

Company Registration Number: 08197353 (England & Wales)

LADY JANE GREY PRIMARY SCHOOL
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

LADY JANE GREY PRIMARY SCHOOL
(A Company Limited by Guarantee)

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LADY JANE GREY PRIMARY SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Michael FitzGerald Adam Knight Sarah Cadle Andrew Hurd
Trustees	Adam Knight, Chair ^{1,2} Michael FitzGerald, Head Teacher ^{1,2,3} Sarah Cadle, Vice Chair ^{2,3} Andrew Hurd ¹ Lisa Jones Bhulesh Kachra ² Amanda Williams ^{1,2} Alejandro Armellini ² Gillian Okuniewski (appointed 2 October 2020) Abbasali Kapasi (resigned 1 April 2021) ¹ Eileen Brown (resigned 31 July 2021) ³
	¹ Finance & Business Committee ² Learning & Leadership ³ Behaviour & Safeguarding
Company registered number	08197353
Company name	Lady Jane Grey Primary School
Principal and registered office	Wolsey Close Groby Leicester LE6 0ZA
Senior management team	Michael FitzGerald, Headteacher Robert Heaney, Acting Assistant Headteacher Christopher Fletcher, Curriculum Lead Practitioner
Independent auditors	Magma Audit LLP Chartered Accountants Unit 2, Charnwood Edge Business Park Syston Road Cossington Leicester LE7 4UZ
Bankers	Lloyds Bank Plc 145 Narborough Road Leicester LE3 0PB

LADY JANE GREY PRIMARY SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the 1 September 2020 to 31 August 2021. 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 4 to 11 serving a catchment area in Groby. It has a pupil capacity of 210 and had a roll of 209 in the school census in January 2021.

Structure, governance and management

● Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The charitable company was incorporated on 31 August 2012. The school converted to Academy status on 1 October 2012 when its operations, assets and liabilities were transferred from the Local Authority.

The Governors act as the Trustees for the charitable activities of Lady Jane Grey Primary School and are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Lady Jane Grey Primary School.

Details of the Trustees who served during the year, and to the date these accounts are approved 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

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

● Method of recruitment and appointment or election of Trustees

Trustees are appointed as follows:

Parent Trustees - through open election for all eligible parents or guardians of pupils who attend Lady Jane Grey Primary School.

Staff Trustees - through open election for all eligible members of staff working at Lady Jane Grey Primary School.

All members can nominate a person as a potential Trustee. The present members are Michael FitzGerald, Adam Knight, Sarah Cadle and Andrew Hurd.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

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

We expect all Trustees to undertake training as appropriate to their work at the Academy. New Trustees will be provided with an induction programme delivered partly in house and partly through external sources as required. A log is kept of all Trustees training and reviewed on a regular basis at Governing Body meetings.

● **Organisational structure**

The Trustees determine the general policy of the Academy. The day to day running of the Academy is delegated to the Headteacher, supported by the senior leadership team. The Headteacher undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the senior leadership team. The day to day administration is undertaken within the policies and procedures approved by the Trustees which provide for only significant expenditure and major capital projects to be referred to the Trustees for prior approval.

The Headteacher oversees the recruitment of all educational staff, whilst under delegated authority the school business manager oversees the recruitment of administrative and non teaching support staff. The Headteacher is an ex officio Trustee, Principal Accounting Officer and attends all meetings. The School Business Manager attends all Finance & Business committee and any other Trustees meetings as appropriate. The Acting Assistant Headteacher is invited to Trustees meetings as appropriate.

The Governors, who are also the charity Trustees, are responsible for the overall management and control of the Academy and meet three to four times per year.

The work of reviewing and monitoring most of their policies is delegated to members of the:

- Finance & Business Committee
- Leadership & Learning
- Behaviour, Pastoral & Safeguarding
- Pay Committee

These meet at least once each term (with exception of the Pay Committee who meet at least annually in the Autumn term) and work under the Chairmanship of a Trustee appointed at the first committee meeting of each academic year. Terms of reference of these committees are agreed annually at this meeting. The clerk to the Trustees is responsible for co coordinating the work of the Trustees and their Committees, preparation of agenda and papers and review of matters arising. The School Business Manager is responsible for preparation of accounts.

All Trustees give of their time freely and no remuneration or expenses were paid in the year for their roles as Trustees.

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

The Pay Committee are responsible for setting the pay for the senior leadership team by using the Teacher's Performance Related Pay Policy formed by the outsourced HR company, Leicestershire Traded Services. National pay scales and school group sizes are used to determine pay along with benchmarking of local schools to ensure appropriate and competitive salaries are followed.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

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

The Headteacher is a member of a number of professional organisations which enable him to keep abreast of current educational matters and network with other schools to share expertise, knowledge and experience.

As part of its work the Academy is in partnership with:

- Brookvale Groby Learning Trust
- Loughborough Learning Alliance - This partnership forms the CPD Programme for Teaching and Support staff. The partnership ensures that the school remains at the forefront of educational thinking and innovation.
- Enrich - To develop and offer outside opportunities for all children in the area of sport, the arts and science.
- Elizabeth Woodville
- Martinshaw Primary School
- Mercenfeld Primary School
- Kirby Muxloe Primary School
- Newtown Linford Primary School
- Thornton Primary School
- Stanton Under Bardon
- Charnwood High School
- Stafford Lees Primary School

The school has a connected charity, HSA (Home School Association) which was established for the purpose of supporting the school in a manner as determined by its own independent board. These funds are under the control of this independent board, not the Academy. In line with the Academies Accounts Direction 2020 to 2021 (SORP 2019) some summary details of this charity's activities are included in note 29 to the financial statements

Objectives and activities

● **Objects and aims**

Lady Jane Grey Primary School's object is specifically restricted to the following; to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing an academy offering a broad and balanced curriculum.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

● **Objectives, strategies and activities**

The purpose of the Academy is to be a learning community where young people and adults share the search for knowledge, truth and pursuit of excellence. Our vision is to deliver outstanding learning to all pupils.

