

**St. Giles' & St. George's Church of England Academy**

Trustees' report and financial statements

For the Year Ended 31 August 2020



**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

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**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
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**REFERENCE AND ADMINISTRATIVE DETAILS**

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**Members**

Church of England Central Education Trust  
Mr M Alcock  
Rev P Nisbeck  
Miss C Ashton (appointed 25 November 2019)  
Mrs S Burton (appointed 25 November 2019)

**Trustees**

Mr M Alcock, Chair of Trustees<sup>1</sup>  
Miss S Boreham, Vice Chair of Trustees  
Mrs C Pointon, Headteacher and Accounting Officer<sup>1</sup>  
Rev M Ball<sup>1</sup>  
Mr E Lopez<sup>1</sup>  
Ms A Nisbeck  
Mrs A Roche  
Rev J Penduck  
Mrs E Sale, Staff Trustee  
Mr L Wiggs (resigned 7 October 2019)  
Miss V Boon (appointed 1 September 2019, resigned 30 April 2020)  
Mr R Gradwell (appointed 7 October 2019)  
Mrs H Booth, Staff Trustee (appointed 22 June 2020)

<sup>1</sup> Finance, Audit and Resources Committee

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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<b>Company registered number</b>	08863406
<b>Company name</b>	St Giles' & St George's Church of England Academy
<b>Principal and registered office</b>	St Giles' & St George's Church of England Academy St Paul's Road Newcastle-under-Lyme Staffordshire ST5 2NB
<b>Senior management team</b>	Mrs C Pointon, Headteacher Miss V Boon, Deputy Headteacher (appointed 1 September 2019 - resigned 30 April 2020) Mrs M Elden, Bursar Mrs R Lawton, Acting Assistant Headteacher (from 27 January 2020) Mrs G Barclay, English and KS1 Leader Miss A Thurley, Foundation Stage and Early Reading Leader Mrs S Wright, DA, EAL and G and T Lead Mrs H Booth, Acting Assistant Headteacher (from 27 January 2020)
<b>Independent auditors</b>	Dains LLP Suite 2 Albion House 2 Etruria Office Village Forge Lane Stoke on Trent ST1 5RQ
<b>Bankers</b>	Lloyds Bank 46-48 High Street Newcastle-under-Lyme Staffordshire ST5 1QY

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

The trust operates an academy for pupils aged between 3 and 11 serving a catchment area in Newcastle under Lyme. It has recently been extended to be able to accommodate a pupil PAN of 420 plus 60 place Nursery over time. Current numbers on roll 299 plus 30 Nursery as per the school census October 2020.

### **Structure, governance and management**

#### **Constitution**

St. Giles' & St. George's Church of England Academy was incorporated on 27 January 2014 as 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 trustees of St Giles' & St. George's Church of England Academy are also directors of the charitable company for the purposes of company law and also referred to as governors of the academy. A funding agreement with the secretary of state was signed on 30 September 2014 and St. Giles' & St. George's C of E Primary School converted to academy status on 1 October 2014.

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

#### **Members' liability**

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

#### **Trustees indemnities**

In accordance with normal commercial practice, the Academy 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.

#### **Method of recruitment and appointment or election of Trustees**

The members shall appoint a minimum of 9 Governors plus 2 parent governors and the Headteacher. Staff and parent governors are recruited by nomination and election from all school staff and the parent body.

#### **Policies adopted for the induction and training of Trustees**

The training and induction provided for new Trustees will depend on their existing experience. Diocesan trustees are appointed by the Diocese of Lichfield. Skills gaps on the governing body are considered in the appointment of new Trustees. All new Trustees will be given a tour of the Academy. All Trustees are provided, at an appropriate time, with copies of policies, procedures, minutes, accounts, budgets and other documents that they will need to undertake their role as Trustees.

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

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**Structure, governance and management (continued)**

**Organisational structure**

The governance of the trust is defined in the Memorandum and Articles of Association together with the funding agreement with the Department of Education.

All governors are members of the full governing board. In addition, governors are members of scrutiny groups which report to the full governing board.

- The board of governors meets once a term to receive reports from these scrutiny groups and receive reports from the Principal Finance Officer and Responsible Officer Audits with regard to the academy's budget and financial performance. They also meet for staffing matters, remuneration, buildings and health and safety matters.

The day to day management is delegated to the Headteacher, who has a senior leadership team which meets regularly to lead development plans.

**Arrangements for setting pay and remuneration of key management personnel**

The senior management team as detailed on the Reference and administrative details on page 1 are designated as the key management personnel members. Criteria for pay are based on performance indicators of pupil progress, leadership responsibilities linked to national standards outlined in the teachers pay and conditions document, NJC job profiles, job descriptions and the school development plan priorities. The academy uses the performance pay policy agreed by governors to guide pay decisions.

**Trade union facility time**

**Relevant union officials**

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

**Percentage of time spent on facility time**

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

Percentage of pay bill spent on facility time	£
Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Structure, governance and management (continued)**

**Related parties and other connected charities and organisations**

The academy has no related parties or connections with any other charities and organisations.

**Objectives and activities**

**Objects and aims**

The academy's main aim is captured in its mission statement, "As God's children we aspire believe and achieve to be the very best we can be". The academy objectives for improvement are based around the following areas:

- Leadership and management
- Behaviour and Safety
- Achievement
- Quality of Teaching

As a Church of England Academy the ethos statement as follows also forms the basis for its mission.

Inspired by our Christian faith, we guide children on a personalised journey towards achievement. As a learning community, we are committed to ensuring that children are equipped with, skills and aspirations to reach their full potential in mind, body, heart and spirit.

