee	Resources		Risk and Audit		Curriculum & Quality		Pay & Performance	
	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	5	5	3	3	-	-	-	-
Ted Bloomfield	-	-	-	-	5	5	1	1
Gordon Bryant	5	5	3	3	-	-	-	-
Sue Cade	-	-	-	-	4	5	1	1
Liz Charles	-	-	-	-	5	5	1	1
Steve Ellison	5	5	3	3	-	-	1	1
Jason Fearn-Smith	-	-	-	-	4	5	-	-
Rob Gammon	5	5	-	-	5	5	1	1
Charlotte Hawkins	3	5	-	-	-	-	-	-
Rupert Hill	2	3	1	2	-	-	-	-
Charlotte Hollingshead	-	-	-	-	5	5	-	-
Nicholas Johnson	2	5	1	3	-	-	-	-
Lucy Kennaway	5	5	3	3	-	-	-	-
John Lavender	5	5	3	3	-	-	-	-
Ruth Miles-Haynes	-	-	-	-	0	1	-	-
Dave Nicholson	-	-	-	-	5	5	-	-
Alina Paul-Bossuet	-	-	-	-	3	3	-	-
Susan Starr	0	1	0	0	-	-	-	-
Petrina Tipping	-	-	-	-	4	5	-	-
Sarah Weeks	-	-	-	-	3	3	-	-
Nicola Wood	-	-	-	-	4	4	-	-
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 Risk and 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 Risk and Audit committee is also responsible for maintenance of the School's Risk Register, which it reviews periodically, 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 1<sup>st</sup> September 2020 to 31<sup>st</sup> August 2021 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 2021 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;
- risk identification and review by the Risk and Audit Committee
- 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 31<sup>st</sup> August 2021, 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 Income management and purchasing processes, Governance regularity and risk management and financial budgeting and monitoring. The work of the internal auditors is based on risks identified by the Risk and 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 risk and 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 9<sup>th</sup> December 2021 and signed on its behalf by:



Steve Ellison  
Chair of Trustees



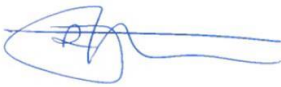
Robert Gammon  
Accounting Officer

## **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 2020.

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 2020.

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

9<sup>th</sup> December 2021

## 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 2020 to 2021;
- 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 9<sup>th</sup> December 2021 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 2021 which comprises the Statement of Financial Activities, 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 2021 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

### **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**

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

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

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

### **Other information (covers the Reference and Administrative Details, the Trustees' Report and the Governance Statement)**

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 21], 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.

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

### **The extent to which the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;



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

- we identified the laws and regulations applicable to the academy through discussions with trustees and other management, and from our commercial knowledge and experience of the academy sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including the Companies Act 2006, Charities Act 2019, The Academies Accounts Direction, the Academies Financial Handbook, The Equality Act, The Data Protection Act in addition to various employment, environmental, fire safety, health and safety and safeguarding legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, reviewing licenses, certificates and relevant correspondence including the inspection of legal correspondence; and.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

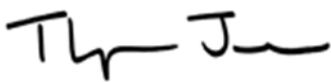
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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

**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 2020 to 2021, 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 2020 to 31 August 2021 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 31<sup>st</sup> March 2011 and the Academies Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

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

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

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

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

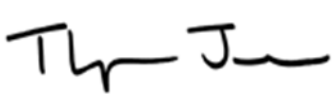
The work undertaken to draw to our conclusion includes:

- Inspection and review of documentation providing evidence of governance procedures
- Evaluation of the system of internal controls for authorisation and approval
- Performing detailed substantive testing of transaction and analytical review