Our belief, as communicated to the pupils, is that we all should aim to be the best we can be because we:

- know unrecognised talent lies latent in all of us
- believe in you, not only as you are but also what you might become
- want you to be able to achieve even more than you hoped to achieve
- know that personal motivation is a critical factor in achieving success

Mission Statement

The Lady Jane Grey Academy seeks to offer an environment conducive to transformational learning experiences, enabling all pupils to develop as critical thinkers and effective contributors to 21st Century society. At Lady Jane Grey we aim...

- To seek excellence in all that we attempt, setting high standards, having high expectations in all we do and personalised targets to ensure that all of our children reach their potential.
- To offer a broad and balanced creative curriculum which is both relevant and well resourced, creatively delivering the requirements of our Academy curriculum and promoting appreciation of the arts through music, visual arts, literature, dance and drama.
- To promote outstanding learning through the positive ethos of the Academy and those who work within it.
- To provide a secure environment where both children and adults feel valued and respect others and their choices and beliefs.
- To support and extend children's learning opportunities, ensuring that everyone enjoys their experiences!
- To work with our local community to enrich and enhance the lives of all who come into contact with our Academy.
- To encourage independence whilst appreciating the needs of others.
- To actively seek to do the right thing and to be a good friend.

And to be the best we can be!

● **Public benefit**

Lady Jane Grey Primary School is a charitable trust which seeks to benefit the public through the pursuit of its stated aims.

The Trustees have complied with their duty to have due regard to the guidance of public benefit published by the Charity Commission.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report

Achievements and performance

● **Key performance indicators**

Lady Jane Grey Primary School's purpose is to provide high quality learning activities to pupils at the Academy and the wider community which we serve.

Our academic results showed that the school attained highly at the end of Key Stage 2 in previous years;

KS2 Progress:

- For the last 9 years Lady Jane Grey children have left KS2 significantly above the national expectations in both English and Maths.
- There are no results for 2020 and 2021 due to COVID 19

KS1 Attainment and Progress:

- Progress has been in line with national expectations for both literacy and numeracy.
- Key Stage 1 Phonics testing outcomes remain high in 2019/20 with 92% which is much higher than national average for the second year running.
- There are no results for 2020 due to COVID 19

FS Attainment and Progress:

- In general, children enter FS below or in line with age related expectations.
- In most cases they leave FS equal to or above age related expectations.
- Progress through FS is in line with national expectations.
- There are no results for 2020 due to COVID 19

The Academy firmly believes that educational standards have been maintained year on year for 10 years. The attainment at the end of Key Stage 2 has for some cohorts been significantly and for all cohorts consistently above the National Average for both literacy and numeracy.

● **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 they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Financial review

The Academy had a net increase in funds for the year ended 31 August 2021 of £491,108 including fixed assets movements but excluding pension reserve movements. As at 31 August 2021 the Academy held £31,073 of unrestricted reserves plus £189,738 of unspent (non fixed asset) restricted funds. The Academy therefore held combined unrestricted and non fixed asset restricted funds, being its available reserves of £220,811.

The Academy Trust had a pension deficit on their Local Government Pension Scheme of £957,000 at 31 August 2021 and a fixed asset reserve of £2,287,387 being the book value of past purchases £2,296,422 less £9,035 of Salix loans outstanding.

Despite the global pandemic, there are no significant factors going forward that are expected to impact on the normal continuing operation of the Academy, as core funding from both the Government and Local Authorities is currently expected to continue. The principal financial management policies adopted in the period are included in the Academy's internal financial policies and are typical for an Academy Trust of this size and type. There were no unusual significant events worthy of comment during the year other than the aforementioned pandemic.

The principal sources of funding for the academy are the General Annual Grant (GAG) and other DfE Group grants, such as Pupil Premium. This funding has been used to support the key educational objectives of the Academy Trust, subject to any remaining reserves.

The Academy's investment policy is only to hold cash reserves on deposit with major holding banks so as to minimise risk.

● **Reserves policy**

The Trustees have developed a reserves policy for the school which is reviewed at least annually. The academy needs to hold reserves to allow for contingencies such as unfunded building repairs, unexpected staffing costs and to allow for some uncertainty in future government funding. The Trustees have determined that the appropriate level of free reserves, which it considers to be unrestricted funds plus unspent General Annual Grant (GAG), should be approximately 5% of the annual budget, being approximately £45,000.

Actual free reserves plus unspent GAG as at 31 August 2021 were £203,489, being approximately £158,000 higher than the target level set by the Trustees. This excess will be used for the Salix repayments (energy saving investment loan) and to contribute towards the future in year deficits forecast for the next 3 financial years. The Academy also held other available restricted funds at the year end of £10,431 in relation to PE Sports Grant and £6,891 in relation to donations. Cash at bank at 31 August 2021 was £184,729 higher than total available reserves due principally to PAYE/NI and pension costs for August 2021 being paid over in September 2021, Universal Infant Free School Meals income received in advance of 2021/22 and Condition Improvement Fund income received in advance of the works taking place.

At 31 August 2021 the Academy's fixed asset reserve of £2,287,387 represented £2,296,422 of funds which could only be realised if the assets were sold, less £9,035 of Salix loans repayable.