**As a school we guide our community to:**

1. Provide an environment in which families can be faith-filled in their beliefs and hopeful for the future.
2. Be grateful for their own gifts, for the gifts of other people, and for the blessings of each day. To be generous with their gifts now and in the future.
3. Be attentive to their experiences and their vocations. To be discerning about the choices they make and the effect these choices have on others. Staff and school leaders to lead by practice and example.
4. Be learned, taking all opportunities offered in a curriculum which is varied and rooted in Gospel values. To be wise in the ways in which they use their learning for the common good.
5. Be compassionate to others, especially those less fortunate and loving using both actions and words.
6. Be curious about everything, and active when engaging with each other and the world around them.
7. Be intentional and conscientious in the way they live and use the resources of the earth and prophetic in the example they set to others.
8. Educate our children using our Curriculum tree.

**Objectives, strategies and activities**

The strategic goals for the Academy are:

- To provide high quality education provision for all children which improves their outcomes. This will be achieved by providing appropriate and proportionate support and challenge to the staff within the academy. There will be a focus on:
  - Establishing and monitoring a system of Governance.
  - Providing intervention to support school improvement.
  - Developing curriculum activities to support key skill development, increasing independence and resilience.
  - Developing monitoring and evaluating strategies and procedures that will drive school improvement.
  - Support the procurement of best value services.
  - Collaboratively share good practice.

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

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**Objectives and activities (continued)**

**Equal Opportunities**

The Academy is committed to employment policies which follow best practise based on equal opportunities for all employees irrespective of sex, race, colour, disability or marital status. The trust gives full and fair consideration to applications for employment from disabled persons having regard to their particular aptitudes and abilities.

**Public benefit**

The trustees confirm that they have referred to the guidance contained in the Charity Commissioner's general guidance on public benefit when reviewing the academy trust objective and aims and in planning future activities for the period. The trustees consider that the academy trust can clearly demonstrate that its aims are to advance education for the public benefit.

**Strategic report**

The objective of the Academy is to provide high quality education provision for all pupils that improve their outcomes.

**What we did**

- Pupils achieve their full potential, making positive progress from their starting points
- 100% of teaching and learning is good or better across the whole curriculum
- Number of exclusions is below the national average
- School attendance is in line with the national average

**Leadership**

- All vacancies filled with good quality staff
- School is judged good by OFSTED
- Parent, staff and pupil surveys illustrate satisfaction
- The academy is fully compliant with health and safety, safeguarding and other statutory requirements.
- Staff absence is in line with national benchmarks
- Staff retention is in line with national benchmarks

**Governance**

- 100% of skills coverage with Director and Local Advisory Boards
- Financial probity
- Robust financial parameters maintained ensuring value for money and compliance with all ESFA expectations
- Risk register ensures appropriate risk management
- Number of complaints is low



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

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**Achievements and performance**

**Key performance indicators**

Due to lockdown for Covid-19 no 2020 outcomes are available, outcomes in 2019 are as follows:

**End of Foundation Stage Results 2019**

The majority of pupils arrive working below expectations at the start of their educational journey. In 2019 we reached a GLD of 74% compared to the national average in 2018 of 71% showing that we are above the national average. Because of the significant increase of pupils gaining a good level of development, they have made at least good progress from their starting points.

**Year 1 and Year 2 Phonics 2019**

80% pupils in Year 1 achieved the threshold for phonics, which is broadly in line with the national average.  
90% Year 2 pupils have now gained the threshold for phonics.

**End of Key Stage 1 2019**

61% pupils achieved the expected standard in reading, 15% below the national average. 22% pupils achieved greater depth in reading, 4% below national average.  
57% pupils achieved the expected standard in writing, 13% below national average. 10% pupils achieved greater depth in writing, 6% below national average.  
63% pupils achieved the expected standard in maths, 13% below the national average. 14% pupils achieved greater depth, 6% below national average.

**End of Key Stage 2 2019**

Progress scores place the academy within the average group for reading, writing and maths. Reading, writing and maths score overall was 59%, 6% below the national average.  
64% pupils achieved the expected standards in reading, 9% below national average. 30% pupils achieved greater depth, 2% above national average.  
85% pupils achieved the expected standard in writing, 7% above national average and 21% achieved greater depth, 1% above national average.  
79% pupils achieved the expected standard in mathematics, in line with the national average and 30% achieved greater depth, 6% above national average.

**Effectiveness of the Academy**

This is judged to be good overall with a robust action plan to improve outcomes in KS1.

**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 adopts 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.

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

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**Achievements and performance (continued)**

**Financial review**

The Academy's key source of funding is the General Annual Grant (GAG) from the Education and Skills Funding Agency (ESFA). Funding from the ESFA is shown as restricted funds in the Statement of Financial Activities. During the year to 31 August 2020, the Academy received GAG of £1,214,509 in addition to other income sources. The analysis of the specific grants and income received can be seen within notes 3 to 6 of the financial statements.

During the year to 31 August 2020, total resources expended are £1,797,561 excluding depreciation. Depreciation of £100,899 has been charged during the year against the restricted fixed asset fund.

The deficit in income over expenditure for the period (excluding the movement in the pension reserve and restricted fixed asset fund) was £97,783.

At 31 August 2020, the net book value of tangible fixed assets totalled £2,402,730 and movements in tangible fixed asset are shown in note 13 to the financial statements. The assets were used exclusively for providing education and associated support services to the students of the Academy.

Academic achievements have not been able to be measured due to the removal of statutory end of year testing and the absence of pupil in school at the end of the academic year 2019-20

Staff absence has shown an impact as a result of staff illness due to Covid.

Covid has resulted in increased costs in a number of areas which makes effective budgeting difficult moving forward as future costs are unknown, these costs include staffing to cover absences. In order to mitigate this risk the school has made a decision to increase support staff to ensure that in the case of absence there is always a member of staff available within class to cover this absence. Training has also been undertaken with staff to allow remote teaching via a virtual platform.