**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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



.....  
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 2021**  
**(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2021	Total 2020
		£	£	£	£	£
<b>Incoming resources</b>						
<i>Incoming resources from generated funds:</i>						
Donations and Capital Grants	2	8,805	-	450,333	<b>459,138</b>	26,098
Income from other trading activities	3	66,246	-	-	<b>66,246</b>	73,687
Investment income	4	2,625	-	-	<b>2,625</b>	7,137
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	5	236,011	6,428,461	-	<b>6,664,472</b>	6,259,101
<b>Total incoming resources</b>		<b>313,687</b>	<b>6,428,461</b>	<b>450,333</b>	<b>7,192,481</b>	<b>6,366,024</b>
<b>Resources expended</b>						
<i>Cost of generating funds:</i>						
Fundraising trading		-	-	-	-	-
<i>Charitable activities:</i>						
Academy's educational operations	7	288,064	6,539,964	582,148	<b>7,410,176</b>	6,785,155
Development costs	7	-	-	-	-	-
<b>Total resources expended</b>	6	<b>288,064</b>	<b>6,539,964</b>	<b>582,148</b>	<b>7,410,176</b>	<b>6,785,155</b>
<b>Net incoming (outgoing) resources before transfers</b>		25,623	(111,503)	(131,815)	<b>(217,695)</b>	(419,131)
<b>Transfers</b>						
Gross transfers between funds	15	-	(145,929)	145,929	-	-
<b>Net income / (expenditure) for the year</b>		25,623	(257,432)	14,114	<b>(217,695)</b>	(419,131)
<b>Other recognised gains and losses</b>						
Actuarial (losses) gains on defined benefit pension schemes	25		(421,000)		<b>(421,000)</b>	(308,000)
<b>Net movement in funds</b>		25,623	(678,432)	14,114	<b>(638,695)</b>	(727,131)
<b>Reconciliation of funds</b>						
Total funds brought forward at 1 September 2020	15	406,550	(3,544,140)	15,792,757	<b>12,655,167</b>	13,382,298
<b>Total funds carried forward at 31 August 2021</b>		<b>432,173</b>	<b>(4,222,572)</b>	<b>15,806,871</b>	<b>12,016,472</b>	<b>12,655,167</b>

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 2021**

		2021	2021	2020	2020
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		15,806,871		15,792,758
Total fixed assets			<b>15,806,871</b>		<b>15,792,758</b>
<b>Current assets</b>					
Stock	12	1,200		-	
Debtors	13	342,158		215,141	
Cash at bank and in hand		608,183		497,689	
Total current assets		<b>951,541</b>		<b>712,830</b>	
<b>Liabilities:</b>					
<b>Creditors:</b> Amounts falling due within one year	14	<b>(341,940)</b>		<b>(276,421)</b>	
<b>Net current assets</b>			<b>609,601</b>		<b>436,409</b>
Total assets less current liabilities			<b>16,416,472</b>		<b>16,229,167</b>
<b>Creditors:</b> Amounts falling due after more than one year	14		-		-
<b>Net assets excluding pension liability</b>			<b>16,416,472</b>		<b>16,229,167</b>
Pension scheme liability	25		(4,400,000)		(3,574,000)
<b>Net assets including pension liability</b>			<b>12,016,472</b>		<b>12,655,167</b>
<b>Funds of the academy:</b>					
<b>Restricted funds</b>					
Fixed asset fund(s)	15		15,806,871		15,792,757
Pension Reserve	15		(4,400,000)		(3,574,000)
Restricted General funds	15		158,784		10,694
Restricted General Other Funds	15		18,644		19,166
<b>Total restricted funds</b>			<b>11,584,299</b>		<b>12,248,617</b>
<b>Unrestricted funds</b>					
General funds	15		432,173		406,550
<b>Total unrestricted funds</b>			<b>432,173</b>		<b>406,550</b>
<b>Total Funds</b>			<b>12,016,472</b>		<b>12,655,167</b>

The financial statements on pages 28 to 54 were approved by the Trustees, and authorised for issue on 9<sup>th</sup> December 2021 and signed on their behalf by:

*S. Ellison*

Steve Ellison  
Chair

**Cash Flow Statement for the year ended 31 August 2021**

		2021 £	2020 £
<b>Net cash inflow/(outflow) from operating activities</b>	19	<b>253,797</b>	135,449
Returns on investments and servicing of finance	20	2,625	7,137
Capital expenditure	21	<b>(145,928)</b>	(668,900)
<b>Increase/(decrease) in cash in the period</b>	22	<b>110,494</b>	<b>(526,314)</b>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net Funds at 1 September 2020		<b>497,689</b>	1,024,003
<b>Net funds at 31 August 2021</b>		<b>608,183</b>	<b>497,689</b>

## Notes to Financial Statements for the Year Ending August 2021

### **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 2020 to 2021 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.

### Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid, and any balances held are disclosed in note 27.

## 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:

- |                         |                        |
|-------------------------|------------------------|
| • Leasehold 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 13. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. 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 2021. 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	2021 Total	2020 Total
	£	£	£	£
Devolved Formula Capital allocations	-	23,622	23,622	23,548
Other Capital Donations	-	-	-	-
Local Developer Capital Donation	-	426,711	426,711	-
Other Donations	8,805	-	8,805	2,550
	<b>8,805</b>	<b>450,333</b>	<b>459,138</b>	<b>26,098</b>

The income from donations and capital grants was £459,138 (2020: £26,098) of which £8,805 was unrestricted (2020: £2,350), £nil restricted (2020: £200) and £450,333 restricted fixed assets (2020: £23,548).

**Note 3. Income from other trading activities**

	Unrestricted Funds	Restricted Fixed Asset Funds	2021 Total	2020 Total
	£	£	£	£
Hire of Facilities	3,974	-	3,974	6,579
Other Services	62,275	-	62,275	67,108
	<b>66,246</b>	<b>-</b>	<b>66,246</b>	<b>73,687</b>

The activities for generating funds was £66,246 (2020: £73,687) of which £66,246 was unrestricted (2020: £73,687), £nil restricted (2020: £nil) and £nil restricted fixed assets (2020: £nil).

**Note 4. Investment income**

	Unrestricted Funds	Restricted Funds	2021 Total	2020 Total
	£	£	£	£
Short term deposits - Interest	2,625	-	2,625	7,137
	<b>2,625</b>	<b>-</b>	<b>2,625</b>	<b>7,137</b>

The investment income was £2,625 (2020: £7,137) of which £2,625 was unrestricted (2020: £7,137), £nil restricted (2020: nil) and £nil restricted fixed assets (2020: £nil).

**Note 5. Funding for Academy's educational operations**

	Unrestricted Funds	Restricted Funds	2021 Total	2020 Total
	£	£	£	£
<b>DfE / EFA revenue grants</b>				
General Annual Grant (GAG)	-	5,572,913	<b>5,572,913</b>	5,144,108
16-19 Bursary Fund	-	472	<b>472</b>	16,240
Pupil Premium	-	119,963	<b>119,963</b>	119,374
Teachers' Pay Grant	-	77,843	<b>77,843</b>	75,871
Teachers' Pension Grant	-	219,963	<b>219,963</b>	214,394
Other DfE / EFA grants	-	7,482	<b>7,482</b>	5,720
		<b>5,998,636</b>	<b>5,998,636</b>	<b>5,575,707</b>
<b>Other Government grants</b>				
SEN from Local Authority	-	150,361	<b>150,361</b>	138,899
LA Formula Correction for SEN	-	119,695	<b>119,695</b>	111,631
School Games Organiser	-	23,883	<b>23,883</b>	24,820
<b>Other income from Educational Operations</b>				
Catering Income	198,018	-	<b>198,018</b>	225,360
Educational Activities Income	37,993	1,010	<b>39,003</b>	38,303
Trips and Visits	-	29,486	<b>29,486</b>	144,381
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch Up Premium	-	72,560	<b>72,560</b>	-
Other DfE/ESFA COVID-19 funding	-	32,830	<b>32,830</b>	-
	<b>236,011</b>	<b>429,825</b>	<b>665,836</b>	<b>683,394</b>
	<b>236,011</b>	<b>6,428,461</b>	<b>6,664,472</b>	<b>6,259,101</b>

The academy received £72,560 of funding for catch-up premium and costs incurred in respect of this funding totalled £20,502, with the remaining £52,058 to be spent in 2021/22.

The funding of the academies educational operations was £6,664,472 (2020: £6,259,101) of which £236,011 was unrestricted (2020: £263,583), £6,428,461 restricted (2020: £5,995,518) and £nil restricted fixed assets (2020: £nil).