The only reserve in deficit at the year end was the pension reserve (deficit of £957,000) which will be addressed via contribution rates decided on from time to time by the pension scheme actuaries. This deficit has arisen, as with many other schemes of this type, mainly due to increased life expectancies and reduced investment returns.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

● **Investment policy**

The Academy's investment policy is only to hold cash reserves on deposit with major holding banks so as to minimise risk. Available rates are reviewed from time to time and where returns are judged sufficient to more than offset the administrative cost of managing deposit funds, such accounts may be used.

● **Principal risks and uncertainties**

At 31 August 2021 the deficit on the Local Government Pension Scheme shown in the accounts was £957,000 (2020: £691,000). The Academy has mitigated its risk in relation to this pension scheme by taking out insurance against early retirement on the grounds of ill health. Changes in contributions rates as decided upon by the actuaries of the scheme are budgeted for as soon as they are known, when they are updated every three years.

Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of Academy closure, outstanding pension scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013. The Academy's cash flow and future annual pension costs will be affected by changes in contribution rates as informed by the actuary.

The Trustees are responsible for the overseeing of the risks faced by the Academy. Detailed considerations of risk are delegated to the senior leadership team of the Academy. Risks are identified, assessed and controls established throughout the period. A formal review of the Academy's risk management processes is undertaken on an annual basis. Risk is managed under the headings of:

- Strategic and Reputational Risks
- Operational Risks
- Compliance Risks
- Financial Risks

Through the risk management processes established for the Academy, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

On 5th January 2021 the Government instructed all schools in England to close. Following this directive we reopened on Monday 8th March 2021 to all pupils

COVID-19 has had an impact on the financial success of the school as wrap around care was suspended from 5th January until the 8th March, when we reopened with restricted numbers. COVID-19 continues to pose as a threat to the principal operation of the school on a daily basis and to the future financial stability of the school. However core funding has remained in place throughout the pandemic and is expected to continue despite any future lockdowns, therefore the Academy Trust is considered to have adequate resources to continue in operational existence for the foreseeable future.

Fundraising

Fundraising has been limited to small events held to raise funds for external charities, such as non uniform days. These funds are paid across in full to the nominated charities. Due to COVID 19 limited fundraising happened in the year and is expected to remain so in the forthcoming year.

Lady Jane Grey Home School Association (Charity number 1106580) are a voluntary organisation which exist to raise funds for Lady Jane Grey Primary School.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods

The Trustees intend to continue their current strategies of maintaining the Academy's position in a competitive market by providing outstanding education for all pupils. Achieving high standards of academic results is a constant aim whilst maintaining the breadth and depth of wider education to develop the whole person.

The Headteacher, curriculum manager and senior leadership team continue to review the curriculum to ensure that the educational qualifications remain appropriate for our pupils' development.

Our future plans are financed from income direct from the DfE, related to pupil numbers and other lump sum factors. Trustees will ensure funding is invested appropriately for the next generation of pupils as they have done in the past for current pupils.

Maintaining and, where necessary, developing the fabric of the facilities of the Academy are central to our strategy. Our plans are primarily focused on maintaining and developing the Academy site to maximise opportunities for all. We have a planned programme of maintenance and investment for the Academy site.

Each year we review our computer equipment and infrastructure to ensure our pupils and staff have the very best technology we can provide.

The Academy believes that all students and staff should benefit from outstanding health and wellbeing.

This will drive the fundraising activities with a focus on external funding to re-develop the library provision to all children attending the school.

Environmental issues are also a high priority and we continue to develop our buildings to ensure they are more energy efficient. Over Summer 2021 we have replaced all heating with cost a cost efficient energy saving system.

In terms of the well-being and safety of the staff and students we have also replaced our out-dated fire alarm system with a more effective one.

Both of the above projects were funded through the CIF bid process.

Funds held as custodian on behalf of others

No funds are held on behalf of others.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Auditors

The auditors, Magma Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 1 December 2021 and signed on its behalf by:



Adam Knight
Chair of Trustees

LADY JANE GREY PRIMARY SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

Governance

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

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

Trustee	Meetings attended	Out of a possible
Adam Knight, Chair	6	6
Michael FitzGerald, Head Teacher	6	6
Sarah Cadle, Vice Chair	6	6
Andrew Hurd	6	6
Lisa Jones	3	6
Bhulesh Kachra	6	6
Amanda Williams	6	6
Alejandro Armellini	6	6
Abbasali Kapasi	4	4
Eileen Brown	5	6

There has been two Trustee resignations during the year 3 vacancies remain open.

The Board's work was typical for a primary academy of its size and type, focusing on the improvement and maintenance of educational standards and on financial and general management. There were no unusual matters worthy of note dealt with by the Trustees during their work.

A review of the Board's performance in the year is detailed below. Challenges encountered have been of a routine nature concerning finances, staff management and educational standards. The quality of data flowing to the Board is considered acceptable by Trustees based on their experience, their own observations, enquiries and judgements.

Governance reviews:

The Governors annual review of 2020/21 will be undertaken during the Autumn Term 2021 once whole school data has been reviewed and performance management has been carried out.

The Board of Trustees intends to conduct another self evaluation review during the forthcoming year.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Finance and Business Committee is a sub committee of the main Governing Body. Its purpose is to ensure the school has strategic plans in place to deliver effective teaching and learning within the school budget.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Michael FitzGerald	6	6
Adam Knight	6	6
Andrew Hurd	6	6
Abbas Kapasi	2	3
Amanda Williams	6	6

Review of value for money

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

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

- maintaining outstanding educational outcomes year on year (as detailed below)
- taking an active role in collaborative working with other academies
- endeavouring to continually maintain and improve educational standards

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 in Lady Jane Grey Primary School for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

GOVERNANCE STATEMENT (CONTINUED)

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
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has decided to employ Leicestershire County Council as internal auditor.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the Academy Trust's financial systems. In particular, the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control accounts and bank reconciliations

On an annual basis, the internal auditor reports to the Board of Trustees through the Finance and Business committee on the operation of the systems of control and on the discharge of the ' financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The latest internal audit visit was in October 2021. No control issues were identified as a result of the internal auditor's review work.