There was a period of time when volunteers were unable to access the school as this support capacity was reduced, this has been mitigated by the use of a robust risk assessment which has allowed volunteers to return.

The day to day operation of the academy has been affected as a result of covid due to guidance asking schools to put in place a range of measures. A robust risk assessment mitigates the risk of these measures on staff, pupils and also together with the financial impact on the school.

Covid has had an impact on reserves as the budget takes the strain of extra financial burdens, this in turn may require the use of reserves to balance the budget. In order to mitigate these risks the school has applied to all funding made available from the Government together with working with local schools to look at areas where economies of scale and best value practise is followed.

**Reserves policy**

The governors will review the reserve levels annually. The review will encompass the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors will determine an appropriate level of free reserves to provide sufficient working capital to cover delays between spending and receipt of grants and provide a cushion to deal with any unexpected emergencies.

The academy has current reserves of £428,395 (excluding the pension reserve and restricted fixed asset fund).

The academy also has restricted fixed asset reserves of £2,402,730 and a pension deficit of £1,372,000.

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

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**Investment policy**

At the present time the Academy does not have monies to invest. Reserves held have been placed in a 32 day savings account.

**Principal risks and uncertainties**

The principal risks and uncertainties facing the academy are as follows:

Financial – the academy has considerable reliance on continued Government funding through the ESFA. Whilst this is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels.

Failures in governance and/or management – the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulation and legislation, statutory returns etc. The Trustees continue to review and ensure that appropriate measure are in place to mitigate these risks.

Reputational – the continuing success of the Academy is dependent on continuing to attract pupils by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection – the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Fraud and mismanagement of funds – To mitigate against this risk the Academy has appointed Dains to carry out checks on financial systems and records.

Covid-19 - The risk in this area arises from the potential that staffing levels will at times be uncertain and may include additional costs due to supply being required. To mitigate this risk the school has been split into year group bubbles and teaching staff must ensure that safe distance is kept at all times where possible when teaching. Staff should also avoid close face to face contact and wear a face covering where the 2 metre rule cannot be applied.

**Fundraising**

The academy does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

During the school lockdown the ability of the school to fundraise was removed and this has had a impact on areas of the school budget and reserves. Staff were furloughed to mitigate this risk on the school budget. Once lockdown was lifted the ability to fundraise returned.

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

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**Plans for future periods**

The Academy will continue to improve the performance and outcomes for its pupils at all levels through strong teaching and effective leadership.

Covid-19 has affected our care club income quite significantly during 2019-2020 due to not running from the period March to July 2020. We expect levels for the next academic year to return to normal as long as no further lockdowns are enforced.

Covid has had an impact on the short term future aims of the academy as we focus on closing gaps for pupils who have missed vital parts of their education. Discussion with directors had led to a re-evaluation of both the short term and long term objectives of the school.

**Disclosure of information to auditors**

The governors have confirmed that as far as they are aware:

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

The Trustees' Report was approved by order of the board of Trustees, as the company directors, on 7 December 2020 and signed on its behalf by:



**Mr M Alcock**  
Chair of Trustees

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

As Trustees we acknowledge we have overall responsibility for ensuring that St. Giles' & St. George's Church of England Academy 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 to the requirements of both propriety and good financial management. This is in accordance with the requirements and responsibilities assigned to it in the funding agreement between St. Giles' & St. George's Church of England Academy and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and Statement of Trustees Responsibilities. The Board of Trustees has formally met 3 times during the year and the finance, audit and resources have met 3 times during the year.

The board maintains effective oversight in fewer than 6 meetings annually through the use of a subcommittee structure, including the finance, audit and resources sub committee which met 3 times during the year.

Attendance at the meeting was as follows:

Trustee	Meetings attended	Out of a possible
Mr M Alcock, Chair of Trustees	3	3
Miss S Boreham, Vice Chair of Trustees	2	3
Mrs C Pointon, Headteacher and Accounting Officer	3	3
Rev M Ball	3	3
Mr E Lopez	3	3
Ms A Nisbeck	3	3
Mrs A Roche	2	3
Rev J Penduck	1	3
Mrs E Sale, Staff Trustee	3	3
Mr L Wiggs	0	0
Miss V Boon	1	1
Mr R Gradwell	2	2
Mrs H Booth, Staff Trustee	1	1

Non-trustees in attendance:

Trustee	Meetings attended	Out of a possible
Mrs M Elden (Bursar)	3	3
Mrs C Stone (Clerk to Governors)	3	3

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

The Finance, Audit and Resources Committee is also a sub-committee of the main board of Trustees. Its purpose is to complete the Initial review and authorisation of the annual budget and complete regular monitoring of actual expenditure and income against the budget. To ensure that the academy meets all financial return deadlines.

The board of trustees are comfortable that these additional meetings regarding financial matters gives an effective oversight of funds.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr M Alcock (Chair of Trustees)	3	3
Rev M Ball	3	3
Mr E Lopez	3	3
Mrs C Pointon (Accounting Officer)	3	3

Non-Committee members in attendance:

	Meetings attended	Out of a possible
Mrs E Elden (Bursar)	3	3

**Review of value for money**

As accounting officer, the Headteacher is responsible 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 social outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust use of its resources has provided good value for money during each academic year and reports to the governors where value for money can be improved including the use of bench marking data where available. The accounting officer for the academy had delivered improved value for money during the year by:

- Completing a school re-structure to ensure that staffing is appropriate for the pupil numbers at the Academy and ensure long term financial stability.
- Better purchasing  
Close monitoring of all services and contracts ensures that the Academy obtains the best mix of quality and effectiveness. Positive, longstanding relationships with suppliers and contractors ensure that we continue to obtain best value for services supplied.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy 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 at St. Giles' & St. George's Academy for the year to 31 August 2020 and up to the date of approval of the annual report and financial statements.

