

Registration number: 08235194

Queniborough Church of England Primary School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Fortus Audit LLP
Chartered Accountants and Registered Auditor
Hamilton Office Park
31 High View Close
Leicester
LE4 9LJ

Queniborough Church of England Primary School

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Queniborough Church of England Primary School

Reference and Administrative Details

Members	StJohn Russell Jacob Shell Carolyn Lewis, The Diocese of Leicester Education Trust Anthony Pick
Governors and Trustees (Directors)	StJohn Russell (Chair of Governors) Elizabeth Hallam, Headteacher Rita Loughton, Chair of Finance and Audit Committee Gareth James (resigned 1 July 2021) Helen Frances Nisha Pancholi (resigned 26 November 2020) Vanessa Dixon Grant Mills Daniel Wale Sarah Jordan (resigned 7 October 2021) Rachel Lovett Brenda Hackett (appointed 1 October 2020) Viraj Patel (appointed 25 November 2021)
Company Secretary	Vanessa Yardley
Senior Management Team	Elizabeth Hallam, Headteacher Helen Frances, Deputy Headteacher Vanessa Yardley, Director of finance and administration
Company Registration Number	08235194
Auditors	Fortus Audit LLP Chartered Accountants and Registered Auditor Hamilton Office Park 31 High View Close Leicester LE4 9LJ
Bankers	Lloyds Bank plc High Street Leicester LE1 9FS
Solicitors	Legal Services, Leicestershire County Council County Hall Glenfield Leicestershire LE3 8RA

Queniborough Church of England Primary School

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 year ended 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 Queniborough. It has a pupil capacity of 210 and had a roll of 209 in the school census Summer 2021.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 08235194.

The governors act as the trustees for the charitable activities of Queniborough Church of England Primary School and are also the directors of the charitable company for the purposes of company law.

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 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.

Trustees' indemnities

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

Method of recruitment and appointment or election of Trustees

The number of Governors shall be not less than 3 or more than 17 except for appointments of Additional Governors made by the Secretary of State.

Recruitment of Governors is outlined in the Memorandum of Articles. The appointment of staff Governors is via a process of a staff ballot. Appointment of Parent Governors is made via parent ballot.

The Article of Association states the Academy Trust shall have the following Governors:

- up to 1 LA Governor if appointed under Article 51;
- up to 6 Parent Governors appointed under Articles 53-58;
- 2 Staff Governors appointed under Article 58A;
- up to 4 Foundation Governors appointed under Article 58B;
- the Principal or Headteacher;
- any Additional Governors, if appointed under Article 62, 62A or 68A; and
- any Further Governors, if appointed under Article 63 or Article 68A.
- The Academy Trust may also have any Co-opted Governor(s) appointed under Article 59.

Queniborough Church of England Primary School

Trustees' Report for the Year Ended 31 August 2021 (continued)

Policies and procedures adopted for the induction and training of Trustees

Governor induction training alongside a menu of extensive specialised training is available through the local network of schools to support all new Governors. The Academy buys into the LA Governor Development Service who across the Governing Body offers further Governor training. A skills matrix is being developed to identify areas of strength and weakness.

Organisational structure

Under the Education and Skills Funding Agency (ESFA) "Scheme for Financing Schools", the Governing Body is responsible for the control of expenditure and income in accordance with the delegation of budgets and assisting the ESFA in the discharge of its statutory duties. The Governing Body has in turn delegated the governors' financial responsibilities to the Finance & Audit Committee. The Headteacher - the accounting officer; shall be responsible for implementing agreed policies and maintaining day to day control of the school finances and accounts. The School Business Manager shall assist the Headteacher in the discharge of financial responsibilities. However, the Governing Body will remain accountable when governors' financial responsibilities are delegated. The Headteacher and Business Manager are responsible for reporting to the Governing Body any material weakness or breakdowns in internal controls.

Arrangements for setting pay and remuneration of key management personnel

The performance progression of the Headteacher, will be considered by the Pay Sub Committee on the recommendation of the Chair of Governors with advice from the external advisor. Leadership posts must demonstrate sustained high quality of performance, with particular regard to leadership, management and pupil progress at the school and will be subject to a review of performance against objectives before any pay progression will be rewarded.