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

LADY JANE GREY PRIMARY SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the on 1 December 2021 and signed on their behalf by:


Adam Knight
Chair of Trustees


Michael FitzGerald
Accounting Officer

LADY JANE GREY PRIMARY SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Lady Jane Grey Primary School I have considered my responsibility to notify the Academy Trust board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust 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 2020.

I confirm that I and the Academy Trust board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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



Michael FitzGerald
Accounting Officer
Date: 1 December 2021

LADY JANE GREY PRIMARY SCHOOL

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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 . 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 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of Trustees on 1 December 2021 and signed on its behalf by:



Adam Knight
Chair of Trustees

LADY JANE GREY PRIMARY SCHOOL

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LADY JANE GREY PRIMARY SCHOOL

Opinion

We have audited the financial statements of Lady Jane Grey Primary School (the 'academy trust') for the year ended 31 August 2021 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 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 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 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust 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

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

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

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

LADY JANE GREY PRIMARY SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LADY JANE GREY PRIMARY SCHOOL (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy Trust 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 Trust'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 Trust or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LADY JANE GREY PRIMARY SCHOOL (CONTINUED)

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.

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

Based on our understanding of the Academy Trust and the industry, we have identified that the principal risks of non-compliance with laws and regulations related to UK Tax and legislation and breaches of the Academy's funding agreement with the Secretary of State for Education, the Academies Financial Handbook, and we have considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the, Companies Act 2006 and the Charities SORP. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries, and management bias in accounting estimates. Audit procedures performed included:

- Enquiries with management for consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions made by management in their accounting estimates, in particular in relation to accruals provisions;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, journal entries crediting revenue, journal entries crediting cash and journal entries with specific defined descriptions.

There are inherent limitations in the audit procedures described above. The more removed non-compliance with laws and regulations is, from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by forgery or intentional misrepresentation, for example, or through collusion.

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

Use of our report

This report is made solely to the Academy Trust'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 Trust'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 Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

LADY JANE GREY PRIMARY SCHOOL

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LADY JANE GREY PRIMARY SCHOOL (CONTINUED)



Luke Turner ACA FCCA (Senior Statutory Auditor)

for and on behalf of

Magma Audit LLP

Chartered Accountants

Statutory Auditor

Unit 2, Charnwood Edge Business Park

Syston Road

Cossington

Leicester

LE7 4UZ

14/12/21

LADY JANE GREY PRIMARY SCHOOL

(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LADY JANE GREY PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 20 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lady Jane Grey Primary School during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Lady Jane Grey Primary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Lady Jane Grey Primary School's funding agreement with the Secretary of State for Education dated 1 October 2012 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw our conclusion includes:

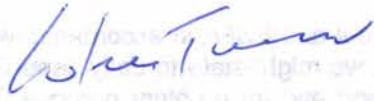
- On a sample basis testing transactions and balances.
- Making enquiries of the academy regarding systems and controls in place that are relevant to our regularity conclusion.
- On a sample basis reviewing records for evidence of those systems and controls in operation.

LADY JANE GREY PRIMARY SCHOOL
(A Company Limited by Guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
Magma Audit LLP
Unit 2, Charnwood Edge Business Park
Syston Road
Cossington
Leicester
LE7 4UZ

Date: 14/12/21

LADY JANE GREY PRIMARY SCHOOL
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	-	-	528,197	528,197	18,087
Charitable activities	4	-	979,061	-	979,061	961,534
Other trading activities	5	97,079	-	-	97,079	62,326
Investments	6	114	-	-	114	116
Total income		97,193	979,061	528,197	1,604,451	1,042,063
Expenditure on:						
Raising funds		91,046	-	-	91,046	61,467
Charitable activities		-	1,017,729	84,568	1,102,297	1,142,361
Total expenditure	7	91,046	1,017,729	84,568	1,193,343	1,203,828
Net income/ (expenditure)		6,147	(38,668)	443,629	411,108	(161,765)
Transfers between funds	17	-	(3,201)	3,201	-	-
Net movement in funds before other recognised gains/(losses)		6,147	(41,869)	446,830	411,108	(161,765)
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	25	-	(186,000)	-	(186,000)	13,000
Net movement in funds		6,147	(227,869)	446,830	225,108	(148,765)

LADY JANE GREY PRIMARY SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Note					
Reconciliation of funds:					
Total funds brought forward	24,926	(539,393)	1,840,557	1,326,090	1,474,855
Net movement in funds	6,147	(227,869)	446,830	225,108	(148,765)
Total funds carried forward	31,073	(767,262)	2,287,387	1,551,198	1,326,090
18					

The notes on pages 28 to 56 form part of these financial statements.