**Note 6. Resources Expended**

	Staff £	Non Pay Expenditure		Total 2021 £	Total 2020 £
		Premises £	Other Costs £		
Costs of activities for generating funds	-	-	-	-	-
Academy's educational operations					
Direct costs	4,798,979	522,805	365,436	5,717,220	5,269,314
Allocated support costs	1,039,417	269,421	384,118	1,692,956	1,515,841
Development costs	-	-	-	-	-
	<b>5,838,396</b>	<b>822,226</b>	<b>749,554</b>	<b>7,410,176</b>	<b>6,785,155</b>

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

		2021 £	2020 £
Operating leases		10,351	6,990
Fees payable to auditor	- audit	5,000	5,000
	- other	2,000	1,300

The resources expended was £7,410,176 (2020: £6,785,155) of which £288,064 was unrestricted (2020: £303,736), £6,539,964 restricted (2020: £5,969,939) and £582,148 restricted fixed assets (2020: £511,480).

**Note 7. Charitable Activities - Academy's educational operations**

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
<b>Direct costs</b>				
Teaching and educational support staff costs	42,321	4,756,658	<b>4,798,979</b>	4,446,178
Depreciation	-	552,805	<b>552,805</b>	488,438
Technology Costs	-	43,102	<b>43,102</b>	30,508
Educational supplies	1,138	180,485	<b>181,623</b>	179,017
Examination fees	-	86,560	<b>86,560</b>	85,128
Staff development	-	10,393	<b>10,393</b>	13,473
Educational consultancy	-	10,985	<b>10,985</b>	19,068
Other direct costs	350	32,423	<b>32,773</b>	7,505
	<b>43,809</b>	<b>5,673,411</b>	<b>5,717,220</b>	<b>5,269,314</b>
<b>Allocated support costs</b>				
Support staff costs	127,927	911,490	<b>1,039,417</b>	765,418
Depreciation	-	27,901	<b>27,901</b>	23,042
Technology costs	-	75,428	<b>75,428</b>	68,023
Recruitment and support	-	11,620	<b>11,620</b>	7,892
Premises Costs	-	269,421	<b>269,421</b>	248,921
Other Support Costs	-	41,568	<b>41,568</b>	36,099
Pension Finance Charge	-	58,000	<b>58,000</b>	58,000
Catering	116,328	16,939	<b>133,267</b>	149,636
Trips and Visits	-	27,205	<b>27,205</b>	150,977
Governance Costs	-	9,129	<b>9,129</b>	7,833
	<b>244,255</b>	<b>1,448,701</b>	<b>1,692,956</b>	<b>1,515,841</b>
<b>Development costs</b>				
	<b>288,064</b>	<b>7,122,112</b>	<b>7,410,176</b>	<b>6,785,155</b>

The resources expended for the Academy's educational operations was £7,410,176 (2020: £6,785,155) of which £288,064 was unrestricted (2020: £303,736), £6,539,964 restricted (2020: £5,939,939) and £582,148 restricted fixed assets (2020: £511,480).



## Note 8. Staff Costs

Staff costs during the period were:

	<b>Total 2021 £</b>	Total 2020 £
Wages and salaries	4,174,436	3,863,166
Social security costs	369,071	353,530
Other pension costs	1,255,047	971,336
Apprenticeship Levy	6,037	4,400
	<b>5,804,591</b>	<b>5,192,432</b>
Supply teacher costs	33,806	19,164
Staff Restructuring Costs	-	-
	<b>5,838,397</b>	<b>5,211,596</b>
Staff restructuring costs comprise:		
Redundancy Payments	-	-
Severance Payments	-	-
Other restructuring costs	-	-
	<b>-</b>	<b>-</b>

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

	<b>2021 FTE</b>	<b>2021 Headcount</b>	2020 FTE	2020 Headcount
<b>Charitable Activities</b>				
Teachers	<b>68</b>	<b>81</b>	62	74
Administration and support	<b>51</b>	<b>76</b>	49	74
Management	<b>2</b>	<b>2</b>	2	2
	<b>121</b>	<b>159</b>	<b>113</b>	<b>150</b>

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

	<b>2021 No.</b>	2020 No.
£60,000 - £70,000	<b>5</b>	5
£90,000 - £100,000	-	1
£100,000 - £110,000	<b>1</b>	-

Five of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2021, pension contributions for these employees amounted to £98,696 (2020: £81,856).