**GOVERNANCE STATEMENT (CONTINUED)**

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**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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**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 finance, audit and resources committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The trustees have decided not to appoint an internal auditor. However, the Trustees have appointed Dains LLP, the external auditors, to perform additional checks.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. In particular the checks carried out in the current period included:

- Testing of payroll systems
- Testing of purchase systems
- Testing of income systems
- Testing of control account/bank reconciliations

On a termly basis, the reviewer reports to the board of Trustees on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The Trustees confirm that the review process has been completed within the agreed schedule of work.

The academy is aware that Dains can no longer undertake the role of Reviewer alongside the undertaking of the External auditor role. For the next academic year the trustees have appointed R B Chartered Accountants to perform a range of internal checks on the academy's financial procedures and systems.

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of effectiveness**

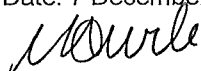
As accounting officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the external auditor
- The work of the senior staff of the Academy trust who have responsibility for the development and maintenance of the internal control framework.
- The work of an external accountant

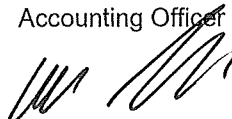
The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Resources committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members and signed on their behalf by:

**Mr M Alcock**  
Chair of Trustees  
Date: 7 December 2020



**Mrs C Pointon**  
Accounting Officer





**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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



**Mrs C Pointon**  
Accounting Officer  
Date: 7 December 2020

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

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

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

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

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

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



**Mr M Alcock**  
Chair of Trustees

Date: 7 December 2020

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST  
GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**

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**Opinion**

We have audited the financial statements of St Giles' & St George's Church of England Academy (the 'academy') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST  
GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY (CONTINUED)**

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**Other information**

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

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST  
GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY (CONTINUED)**

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**Responsibilities of trustees**

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

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

**Auditors' responsibilities for the audit of the financial statements**

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

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

**Use of our report**

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



Jonathan Dudley (Senior Statutory Auditor)  
for and on behalf of

**Dains LLP**  
Statutory Auditor  
Chartered Accountants

Suite 2 Albion House  
2 Etruria Office Village  
Forge Lane  
Stoke on Trent  
ST1 5RQ

Date: 20 January 2021

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 21 September 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Giles' & St George's Church of England Academy during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to St Giles' & St George's Church of England Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St Giles' & St George's Church of England Academy and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St Giles' & St George's Church of England Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of St Giles' & St George's Church of England Academy's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of St Giles' & St George's Church of England Academy's funding agreement with the Secretary of State for Education dated 30 September 2014 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

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

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

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

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

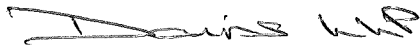
**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST GILES' &  
ST GEORGE'S CHURCH OF ENGLAND ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY**  
(CONTINUED)

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**Conclusion**

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



**Dains LLP**

Suite 2 Albion House  
2 Etruria Office Village  
Forge Lane  
Stoke on Trent  
ST1 5RQ

Date: 20 January 2021

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

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

	<b>Note</b>	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Restricted fixed asset funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
<b>Income from:</b>						
Donations and capital grants	3	-	-	7,206	7,206	20,480
Charitable activities	4	1,988	1,659,106	-	1,661,094	1,651,168
Other trading activities	5	43,809	-	-	43,809	68,191
Investments	6	1,394	-	-	1,394	1,665
<b>Total income</b>		<b>47,191</b>	<b>1,659,106</b>	<b>7,206</b>	<b>1,713,503</b>	<b>1,741,504</b>
<b>Expenditure on:</b>						
Raising funds	7	43,598	-	-	43,598	69,433
Charitable activities	7	2,475	1,751,488	100,899	1,854,862	1,736,428
<b>Total expenditure</b>		<b>46,073</b>	<b>1,751,488</b>	<b>100,899</b>	<b>1,898,460</b>	<b>1,805,861</b>
<b>Net (expenditure)/income before transfers</b>		<b>1,118</b>	<b>(92,382)</b>	<b>(93,693)</b>	<b>(184,957)</b>	<b>(64,357)</b>
Transfers between funds	16	-	(133,519)	133,519	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>1,118</b>	<b>(225,901)</b>	<b>39,826</b>	<b>(184,957)</b>	<b>(64,357)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial (losses)/gains on defined benefit pension schemes	22	-	(113,000)	-	(113,000)	(404,000)
<b>Net movement in funds</b>		<b>1,118</b>	<b>(338,901)</b>	<b>39,826</b>	<b>(297,957)</b>	<b>(468,357)</b>



**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

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

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Reconciliation of funds:</b>					
Total funds brought forward	255,828	(861,650)	2,362,904	1,757,082	2,225,439
Net movement in funds	1,118	(338,901)	39,826	(297,957)	(468,357)
<b>Total funds carried forward</b>	<b>256,946</b>	<b>(1,200,551)</b>	<b>2,402,730</b>	<b>1,459,125</b>	<b>1,757,082</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 27 to 54 form part of these financial statements.