LADY JANE GREY PRIMARY SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08197353

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	2,296,422	1,856,054
		<u>2,296,422</u>	<u>1,856,054</u>
Current assets			
Debtors	14	180,760	19,394
Cash at bank and in hand		405,540	328,376
		<u>586,300</u>	<u>347,770</u>
Creditors: amounts falling due within one year	15	(370,653)	(177,669)
Net current assets		<u>215,647</u>	<u>170,101</u>
Total assets less current liabilities		<u>2,512,069</u>	<u>2,026,155</u>
Creditors: amounts falling due after more than one year	16	(3,871)	(9,065)
Net assets excluding pension liability		<u>2,508,198</u>	<u>2,017,090</u>
Defined benefit pension scheme liability	25	(957,000)	(691,000)
Total net assets		<u><u>1,551,198</u></u>	<u><u>1,326,090</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset fund	17	2,287,387	1,840,557
Restricted income fund	17	189,738	151,607
		<u>2,477,125</u>	<u>1,992,164</u>
Restricted funds excluding pension liability	17	2,477,125	1,992,164
Pension reserve	17	(957,000)	(691,000)
Total restricted funds	17	<u>1,520,125</u>	<u>1,301,164</u>
Unrestricted income funds	17	<u>31,073</u>	<u>24,926</u>
Total funds		<u><u>1,551,198</u></u>	<u><u>1,326,090</u></u>


The financial statements on pages 23 to 56 were approved by the Trustees, and authorised for issue on 01 December 2021 and are signed on their behalf, by:

LADY JANE GREY PRIMARY SCHOOL

(A Company Limited by Guarantee)

REGISTERED NUMBER: 08197353

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021



Adam Knight
Chair of Trustees

The notes on pages 28 to 56 form part of these financial statements.

LADY JANE GREY PRIMARY SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	19	80,249	109,966
Cash flows from investing activities	21	3,375	(406)
Cash flows from financing activities	20	(6,460)	(6,432)
Change in cash and cash equivalents in the year		77,164	103,128
Cash and cash equivalents at the beginning of the year		328,376	225,248
Cash and cash equivalents at the end of the year	22, 23	405,540	328,376

The notes on pages 28 to 56 form part of these financial statements

LADY JANE GREY PRIMARY SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Lady Jane Grey Primary School 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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Despite the global pandemic which was ongoing at the balance sheet date and subsequently, there are no material uncertainties over the Academy Trust's ability to continue as a going concern. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

LADY JANE GREY PRIMARY SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.3 Income

All incoming resources are recognised when the Academy Trust 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 Trust has provided the goods or services.

• **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received. The land and buildings are held on a 125 year lease with the Local Authority. The cost of the land and buildings was arrived at using the ESFA standard valuation on a depreciated replacement cost basis provided to the academy. This provided a value for the land and buildings as at the date of conversion.

• **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

- **Grants payable**

These are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; 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 Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

LADY JANE GREY PRIMARY SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

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.

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:

Leasehold buildings	- 2% straight line
Leasehold land (125 year lease)	- over 125 years
Furniture and equipment	- 15% straight line
Computer equipment	- 25% straight line

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

1.8 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.

1.9 Liabilities

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

LADY JANE GREY PRIMARY SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.10 Provisions

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement 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 notes 15 and 16. 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.

1.12 Operating leases

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.14 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

LADY JANE GREY PRIMARY SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

Defined benefit 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 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimate, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment, and note 1.7 for the useful economic lives for each class of assets.

3. Income from donations and capital grants

	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations	-	-	-	11,691
Capital grants	-	528,197	528,197	6,396
Total 2021	-	528,197	528,197	18,087
<i>Total 2020</i>	<i>6,891</i>	<i>11,196</i>	<i>18,087</i>	

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FOR THE YEAR ENDED 31 AUGUST 2021**

4. Funding for the Academy Trust's educational operations

	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	801,462	801,462	795,237
Other DfE/ESFA grants			
Pupil Premium	22,313	22,313	29,371
UIFSM	36,902	36,902	37,731
Teachers' pension grant	28,111	28,111	28,321
Others	31,879	31,879	31,926
	<u>920,667</u>	<u>920,667</u>	<u>922,586</u>
Other Government grants			
Local Authority grants	25,430	25,430	19,389
	<u>25,430</u>	<u>25,430</u>	<u>19,389</u>
Other income from the Academy Trust's educational operations	12,257	12,257	11,912
COVID-19 additional funding (DfE/ESFA)			
Catch-up premium	17,911	17,911	-
	<u>17,911</u>	<u>17,911</u>	<u>-</u>
COVID-19 additional funding (non-DfE/ESFA)			
Coronavirus Job Retention Scheme grant	2,796	2,796	7,647
	<u>2,796</u>	<u>2,796</u>	<u>7,647</u>
Total 2021	<u><u>979,061</u></u>	<u><u>979,061</u></u>	<u><u>961,534</u></u>
<i>Total 2020</i>	<u><u>961,534</u></u>	<u><u>961,534</u></u>	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

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5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Breakfast & After School Club income	47,175	47,175	58,186
Lettings income	-	-	200
Other income	6,350	6,350	3,940
Consultancy income	43,554	43,554	-
	<u>97,079</u>	<u>97,079</u>	<u>62,326</u>

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	114	114	116
	<u>114</u>	<u>114</u>	<u>116</u>

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Expenditure on raising funds:					
Allocated support costs	88,689	1,335	1,022	91,046	61,467
Educational operations:					
Direct costs	702,227	63,426	59,813	825,466	851,860
Allocated support costs	111,875	70,635	94,321	276,831	290,501
	<u>902,791</u>	<u>135,396</u>	<u>155,156</u>	<u>1,193,343</u>	<u>1,203,828</u>
<i>Total 2020</i>	<u>936,105</u>	<u>146,045</u>	<u>121,678</u>	<u>1,203,828</u>	

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8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational operations	825,466	276,831	1,102,297	1,142,361
<i>Total 2020</i>	<i>851,860</i>	<i>290,501</i>	<i>1,142,361</i>	

Analysis of direct costs

	Total funds 2021 £	Total funds 2020 £
LGPS pension interest cost (£28,000) less return on assets (£16,000)	12,000	13,000
Staff costs	702,227	730,747
Educational supplies	44,214	35,270
Staff development	2,960	8,192
Other direct costs	639	-
Depreciation	63,426	64,651
	825,466	851,860