One of the above employees participated in the Local Government Pension Scheme. During the year ended 31 August 2021, pension contributions for this employee amounted to £11,289 (2020: £10,186)

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 £785,100 (2020: £770,669)

## 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 '20 to Aug '21 £	Sept '19 to Aug '20 £
<b>Mr R Gammon (Headteacher)</b>		
Remuneration	£100,000 - £105,000	£95,000 - £100,000
Employer's Pension contributions	£20,000 - £25,000	£20,000 - £25,000
<b>Dr C Hawkins (Staff Trustee)</b>		
Remuneration	£40,000 - £45,000	£40,000 - £45,000
Employer's Pension contributions	£10,000 - £15,000	£5,000 - £10,000
<b>Mr D Nicholson (Staff Trustee)</b>		
Remuneration	£20,000 - £25,000	£20,000 - £25,000
Employer's Pension contributions	£0 - £5,000	£0 - £5,000
<b>Mrs R Jacobs (Staff Trustee)</b>		
Remuneration	-	£45,000 - £50,000
Employer's Pension contributions	-	£10,000 - £15,000
<b>Mrs N Wood (Staff Trustee)</b>		
Remuneration	£35,000 - £40,000	-
Employer's Pension contributions	£5,000 - £10,000	-

During the year ended 31 August 2021, travel and subsistence expenses were incurred totalling £nil (2020 - £41) were reimbursed to 0 trustees (2020 - 1 trustee).

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 Construc tion	<b>Total £</b>
<b>Cost</b>								
At 1 Sept 2020	16,280,520	173,343	272,528	375,389	41,040	2,117,596	5,666	<b>19,266,082</b>
Additions	-	5,708	4,312	63,987	-	95,543	426,711	<b>596,261</b>
Transfers	-	-	5,666	-	-	-	(5,666)	<b>-</b>
Disposals	-	(1,591)	(1,500)	-	-	-	-	<b>(3,091)</b>
At 31 Aug 2021	<b>16,280,520</b>	<b>177,460</b>	<b>281,006</b>	<b>439,376</b>	<b>41,040</b>	<b>2,213,139</b>	<b>426,711</b>	<b>19,859,252</b>
<b>Depreciation</b>								
At 1 Sept 2020	2,318,900	77,609	147,808	243,264	35,056	650,687	-	<b>3,473,324</b>
Charged in year	268,513	15,704	27,901	52,526	4,104	211,958	-	<b>580,706</b>
Disposals	-	(636)	(1,013)	-	-	-	-	<b>(1,649)</b>
At 31 Aug 2021	<b>2,587,413</b>	<b>92,677</b>	<b>174,696</b>	<b>295,790</b>	<b>39,160</b>	<b>862,645</b>	<b>-</b>	<b>4,052,381</b>
<b>Net book values</b>								
At 31 Aug 2021	<b>13,693,107</b>	<b>84,783</b>	<b>106,310</b>	<b>143,586</b>	<b>1,880</b>	<b>1,350,494</b>	<b>426,711</b>	<b>15,806,871</b>
At 1st Sept 2020	13,961,620	95,734	124,720	132,125	5,984	1,466,909	5,666	15,792,758

**Note 12: Stock**

	2021 £	2020 £
Catering	1,200	-
	<b>1,200</b>	<b>-</b>

**Note 13: Debtors**

	2021 £	2020 £
Trade debtors	10,277	(259)
Prepayments	125,576	158,722
Accrued Income	130,009	18,188
Other debtors	1,235	2,569
VAT recoverable	75,061	35,921
	<b>342,158</b>	<b>215,141</b>

**Note 14: Creditors**

	2021 £	2020 £
<b>Creditors: Amounts falling due within one year</b>		
Trade creditors	159,439	102,990
Other Creditors	4,951	11,790
Post 16 Bursary (Note 27)	14,157	-
Accruals and deferred income	163,393	161,641
	<b>341,940</b>	<b>276,421</b>

**Deferred income**

	£
Deferred Income at 1 September 2020	126,869
Resources deferred in the year	89,563
Amounts released from previous years	(126,869)
Deferred Income at 31 August 2021	<b>126,869</b>

Deferred Income at 31st August 2021 comprises the following:

	£
EFA 2020/21 Devolved Capital	13,974
EFA Rates	17,034
Sports Games Organiser	4,000
Facility Hire	340
Trips and Visits	40,015
Ottery Local Learning Community	14,200
	<b>89,563</b>