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

Registered number: 08863406  
**BALANCE SHEET**  
As at 31 AUGUST 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	13	2,402,730	2,360,994
		<u>2,402,730</u>	<u>2,360,994</u>
<b>Current assets</b>			
Debtors	14	55,103	61,731
Cash at bank and in hand		506,247	607,393
		<u>561,350</u>	<u>669,124</u>
Creditors: amounts falling due within one year	15	(132,955)	(141,036)
<b>Net current assets</b>		<u>428,395</u>	<u>528,088</u>
<b>Total assets less current liabilities</b>		<u>2,831,125</u>	<u>2,889,082</u>
Defined benefit pension scheme liability	22	(1,372,000)	(1,132,000)
<b>Total net assets</b>		<u><u>1,459,125</u></u>	<u><u>1,757,082</u></u>
<b>Funds of the academy</b>			
<b>Restricted funds:</b>			
Restricted Fixed asset funds	16	2,402,730	2,362,904
Restricted income funds	16	171,449	270,350
		<u>2,574,179</u>	<u>2,633,254</u>
Restricted funds excluding pension liability	16	2,574,179	2,633,254
Pension reserve	16	(1,372,000)	(1,132,000)
<b>Total restricted funds</b>	16	<u>1,202,179</u>	<u>1,501,254</u>
Unrestricted income funds	16	256,946	255,828
<b>Total funds</b>		<u><u>1,459,125</u></u>	<u><u>1,757,082</u></u>

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
**(A Company Limited by Guarantee)**

**Registered number: 08863406**  
**BALANCE SHEET (CONTINUED)**  
**As at 31 AUGUST 2020**

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The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 22 to 54 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



**Mr M Alcock**  
Chair of Trustees  
Date: 7 December 2020

The notes on pages 27 to 54 form part of these financial statements.

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	18	32,889	121,697
<b>Cash flows from investing activities</b>	19	(134,035)	3,574
		<u>          </u>	<u>          </u>
<b>Change in cash and cash equivalents in the year</b>		(101,146)	125,271
Cash and cash equivalents at the beginning of the year		607,393	482,122
		<u>          </u>	<u>          </u>
<b>Cash and cash equivalents at the end of the year</b>	20, 21	<u><u>506,247</u></u>	<u><u>607,393</u></u>

The notes on pages 27 to 54 form part of these financial statements

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

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

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

St Giles' & St George's Church of England Academy meets the definition of a public benefit entity under FRS 102.

**1.2 Going concern**

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

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

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

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**1. Accounting policies (continued)**

**1.3 Income**

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

**1.4 Expenditure**

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

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

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**1. Accounting policies (continued)**

**1.5 Interest receivable**

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

**1.6 Taxation**

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

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

**1.7 Tangible fixed assets**

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

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

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

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

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

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**1. Accounting policies (continued)**

**1.7 Tangible fixed assets (continued)**

Depreciation is provided on the following bases:

Donated leasehold buildings	- 2% straight line
L/Term Leasehold land	- 0.8% straight line
Leasehold property improvements	- 2% straight line
Fixtures and fittings	- 20% straight line
Computer equipment	- 25% straight line

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

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

The academy trust company occupies:

- (a) land provided to it by the local authority under a 125-year lease; and
- (b) land provided to it by site trustees under a mere licence (also referred to as a Church Supplemental Agreement) which contains a two year notice period.

In respect of:

- (a) a figure is entered which reflects advice taken on the value of the lease; and
- (b), having considered the fact that the academy trust company occupies the land and such buildings as may or may come to be erected by a mere licence that transfers to the academy no rights or control over the site, save that of occupying it at the will of the site trustees under the terms of the relevant site trust, the directors have concluded that the value of the land and buildings occupied by the academy trust company under such arrangements will not be recognised on the balance sheet of the company.

**1.8 Debtors**

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

**1.9 Cash at bank and in hand**

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

**1.10 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 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.



**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

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

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**1. Accounting policies (continued)**

**1.11 Provisions**

Provisions are recognised when the academy 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.

**1.12 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.13 Operating leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**ST GILES' & ST GEORGE'S CHURCH OF ENGLAND ACADEMY**  
(A Company Limited by Guarantee)

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

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**1. Accounting policies (continued)**

**1.14 Pensions**

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

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

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

**1.15 Fund accounting**

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

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

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

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**2. 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.

Critical accounting estimates and assumptions:

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

**Local Government Pension Scheme**

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**Long-term leasehold land and buildings**

The long term leasehold land within the accounts relates to the academy premises which were donated to the academy on conversion on a 125 year lease from Staffordshire County Council. The leasehold land was valued using an ESFA valuation. These are being depreciated in accordance with the depreciation policies set out in note 1. No annual charge is made for the use of the land under the terms of the lease, based on management not being able to reliably measure the open market rate.

The land and buildings provided to the academy by the Lichfield Diocesan Board of Education are not reflected in the accounts. Having considered the fact that the academy occupies the land and such buildings as may or may come to be erected on it by mere licence that transfers to the academy no rights or control over the site save that of occupying it at the will of the site trustees under the terms of the relevant site trust, the directors have concluded that the value of the land and buildings occupied by the academy trust company under such arrangement will not be recognised on the balance sheet of the company.

**Donated leasehold buildings**

During the year ended 31 August 2017 there had been a new school building constructed and donated by Staffordshire County Council. The new building had been constructed on the land covered by both existing lease agreements with Staffordshire County Council and the Lichfield Diocese Board of Education.

Based on the treatment adopted and noted under the "Long-term leasehold land and buildings" above, the Trustees have considered it appropriate only to recognise the donated asset constructed on the land covered by the leasehold agreement with Staffordshire County Council.

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**3. Income from donations and capital grants**

	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Capital Grants	7,206	7,206	20,480
<i>Total 2019</i>	<i>20,480</i>	<i>20,480</i>	

**4. Funding for the Academy's educational operations**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	1,214,509	1,214,509	1,265,896
Other DfE/ESFA grants	-	244,200	244,200	205,853
	-	1,458,709	1,458,709	1,471,749
<b>Other government grants</b>				
Local Authority grants	-	167,381	167,381	134,160
	-	167,381	167,381	134,160
<b>Other funding</b>				
Other income	1,988	11,831	13,819	17,138
Catering income	-	17,211	17,211	28,121
	1,988	29,042	31,030	45,259
<b>Exceptional government funding</b>				
Coronavirus Job Retention Scheme grant	-	3,974	3,974	-
	1,988	1,659,106	1,661,094	1,651,168
<i>Total 2019</i>	<i>2,989</i>	<i>1,648,179</i>	<i>1,651,168</i>	

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**4. Funding for the Academy's educational operations (continued)**

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

- The academy furloughed some of its out of school club staff under the government's CJRS. The funding received of £3,974 relates to staff costs in respect of staff which are included within note 10 below as appropriate.