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	111,875	154,134
Maintenance of premises and equipment	17,243	24,503
Cleaning	5,143	3,489
Rates	4,322	7,406
Insurance	9,892	11,173
Depreciation	21,142	21,550
Catering	25,841	17,448
Other support costs	50,123	22,747
Technology costs	8,188	6,679
Energy costs	14,887	13,272
Governance	8,175	8,100
	276,831	290,501

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	7,002	8,286
Depreciation of tangible fixed assets	84,568	86,201
Fees paid to auditors for:		
- audit	6,850	6,650
- other services	1,000	970

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10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	645,503	668,671
Social security costs	45,528	50,048
Pension costs	211,101	217,386
	<u>902,132</u>	<u>936,105</u>
Agency staff costs	659	-
	<u>902,791</u>	<u>936,105</u>

b. Staff numbers

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

	2021 No.	2020 No.
Teachers	12	10
Administration and support	28	25
Management	1	1
	<u>41</u>	<u>36</u>

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10. Staff (continued)

c. Higher paid staff

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

	2021 No.	2020 No.
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	-	1
	<u>1</u>	<u>1</u>

d. Key management personnel

The key management personnel of the Academy Trust 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 Trust was £369,388 (2020 - £293,230).

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. 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:

M FitzGerald (Headteacher and Trustee)

Remuneration £75,000 - £80,000 (2020: £80,000 - £85,000)

Employer's pension contributions £20,000 - £25,000 (2020: £10,000 - £15,000)

G Okuniewski - appointed 2 October 2020

Remuneration £40,000 - £45,000

Employer's pension contributions £10,000 - £15,000

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

12. Trustees' and Officers' insurance

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

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13. Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2020	2,039,519	291,077	59,519	2,390,115
Additions	521,823	-	3,113	524,936
At 31 August 2021	<u>2,561,342</u>	<u>291,077</u>	<u>62,632</u>	<u>2,915,051</u>
Depreciation				
At 1 September 2020	284,992	198,461	50,608	534,061
Charge for the year	39,290	40,241	5,037	84,568
At 31 August 2021	<u>324,282</u>	<u>238,702</u>	<u>55,645</u>	<u>618,629</u>
Net book value				
At 31 August 2021	<u>2,237,060</u>	<u>52,375</u>	<u>6,987</u>	<u>2,296,422</u>
At 31 August 2020	<u>1,754,527</u>	<u>92,616</u>	<u>8,911</u>	<u>1,856,054</u>

See note 1.3 regarding assets transferred on conversion.

14. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	12,497	400
VAT recoverable	51,504	6,127
Prepayments and accrued income	116,759	12,867
	<u>180,760</u>	<u>19,394</u>

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15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Other loans	5,166	6,432
Trade creditors	45,546	12,292
Other taxation and social security	12,177	11,806
Other creditors	10,301	10,035
Accruals and deferred income	297,463	137,104
	370,653	177,669
	2021 £	2020 £
Deferred income at 1 September 2020	122,480	22,129
Resources deferred during the year	23,932	122,480
Amounts released from previous periods	(122,480)	(22,129)
	23,932	122,480

The closing balance of deferred income relates mainly to Universal Infant Free School Meals received in advance of the 2021/22 academic year.

16. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Other loans	3,871	9,065
	3,871	9,065

Other loans consists of Salix loans for energy saving capital works as approved by the Education and Skills Funding Agency. The loans are interest free and repayable over a period of 7 years.

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17. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General funds	24,926	97,193	(91,046)	-	-	31,073
Restricted general funds						
General Annual Grant (GAG)	140,033	801,462	(765,878)	(3,201)	-	172,416
Pupil Premium	-	22,313	(22,313)	-	-	-
UIFSM	-	36,902	(36,902)	-	-	-
Teachers' Pension grant	-	28,111	(28,111)	-	-	-
Other DfE Group grants	4,683	31,879	(36,562)	-	-	-
Other government grants	-	25,430	(25,430)	-	-	-
Other funding	-	12,257	(12,257)	-	-	-
COVID-19 catch-up premium	-	17,911	(7,480)	-	-	10,431
Coronavirus Job Retention Scheme grant	-	2,796	(2,796)	-	-	-
Donations	6,891	-	-	-	-	6,891
Pension reserve	(691,000)	-	(80,000)	-	(186,000)	(957,000)
	(539,393)	979,061	(1,017,729)	(3,201)	(186,000)	(767,262)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
DfE Group capital grants	355,986	6,374	(47,587)	-	-	314,773
Transfer from Local Authority	1,471,978	-	(33,148)	-	-	1,438,830
Donations	4,080	-	(720)	-	-	3,360
Capital expenditure from GAG	8,513	-	(3,113)	3,201	-	8,601
CIF income	-	521,823	-	-	-	521,823
	<u>1,840,557</u>	<u>528,197</u>	<u>(84,568)</u>	<u>3,201</u>	<u>-</u>	<u>2,287,387</u>
Total Restricted funds	<u>1,301,164</u>	<u>1,507,258</u>	<u>(1,102,297)</u>	<u>-</u>	<u>(186,000)</u>	<u>1,520,125</u>
Total funds	<u><u>1,326,090</u></u>	<u><u>1,604,451</u></u>	<u><u>(1,193,343)</u></u>	<u><u>-</u></u>	<u><u>(186,000)</u></u>	<u><u>1,551,198</u></u>

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

Restricted general funds

The General Annual Grant (GAG) relates to the school's development and operational activities.