**Note 15: Funds**

	Balance at 1 September	Incoming Resources	Resources Expended	Gains, losses and transfers	Balance at 31 August
	2020				2021
	£	£	£	£	£
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	5,572,912	(5,314,578)	(163,774)	<b>94,560</b>
Teachers' Pension Grant	-	219,963	(219,963)	-	-
Teachers' Pay Grant	-	77,843	(77,843)	-	-
Other DfE/EFA Grants	-	7,482	(7,482)	-	-
Pupil Premium	-	119,963	(107,797)	-	<b>12,166</b>
Catch Up Premium	-	72,560	(20,502)	-	<b>52,058</b>
Other DfE/ESFA COVID-19 funding	-	32,830	(32,830)	-	-
16-19 Bursary	10,694	473	(11,167)	-	-
Local Authority SEN	-	270,056	(270,056)	-	-
	<b>10,694</b>	<b>6,374,082</b>	<b>(6,062,218)</b>	<b>(163,774)</b>	<b>158,784</b>
<b>Restricted general other funds</b>					
JCTSA	2,648	-	(2,648)	-	-
School Sports & Games Partnership	4,915	24,983	(42,443)	17,845	<b>5,300</b>
Endeavour Fund	1,590	-	-	-	<b>1,590</b>
DETA	3,537	(90)	(450)	-	<b>2,997</b>
Trips and Visits	6,476	29,486	(27,205)	-	<b>8,757</b>
	<b>19,166</b>	<b>54,379</b>	<b>(72,746)</b>	<b>17,845</b>	<b>18,644</b>
Defined Benefit Pension Scheme	(3,574,000)	-	(405,000)	(421,000)	<b>(4,400,000)</b>
	<b>(3,554,834)</b>	<b>54,379</b>	<b>(477,746)</b>	<b>(403,155)</b>	<b>(4,381,356)</b>
<b>Restricted fixed asset funds</b>					
On Conversion	11,440,858	-	(211,979)	-	<b>11,228,879</b>
DfE/ESFA Devolved Capital Grant	176,675	23,622	(38,985)	-	<b>161,312</b>
ACMF / CIF Capital Grant	2,029,270	-	(102,281)	-	<b>1,926,989</b>
Capital expenditure from GAG / Unr	1,428,344	-	(190,159)	145,929	<b>1,384,114</b>
Capital expenditure from Donations	717,610	426,711	(38,744)	-	<b>1,105,577</b>
	<b>15,792,757</b>	<b>450,333</b>	<b>(582,148)</b>	<b>145,929</b>	<b>15,806,871</b>
<b>Total restricted funds</b>	<b>12,248,617</b>	<b>6,878,794</b>	<b>(7,122,112)</b>	<b>(421,000)</b>	<b>11,584,299</b>
<b>Unrestricted funds</b>					
Unrestricted funds	406,550	313,687	(288,064)	-	<b>432,173</b>
<b>Total unrestricted funds</b>	<b>406,550</b>	<b>313,687</b>	<b>(288,064)</b>	<b>-</b>	<b>432,173</b>
<b>Total funds</b>	<b>12,655,167</b>	<b>7,192,481</b>	<b>(7,410,176)</b>	<b>(421,000)</b>	<b>12,016,472</b>

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 2021.

### **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.

### **Catch Up Premium**

As a result of the impact of COVID-19 on the education of young people, The Trust receives funds from the ESFA to support specific activities which will help pupils catch up on missed learning with a particular focus on disadvantaged and vulnerable pupils.

### **Other DfE/ESFA COVID-19 funding**

This includes various COVID-19 funding such as COVID-19 mass testing.

### **16-19 Bursary**

The Trust receives funds from the ESFA to provide bursary support directly to students in the 6th Form that need financial support to complete their studies. The balance at 1 September 2020 has been moved to reflect "Agency Arrangements" in accordance with SORP module 19 and are detailed in Note 14 and 27. This is reflected as an expenditure in Note 15 of which £473 is associated with the 5% management charge costed to the Post 16 Bursary funding.