**5. Income from other trading activities**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Care club income	38,330	38,330	63,768
Other income	5,479	5,479	4,423
	<u>43,809</u>	<u>43,809</u>	<u>68,191</u>
<i>Total 2019</i>	<u>68,191</u>	<u>68,191</u>	

**6. Investment income**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	1,394	1,394	1,665
	<u>1,665</u>	<u>1,665</u>	
<i>Total 2019</i>	<u>1,665</u>	<u>1,665</u>	

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**7. Expenditure**

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Expenditure on fundraising trading:					
Direct costs	-	-	334	334	608
Support costs	41,838	-	1,426	43,264	68,825
Educational Operations:					
Direct costs	1,188,992	-	135,955	1,324,947	1,192,458
Support costs	216,021	95,640	218,254	529,915	543,970
	<u>1,446,851</u>	<u>95,640</u>	<u>355,969</u>	<u>1,898,460</u>	<u>1,805,861</u>
<i>Total 2019</i>	<u>1,328,846</u>	<u>140,308</u>	<u>336,707</u>	<u>1,805,861</u>	

**8. Analysis of expenditure by activities**

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Educational Operations	<u>1,324,947</u>	<u>529,915</u>	<u>1,854,862</u>	<u>1,736,428</u>
<i>Total 2019</i>	<u>1,192,458</u>	<u>543,970</u>	<u>1,736,428</u>	

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**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	Total funds 2020 £	Total funds 2019 £
Staff costs	1,188,992	1,042,003
Depreciation	52,644	55,614
Educational supplies	63,751	65,462
Technology costs	2,810	5,756
Other costs	15,839	23,365
Recruitment and other staff expenses	911	258
	<u>1,324,947</u>	<u>1,192,458</u>

**Analysis of support costs**

	Total funds 2020 £	Total funds 2019 £
Pension income	23,000	19,000
Staff costs	216,021	220,640
Depreciation	48,255	47,018
Catering	58,026	66,034
Staff development and other staff costs	6,458	9,899
Technology costs	22,410	16,961
Other costs	39,685	55,912
Staff related insurance	6,693	5,631
Maintenance of premises and special facilities	21,008	19,609
Cleaning and caretaking	34,033	31,462
Rates	10,451	10,250
Energy	22,219	17,150
Legal and professional	13,727	15,849
Other premises costs	7,929	8,555
	<u>529,915</u>	<u>543,970</u>

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**9. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Operating lease rentals	7,834	1,594
Depreciation of tangible fixed assets	100,899	102,633
Fees paid to auditors for:		
- audit	8,000	7,100
- other services	2,475	2,100
	<u>          </u>	<u>          </u>

**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	1,006,722	989,162
Social security costs	88,317	87,926
Pension costs	341,417	251,098
	<u>          </u>	<u>          </u>
	1,436,456	1,328,186
Agency staff costs	548	660
Staff severance costs	9,847	-
	<u>          </u>	<u>          </u>
	1,446,851	1,328,846
	<u>          </u>	<u>          </u>

Staff severance costs comprise:

	2020 £	2019 £
Severance payments	9,847	-
	<u>          </u>	<u>          </u>
	9,847	-
	<u>          </u>	<u>          </u>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £9,847 (2019: £nil). Individually, these payments were £5,000 and £4,847.



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**10. Staff (continued)**

**c. Staff numbers**

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

	2020 No.	2019 No.
Management	8	8
Teachers	9	10
Administration and support	33	29
	<u>50</u>	<u>47</u>

**d. Higher paid staff**

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	<u>1</u>	<u>-</u>

**e. Key management personnel**

The key management personnel of the academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £466,829 (2019 £489,858).

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**11. Trustees' remuneration and expenses**

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

		2020 £	2019 £
Mrs L Evans Headteacher and Accounting Officer (until 1 May 2019)	Remuneration	N/A	50,000 - 55,000
	Pension contributions paid	N/A	10,000 - 15,000
Mrs C Pointon, Headteacher and Accounting Officer (from 13 April 2019)	Remuneration	60,000 - 65,000	20,000 - 25,000
	Pension contributions paid	15,000 - 20,000	0 - 5,000
Miss C Ashton Staff Trustee (until 31 August 2019)	Remuneration	N/A	45,000 - 50,000
	Pension contributions paid	N/A	5,000 - 10,000
Mrs E Sale Staff Trustee	Remuneration	20,000 - 25,000	20,000 - 25,000
	Pension contributions paid	0 - 5,000	0 - 5,000
Miss V Boon (from 1 September 2019 to 30 April 2020)	Remuneration	40,000 - 45,000	N/A
	Pension contributions paid	5,000 - 10,000	N/A
Mrs H Booth (from 22 June 2020)	Remuneration	10,000 - 15,000	N/A
	Pension contributions paid	0 - 5,000	N/A

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

**12. Trustees' and Officers' insurance**

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

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**13. Tangible fixed assets**