Pupil Premium relates to additional funding received to raise the attainment of disadvantaged pupils of all abilities and to close the gaps between them and their peers. The funds have been fully spent in the year.

Universal Infant Free School Meals (UIFSM) is funding provided so that the Academy Trust and deliver the requirement to offer free school meals to reception, year 1 and year 2 pupils. All funds were fully spent during the year.

The Teachers' pension supports schools and local authorities with the cost of the increase in the employer contributions in the Teachers' pension scheme.

The other DfE/ESFA restricted funds consists of rates funding and PE Sport Grant. All funds were fully spent during the year.

Other government grants consist of High Level Needs funding which has been fully spent within the year.

Other funding consists of catering income associated with the statutory obligation within the Academy's funding agreement. All funds have been fully spent within the year.

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

Donations relate to amounts received in previous years from the Co-op Community Fund and a parental donation. Both amounts are unspent at the year end.

The pension reserve relates to the school's share of the deficit of the Leicestershire County Council's Local Government Pension Scheme.

Restricted fixed asset funds

DfE Group capital grants relate to funding received from these sources to purchase fixed assets. The closing balance relates to the net book value of the assets concerned.

The transfer from Local Authority relates to the value of £1,748,929 (leasehold land and buildings plus moveable assets) transferred from the Local Authority to the Academy on conversion. The closing balance relates to the net book value of the assets concerned.

Donations relate to amounts received from the Home School Association towards the purchase of a PA system and playground markings. The closing balance relates to the net book value of the assets concerned.

Capital expenditure from GAG relates to capitalised expenditure allocated to the GAG within this grant's terms. The difference between the net book value of assets concerned and the funds carried forward is the amounts outstanding in respect of the Salix loans at the year end.

The Condition Improvement Fund (CIF) relates to funding received towards a heating, hot ware and ventilation upgrade and also a fire safety project. The closing balance relates to the net book value of the assets concerned.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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17. Statement of funds (continued)

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds						
General funds	23,951	70,089	(69,114)	-	-	24,926
Restricted general funds						
General Annual Grant (GAG)	158,049	795,237	(808,546)	(4,707)	-	140,033
Pupil Premium	-	29,371	(29,371)	-	-	-
UIFSM	-	37,731	(37,731)	-	-	-
Teachers' Pension grant	-	28,321	(28,321)	-	-	-
Other DfE Group grants	-	31,926	(27,243)	-	-	4,683
Other government grants	-	19,389	(19,389)	-	-	-
Other funding	-	11,912	(11,912)	-	-	-
Coronavirus Job Retention Scheme grant	-	7,647	(7,647)	-	-	-
Donations	-	6,891	-	-	-	6,891
Pension reserve	(618,000)	-	(86,000)	-	13,000	(691,000)
	<u>(459,951)</u>	<u>968,425</u>	<u>(1,056,160)</u>	<u>(4,707)</u>	<u>13,000</u>	<u>(539,393)</u>

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17. Statement of funds (continued)

	<i>Balance at 1 September 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2020</i>
	£	£	£	£	£	£
Restricted fixed asset funds						
DfE Group capital grants	394,501	6,396	(44,911)	-	-	355,986
Transfer from Local Authority	1,505,126	-	(33,148)	-	-	1,471,978
Donations	-	4,800	(720)	-	-	4,080
Capital expenditure from GAG	11,228	-	(7,422)	4,707	-	8,513
	<u>1,910,855</u>	<u>11,196</u>	<u>(86,201)</u>	<u>4,707</u>	<u>-</u>	<u>1,840,557</u>
Total Restricted funds	<u>1,450,904</u>	<u>979,621</u>	<u>(1,142,361)</u>	<u>-</u>	<u>13,000</u>	<u>1,301,164</u>
Total funds	<u><u>1,474,855</u></u>	<u><u>1,049,710</u></u>	<u><u>(1,211,475)</u></u>	<u><u>-</u></u>	<u><u>13,000</u></u>	<u><u>1,326,090</u></u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021	Restricted funds 2021	Restricted fixed asset funds 2021	Total funds 2021
	£	£	£	£
Tangible fixed assets	-	-	2,296,422	2,296,422
Current assets	31,073	555,227	-	586,300
Creditors due within one year	-	(365,489)	(5,164)	(370,653)
Creditors due in more than one year	-	-	(3,871)	(3,871)
Pension scheme liability	-	(957,000)	-	(957,000)
Total	<u><u>31,073</u></u>	<u><u>(767,262)</u></u>	<u><u>2,287,387</u></u>	<u><u>1,551,198</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	1,856,054	1,856,054
Current assets	24,926	322,844	-	347,770
Creditors due within one year	-	(171,237)	(6,432)	(177,669)
Creditors due in more than one year	-	-	(9,065)	(9,065)
Pension scheme liability	-	(691,000)	-	(691,000)
Total	<u>24,926</u>	<u>(539,393)</u>	<u>1,840,557</u>	<u>1,326,090</u>

19. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<u>411,108</u>	<u>(161,765)</u>
Adjustments for:		
Depreciation	84,568	86,201
Capital grants from DfE and other capital income	(528,197)	(11,196)
Interest receivable	(114)	(116)
Defined benefit pension scheme past service cost	-	2,000
Defined benefit pension scheme cost less contributions payable	68,000	71,000
Defined benefit pension scheme finance cost	12,000	13,000
(Increase)/Decrease in stocks	-	1,600
(Increase)/Decrease in debtors	(161,366)	3,613
Increase/(Decrease) in creditors	194,250	105,629
Net cash provided by operating activities	<u>80,249</u>	<u>109,966</u>

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20. Cash flows from financing activities

	2021	2020
	£	£
Repayments of borrowing	(6,460)	(6,432)
Net cash used in financing activities	(6,460)	(6,432)