### **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 2019	Incoming Resources	Resources Expended	Gains, losses and transfers	Balance at 31 August 2020
	£	£	£	£	£
<b>Restricted general funds</b>					
General Annual Grant (GAG)	14,519	5,144,108	(4,881,642)	(276,984)	-
Teachers' Pension Grant	-	214,394	(214,394)	-	-
Teachers' Pay Grant	-	75,871	(75,871)	-	-
Other DfE/EFA Grants	-	5,720	(5,720)	-	-
Pupil Premium	-	119,374	(119,374)	-	-
16-19 Bursary	9,871	16,240	(15,418)	-	10,694
Local Authority SEN	-	250,530	(250,530)	-	-
	<b>24,390</b>	<b>5,826,237</b>	<b>(5,562,949)</b>	<b>(276,984)</b>	<b>10,694</b>
<b>Restricted general other funds</b>					
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)
	<b>(3,026,455)</b>	<b>169,481</b>	<b>(406,989)</b>	<b>(290,871)</b>	<b>(3,554,834)</b>
<b>Restricted fixed asset funds</b>					
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
	<b>15,611,788</b>	<b>23,548</b>	<b>(511,481)</b>	<b>668,902</b>	<b>15,792,757</b>
<b>Total restricted funds</b>	<b>12,609,723</b>	<b>6,019,266</b>	<b>(6,481,419)</b>	<b>101,047</b>	<b>12,248,617</b>
<b>Unrestricted funds</b>					
Unrestricted funds	772,575	346,758	(303,736)	(409,047)	406,550
<b>Total unrestricted funds</b>	<b>772,575</b>	<b>346,758</b>	<b>(303,736)</b>	<b>(409,047)</b>	<b>406,550</b>
<b>Total funds</b>	<b>13,382,298</b>	<b>6,366,024</b>	<b>(6,785,155)</b>	<b>(308,000)</b>	<b>12,655,167</b>

**Note 16: Analysis of Net Assets between Funds**

Fund balances at 31 August 2021 are represented by:

	Unrestricted General fund	Restricted General fund	Restricted Fixed asset fund	Total 2021
	£	£	£	£
Tangible fixed assets	-	-	15,806,871	15,806,571
Current assets	433,433	370,515	147,593	951,541
Current liabilities	(1,260)	(193,087)	(147,593)	(341,940)
Non-Current Liabilities	-	-	-	-
Pension scheme liability	-	(4,400,000)	-	(4,400,000)
<b>Total net assets 2021</b>	<b>432,173</b>	<b>(4,222,572)</b>	<b>15,806,871</b>	<b>12,016,472</b>

## Note 17: Capital Commitments

	2021 £	2020 £
Contracted for, but not provided in the financial statements	57,567	-

## Note 18: Finance Commitments

### Operating leases

At 31 August 2021 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
<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	9,526	10,634
Expiring within two and five years inclusive	2,912	12,438
Expiring in over five years	-	-
	<b>12,438</b>	<b>23,072</b>



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

	2021 £	2020 £
Net Income for the period	(217,695)	(419,131)
Depreciation (note 11)	580,706	511,480
Net Assets Transferred on Conversion	-	-
Loss on Disposal of Tangible Fixed Assets	1,442	-
Capital grants from DfE and other capital income	(450,333)	(23,548)
Interest receivable (note 4)	(2,625)	(7,137)
FRS 17 pension cost less contributions payable (note 25)	347,000	151,000
FRS 17 pension finance income (note 25)	58,000	58,000
Decrease / (Increase) in stock	(1,200)	1,200
Decrease / (Increase) in debtors	(127,017)	(51,159)
(Decrease) / Increase in creditors	65,519	(85,256)
<b>Net cash inflow/(outflow)from operating activities</b>	<b>253,797</b>	<b>135,449</b>

**Note 20: Returns on investments and servicing of finance**

	2021 £	2020 £
Interest received	2,625	7,137
<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>2,625</b>	<b>7,137</b>

**Note 21: Capital expenditure and financial investment**

	2021 £	2020 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(596,261)	(692,484)
Capital grants from DfE/ESFA	23,622	23,584
Capital funding received from sponsors and others	426,711	-
Receipts from sale of tangible fixed assets	-	-
<b>Net cash (outflow) / inflow from capital expenditure and financial investment</b>	<b>(145,928)</b>	<b>(668,900)</b>

**Note 22: Analysis of changes in net funds**

Analysis of changes in net funds	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash in hand and at bank	497,689	110,494	608,183
	<b>497,689</b>	<b>110,494</b>	<b>608,183</b>