	Donated Leasehold Buildings £	L/Term Leasehold Land £	Leasehold property improvements £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>						
At 1 September 2019	2,044,170	44,107	290,653	153,099	115,768	2,647,797
Additions	-	-	127,704	1,080	13,851	142,635
At 31 August 2020	2,044,170	44,107	418,357	154,179	129,619	2,790,432
<b>Depreciation</b>						
At 1 September 2019	109,022	1,029	15,064	80,245	81,443	286,803
Charge for the year	40,883	353	7,019	30,729	21,915	100,899
At 31 August 2020	149,905	1,382	22,083	110,974	103,358	387,702
<b>Net book value</b>						
At 31 August 2020	1,894,265	42,725	396,274	43,205	26,261	2,402,730
At 31 August 2019	1,935,148	43,078	275,589	72,854	34,325	2,360,994

**14. Debtors**

	2020 £	2019 £
<b>Due within one year</b>		
VAT repayable	10,623	12,844
Prepayments and accrued income	44,480	48,887
	<u>55,103</u>	<u>61,731</u>

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**15. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	28,876	33,562
Other taxation and social security	19,554	20,973
Other creditors	24,763	22,253
Accruals and deferred income	59,762	64,248
	<u>132,955</u>	<u>141,036</u>
	2020 £	2019 £
Deferred income at 1 September	27,473	28,237
Resources deferred during the year	35,150	27,473
Amounts released from previous periods	(27,473)	(28,237)
	<u>35,150</u>	<u>27,473</u>

At the balance sheet date that academy was holding funds relating to trips and school meals funding relating to the 2020/21 academic year.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. Statement of funds**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>						
Unrestricted funds	255,828	47,191	(46,073)	-	-	256,946
<b>Restricted general funds</b>						
General Annual Grant (GAG)	270,350	1,214,509	(1,179,891)	(133,519)	-	171,449
Other DfE/ESFA Grants	-	122,051	(122,051)	-	-	-
Pupil Premium	-	122,149	(122,149)	-	-	-
Other Government Grants	-	167,381	(167,381)	-	-	-
Other income	-	33,016	(33,016)	-	-	-
Pension reserve	(1,132,000)	-	(127,000)	-	(113,000)	(1,372,000)
	<u>(861,650)</u>	<u>1,659,106</u>	<u>(1,751,488)</u>	<u>(133,519)</u>	<u>(113,000)</u>	<u>(1,200,551)</u>
<b>Restricted fixed asset funds</b>						
Transfer from legacy school	43,078	-	-	-	-	43,078
DfE/ESFA Capital Grants	31,070	7,206	(11,183)	90	-	27,183
Capital expenditure from GAG	330,436	-	(35,913)	133,429	-	427,952
Donated leasehold assets	1,958,320	-	(53,803)	-	-	1,904,517
	<u>2,362,904</u>	<u>7,206</u>	<u>(100,899)</u>	<u>133,519</u>	<u>-</u>	<u>2,402,730</u>
<b>Total Restricted funds</b>	<u>1,501,254</u>	<u>1,666,312</u>	<u>(1,852,387)</u>	<u>-</u>	<u>(113,000)</u>	<u>1,202,179</u>

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16. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Total funds	<u>1,757,082</u>	<u>1,713,503</u>	<u>(1,898,460)</u>	<u>-</u>	<u>(113,000)</u>	<u>1,459,125</u>

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**16. Statement of funds (continued)**

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

**Unrestricted General Funds**

This fund represents those which may be used towards meeting any of the charitable objectives at the discretion of the trustees.

**Restricted General Funds**

This fund represents grants received for the academy's educational operations.

**Pension Fund**

This fund represents the academy's share of the pension liability on the LGPS pension fund.

**Restricted Fixed Asset Fund**

This fund relates to grant funding received from the ESFA to carry out works of a capital nature and the donation of leasehold land and buildings from Staffordshire County Council and a small amount of capital expenditure from GAG funding.

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

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**16. Statement of funds (continued)**

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

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
<b>Unrestricted funds</b>						
Unrestricted funds	266,997	72,845	(84,014)	-	-	255,828
<b>Restricted general funds</b>						
General Annual Grant (GAG)	166,386	1,265,896	(1,161,932)	-	-	270,350
Other DfE/ESFA Grants	-	75,316	(75,316)	-	-	-
Pupil Premium	-	130,537	(130,537)	-	-	-
Other Government Grants	-	134,160	(134,160)	-	-	-
Other income	-	42,270	(42,270)	-	-	-
Pension reserve	(653,000)	-	(75,000)	-	(404,000)	(1,132,000)
	<u>(486,614)</u>	<u>1,648,179</u>	<u>(1,619,215)</u>	<u>-</u>	<u>(404,000)</u>	<u>(861,650)</u>
<b>Restricted fixed asset funds</b>						
Transfer from legacy school	43,078	-	(353)	353	-	43,078
DfE/ESFA Capital Grants	-	20,480	(8,204)	18,794	-	31,070
Capital expenditure from GAG	373,878	-	(40,979)	(2,463)	-	330,436
Donated leasehold assets	2,028,100	-	(53,096)	(16,684)	-	1,958,320
	<u>2,445,056</u>	<u>20,480</u>	<u>(102,632)</u>	<u>-</u>	<u>-</u>	<u>2,362,904</u>



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**16. Statement of funds (continued)**

	<i>Balance at 1 September 2018</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2019</i>
	£	£	£	£	£	£
<b>Total Restricted funds</b>	<u>1,958,442</u>	<u>1,668,659</u>	<u>(1,721,847)</u>	<u>-</u>	<u>(404,000)</u>	<u>1,501,254</u>
<b>Total funds</b>	<u>2,225,439</u>	<u>1,741,504</u>	<u>(1,805,861)</u>	<u>-</u>	<u>(404,000)</u>	<u>1,757,082</u>