21. Cash flows from investing activities

	2021	2020
	£	£
Dividends, interest and rents from investments	114	116
Purchase of tangible fixed assets	(524,936)	(11,718)
Capital grants from DfE and other capital income	528,197	11,196
Net cash provided by/(used in) investing activities	3,375	(406)

22. Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand and at bank	405,540	328,376
Total cash and cash equivalents	405,540	328,376

23. Analysis of changes in net debt

	At 1 September 2020	Cash flows	At 31 August 2021
	£	£	£
Cash at bank and in hand	328,376	77,164	405,540
Debt due within 1 year	(6,432)	1,266	(5,166)
Debt due after 1 year	(9,065)	5,194	(3,871)
	312,879	83,624	396,503

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24. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	<u>33,311</u>	<u>684,860</u>

25. Pension commitments

The Academy Trust'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 Leicestershire 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 £10,301 were payable to the schemes at 31 August 2021 (2020 - £9,746) 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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NOTES TO THE FINANCIAL STATEMENTS
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25. 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 £86,611 (2020 - £88,757).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

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 2021 was £71,000 (2020 - £77,000), of which employer's contributions totalled £56,000 (2020 - £61,000) and employees' contributions totalled £ 15,000 (2020 - £16,000). The agreed contribution rates for future years are 21 - 22 per cent for employers and 5 - 12.5 per cent for employees.

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

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25. Pension commitments (continued)

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.4	2.7
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.7	1.7
Inflation assumption (CPI)	2.9	2.2
Commutation of pensions to lump sums	50	50

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	21.7	21.5
Females	24.2	23.8
<i>Retiring in 20 years</i>		
Males	22.6	22.2
Females	25.9	25.2

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate -0.1%	57	44
Salary increase rate +0.1%	4	4
Pension increase rate +0.1%	52	40

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25. Pension commitments (continued)

Share of scheme assets

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

	2021 £	2020 £
Equities	687,000	539,000
Corporate bonds	343,000	265,000
Property	83,000	73,000
Cash and other liquid assets	71,000	37,000
Total market value of assets	1,184,000	914,000

The actual return on scheme assets was £208,000 (2020 - £(26,000)).

Expected returns on assets are calculated as follows:

The figures shown in the standard FRS 102 report for fund employers are based on the actuary's recommended return assumptions which are derived from the Hymans Robertson Asset Model (HRAM), the proprietary stochastic asset model developed and maintained by Hymans Robertson LLP.

Asset model

The HRAM type of model is known as an economic scenario generator and uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variables. Some of the parameters of the model are dependent on the current state of financial markets and are updated each month (for example, the current level of equity market volatility) while other more subjective parameters do not change with different calibrations of the model.

Key subjective assumptions are:

- the average excess equity return over the risk free asset (tending to approximately 3% p.a. as the investment horizon is increased)
- the volatility of equity returns (approximately 18% p.a. over the long term) and the level and volatility of yields, credit spreads, inflation and expected (breakeven) inflation, which affect the projected value placed on the liabilities and bond returns.
- the output of the model is also affected by other more subtle effects, such as the correlations between economic and financial variables.

The only exception to the use of HRAM is in deriving the expected return on bond assets: instead of the HRAM output, the actuary has used the yields applicable at the accounting date on suitable bond indices.

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 September 2020 for the year to 31 August 2021, or date of joining the fund if later).

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25. Pension commitments (continued)

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

	2021 £	2020 £
Current service cost	(124,000)	(132,000)
Past service cost	-	(2,000)
Interest income	16,000	17,000
Interest cost	(28,000)	(30,000)
Total amount recognised in the Statement of Financial Activities	(136,000)	(147,000)

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

	2021 £	2020 £
At 1 September	1,605,000	1,490,000
Current service cost	124,000	132,000
Interest cost	28,000	30,000
Employee contributions	15,000	16,000
Actuarial losses/(gains)	378,000	(56,000)
Benefits paid	(9,000)	(9,000)
Past service costs	-	2,000
At 31 August	2,141,000	1,605,000

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

	2021 £	2020 £
At 1 September	914,000	872,000
Interest income	16,000	17,000
Actuarial gains/(losses)	192,000	(43,000)
Employer contributions	56,000	61,000
Employee contributions	15,000	16,000
Benefits paid	(9,000)	(9,000)
At 31 August	1,184,000	914,000

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26. Operating lease commitments

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	8,780	6,485
Later than 1 year and not later than 5 years	4,187	2,583
	<u>12,967</u>	<u>9,068</u>

27. 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.

28. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the financial period:

Expenditure Related Party Transaction

R Heaney, son-in-law of M FitzGerald, Headteacher and Trustee, is employed by the Academy Trust as an Acting Assistant Head. R Heaney's appointment was made in open competition and M FitzGerald was not involved in the decision making process regarding appointment. R Heaney is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a Trustee.

N Helgeson, sister-in-law of A Knight, Chair of Trustees, is employed by the Academy Trust as a teaching assistant and cleaner. N Helgeson's appointment was made in open competition and A Knight was not involved in the decision making process regarding appointment. N Helgeson is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a Trustee.

No other related party transactions took place in either the current or prior year, other than certain Trustees' remuneration already disclosed in note 11.

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29. Connected charities

The Lady Jane Grey Home School Association charity raises money for the school and then, in line with its own board decisions, donates funds for particular projects or assets for the benefit of the academy. The net assets of the charity as at 31 August 2021 were £8,658 (2020 - £8,790). The charity's annual gross income was £NIL (2020 - £1,534), its expenditure was £130 (2020 - £5,246) and its deficit for the year was £130 (2020 - £3,712).