**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 multi-employer 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 pension costs paid to TPS in the period amounted to £690,000 (2020: £570,000)

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 2021 was £260,000 (2020: £303,000) of which employer's contributions totalled £196,000 (2020: £250,000) and employees' contributions totalled £64,000 (2020: £53,000). The agreed contribution rates for future years are 17.6% for employers and a range of 5.5% to 10.5% 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 2021	At 31 August 2020
Rate of increase in salaries	3.90%	3.25%
Rate of increase for pensions in payment / inflation	2.90%	2.25%
Discount rate for scheme liabilities	1.65%	1.6%
Inflation assumption (CPI)	2.90%	2.25%
Inflation assumption (RPI)	3.20%	3.05%
Commutation of pensions to lump sums		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
<b>Adjustment to Discount Rate</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present Value of Total Obligation	7,612	7,816	8,026
Projected Service Cost	641	661	683
<b>Adjustment to Long Term Salary Increase</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present Value of Total Obligation	7,845	7,816	7,787
Projected Service Cost	662	661	661
<b>Adjustment to pension increases and deferred revaluation</b>	<b>+0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>
Present Value of Total Obligation	7,994	7,816	7,643
Projected Service Cost	682	661	640
<b>Adjustment to mortality age rating assumption</b>	<b>+1 Year</b>	<b>None</b>	<b>-1 Year</b>
Present Value of Total Obligation	8,124	7,816	7,519
Projected Service Cost	689	661	635

The mortality improvement projection has been updated to use the latest version of the Continuous Mortality Investigation's model, CMI\_2020, which was released in March 2021. The assumed life expectations on retirement age 65 are:

	At 31 August 2021	At 31 August 2020
<i>Retiring today</i>		
Males	22.7	22.9
Females	24.0	24.1
<i>Retiring in 20 years</i>		
Males	24.0	24.3
Females	25.4	25.5

**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:

	<b>Fair value at 31 August 2021</b>	Fair value at 31 August 2020
	£000's	£000's
Equities - UK	347	336
Equities - Overseas	1,791	1,250
Gilts	438	95
Other Bonds	64	125
Property	273	211
Infrastructure	165	107
Cash	21	30
Alternative Assets	-	169
Target Return Portfolio	317	334
Private equity	-	-
<b>Total market value of assets</b>	<b>3,416</b>	<b>2,657</b>
Present value of scheme liabilities		
- Funded	(7,816)	(6,231)
<b>Deficit in the scheme</b>	<b>(4,400)</b>	<b>(3,574)</b>

The total return on the fund assets for the year 31 August 2021 is £554,000 (2020: £11,000)

**Total expenditure recognised in the Statement of Financial Activities**

	2021	2020
	£000	£000
Service Cost	543	401
Net Interest cost	56	56
Administration Expenses	2	2
<b>Total loss</b>	<b>601</b>	<b>459</b>

**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 2021.

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

	2021 £'000	2020 £'000
<b>At 1 September</b>	<b>6,231</b>	5,407
Current service cost	543	401
Interest cost	100	103
Employee contributions	64	53
Experience loss/(gain) on defined benefit obligation	(107)	13
Benefits paid	(53)	(25)
Past Service costs, including curtailments	-	-
Change in demographic assumptions	(79)	(172)
Change in Financial Assumptions	1,117	451
<b>At 31 August</b>	<b>7,816</b>	<b>6,231</b>

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

	2021 £'000	2020 £'000
<b>At 1 September</b>	<b>2,657</b>	2,350
Expected return on assets	-	-
Actuarial gains / (losses)	-	20
Employer contributions	196	250
Employee contributions	64	53
Benefits paid	(53)	(25)
Interest on Assets	44	47
Return on plan assets (excluding net interest on the net defined pension liability)	510	(36)
Administration Expenses	(2)	(2)
<b>At 31 August</b>	<b>3,416</b>	<b>2,657</b>

#### **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:

- None

#### **Note 27: Agency Arrangements**

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the academy trust received £10,654 and disbursed £6,718 from the fund. An amount of £14,157.21 is included in other creditors relating to undistributed funds that is repayable to ESFA. Comparatives for the accounting period ending 31 August 2020 are £16,240 received, £14,606 disbursed and £10,694 included in other creditors.



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