**17. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	<b>Unrestricted funds 2020</b>	<b>Restricted funds 2020</b>	<b>Restricted fixed asset funds 2020</b>	<b>Total funds 2020</b>
	£	£	£	£
Tangible fixed assets	-	-	2,402,730	2,402,730
Current assets	256,946	304,404	-	561,350
Creditors due within one year	-	(132,955)	-	(132,955)
Provisions for liabilities and charges	-	(1,372,000)	-	(1,372,000)
<b>Total</b>	<u>256,946</u>	<u>(1,200,551)</u>	<u>2,402,730</u>	<u>1,459,125</u>

**Analysis of net assets between funds - prior period**

	<b>Unrestricted funds 2019</b>	<b>Restricted funds 2019</b>	<b>Restricted fixed asset funds 2019</b>	<b>Total funds 2019</b>
	£	£	£	£
Tangible fixed assets	-	-	2,360,994	2,360,994
Current assets	255,828	411,386	1,910	669,124
Creditors due within one year	-	(141,036)	-	(141,036)
Provisions for liabilities and charges	-	(1,132,000)	-	(1,132,000)
<b>Total</b>	<u>255,828</u>	<u>(861,650)</u>	<u>2,362,904</u>	<u>1,757,082</u>

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

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(184,957)	(64,357)
<b>Adjustments for:</b>		
Depreciation	100,899	102,632
Capital grants from DfE and other capital income	(7,206)	(20,480)
Interest receivable	(1,394)	(1,665)
Defined benefit pension scheme cost less contributions payable	104,000	56,000
Defined benefit pension scheme finance cost	23,000	19,000
Decrease in debtors	6,628	6,434
(Decrease)/increase in creditors	(8,081)	24,133
<b>Net cash provided by operating activities</b>	<b>32,889</b>	<b>121,697</b>

**19. Cash flows from investing activities**

	2020 £	2019 £
Dividends, interest and rents from investments	1,394	1,665
Purchase of tangible fixed assets	(142,635)	(18,571)
Capital grants from DfE Group	7,206	20,480
<b>Net cash (used in)/provided by investing activities</b>	<b>(134,035)</b>	<b>3,574</b>

**20. Analysis of cash and cash equivalents**

	2020 £	2019 £
Cash in hand	506,247	607,393
<b>Total cash and cash equivalents</b>	<b>506,247</b>	<b>607,393</b>

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**21. Analysis of changes in net debt**

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	607,393	(101,146)	506,247
	<u>607,393</u>	<u>(101,146)</u>	<u>506,247</u>

**22. Pension commitments**

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 Staffordshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £24,634 were payable to the schemes at 31 August 2020 (2019 - £22,136) and are included within creditors.

**Teachers' Pension Scheme**

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

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

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**22. Pension commitments (continued)**

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £130,168 (2019 - £102,000).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £237,000 (2019 - £114,000), of which employer's contributions totalled £211,000 (2019 - £91,000) and employees' contributions totalled £ 26,000 (2019 - £23,000). The agreed contribution rates for future years are 24.2% per cent for employers and 5.5 - 12.5 per cent for employees.

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

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

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**22. Pension commitments (continued)**

**Principal actuarial assumptions**

	2020	2019
	%	%
Rate of increase in salaries	2.60	2.70
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.70	1.90
Commutation of pensions to lump sums - post April 2008	75.00	75.00
Commutation of pensions to lump sums - pre April 2008	50.00	50.00

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	21.2	21.1
Females	23.6	23.5
<i>Retiring in 20 years</i>		
Males	22.1	22.2
Females	25.0	24.8

**Sensitivity analysis**

	2020	2019
	£000	£000
Discount rate +0.1%	(82)	(73)
Discount rate -0.1%	82	73
CPI rate +0.1%	67	56
CPI rate -0.1%	(67)	(56)
Salary increase rate +0.1%	13	15
Salary increase rate -0.1%	(13)	(15)

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**22. Pension commitments (continued)**

**Share of scheme assets**

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

	2020 £	2019 £
Equities	776,000	602,000
Corporate bonds	228,000	195,000
Property	91,000	71,000
Cash and other liquid assets	46,000	17,000
<b>Total market value of assets</b>	<b>1,141,000</b>	<b>885,000</b>

The actual return on scheme assets was £5,000 (2019 - £45,500).

The amounts recognised in the Statement of Financial Activities are as follows:

	2020 £	2019 £
Current service cost	(211,000)	(136,000)
Past service cost	-	(11,000)
Interest income	18,000	22,000
Interest cost	(41,000)	(41,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(234,000)</b>	<b>(166,000)</b>

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

	2020 £	2019 £
<b>At 1 September</b>	<b>2,017,000</b>	<b>1,376,000</b>
Current service cost	211,000	136,000
Interest cost	41,000	41,000
Employee contributions	26,000	23,000
Actuarial losses	221,000	431,000
Benefits paid	(3,000)	(1,000)
Past service costs	-	11,000
<b>At 31 August</b>	<b>2,513,000</b>	<b>2,017,000</b>

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**22. Pension commitments (continued)**

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

	2020 £	2019 £
<b>At 1 September</b>	<b>885,000</b>	<b>723,000</b>
Interest income	18,000	22,000
Actuarial gains	108,000	27,000
Employer contributions	107,000	91,000
Employee contributions	26,000	23,000
Benefits paid	(3,000)	(1,000)
<b>At 31 August</b>	<b>1,141,000</b>	<b>885,000</b>

**23. Operating lease commitments**

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

	2020 £	2019 £
<b>Amounts payable:</b>		
Not later than 1 year	7,834	7,834
Later than 1 year and not later than 5 years	14,536	22,370
	<b>22,370</b>	<b>30,204</b>

**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.

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**25. Related party transactions**

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

No related party transactions took place in the period of accounts, other than certain trustees' remuneration and expenses already disclosed in note 11.