Senior staff members performance will be reviewed by the Headteacher against the schools pay policy they must demonstrate sustained high quality of performance, with particular regard to leadership, management and pupil progress at the school and will be subject to a review of performance against objectives before any pay progression will be rewarded.

Risk management

The system of internal control is designed to manage risk. A thorough Risk Management Assessment has been conducted using guidelines provided by the ESFA and has been assessed and approved via Personnel and Finance Committee along with the Statement of Internal Control. The assessment involved identifying the types of risk the Academy faces, prioritising them into operational and financial impacts, assessing the likelihood of the occurrence and the impact that the occurrence will have on the Academy, putting in place controls to mitigate such risks. Whilst reviewed via the Personnel and Finance Committee on an annual basis the Risk Register is a live document which will be reviewed regularly with Governors and Management.

Connected organisations, including related party relationships

The school works very closely with a local group of schools to provide the best outcomes for our children. Our school accesses CPD from various local teaching schools.

The school is proud of its Christian heritage and continues to build on relationships with the Church and community. The school continues to develop both local and international partnerships.

Friends of Queniborough School (FOQS) are the School's PTA. They raise funds for the school through planned events. The focus on fundraising during 2020-2021 was on helping to improve outdoor play facilities. Charity and fundraising is something our pupils love to be engaged in helping many good causes.

Queniborough Church of England Primary School

Trustees' Report for the Year Ended 31 August 2021 (continued)

Objectives and activities

Objects and aims

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement) and in having regard to the advice of the Diocesan Board of Education.

Our School aims to develop among all children:

- confidence, self-esteem and an awareness among pupils of their own feelings and the feelings of others
- physical health, mental health, wellbeing and quality of life
- skills, knowledge and personal qualities that will prepare them for adult life
- lively enquiring minds with the ability to question, hypothesise, argue rationally, make decisions and apply themselves to tasks, including physical activities
- high levels of attainment in English, Mathematics, Science and ICT
- the ability to use language, number, scientific and information communication technology skills effectively in a variety of contexts
- to encourage the morals and values of the Christian faith as expected of a Church of England school
- an understanding and respect for moral and religious values, for all individuals, for the world's many ethnic and religious groups and for people having any form of disability, including children with special educational needs
- knowledge and appreciation of the world and an understanding of the interdependence of individuals, groups and nations
- an appreciation of human achievements

These aims will be reflected in all we do in our teaching and dealings with pupils and parents.

Queniborough Church of England Primary School

Trustees' Report for the Year Ended 31 August 2021 (continued)

Area	Aim
Leadership and management (including Governance)	Leadership team review – roles and responsibilities The school website meets all statutory requirements All data protection duties are followed The governing body ensure that all statutory duties are met for the year Review and streamlining of governing body structure and programme of work for the year
Teaching & Learning	At least 95% of lessons judged to be good At least 30% of lessons judged to be outstanding High quality assessment to identify children who have fallen behind due to Covid-19 Quality first teaching of pupils to close the gaps in attainment Book scrutiny shows that pupils are responding to feedback and progress is at least good across the school as a result
Standards in Core Subjects	End of KS1 and KS2 (at least) above National averages in each of Reading, Writing and Maths (EXS+) (Summer 21) GDS percentages at least in line with national for writing and as close as possible in Reading and Maths (see cohort targets) Combined Reading, Writing and Maths is at least 68.9% (KS2) and 75% (KS1)
Standards in other subjects	At least 82% of pupils working at the expected standard in most year groups in Science
Standards in EYFS	Expected and above is greater than National averages in Reading, Writing and Maths (Number, SSM) and/or... At least 20% more pupils achieve expected level of development in Reading, Writing and Maths at the end of the year than at the start At least 72% GLD in EYFS (Summer 21)
Progress of different groups of learners	All groups of learners make at least expected progress on average in each year group (Boys, Girls, SEN, EAL, PPG) At least 6% more pupils than the previous year are EXS in each year group in each subject At least 68% of Summer born children in Reception achieve a GLD Summer born children in Year 2 and Year 6 perform in line with all pupils in Reading, Writing and Maths
Behaviour Attitudes	Zero permanent exclusions (<i>of children who have been at the school for more than 2 years</i>) No more than 8 days in total of fixed term exclusions (<i>not including children who joined the school in the last year</i>) Behaviour for learning judged to be at least good in 95% of lessons
attendance	The attendance figures for the school continue to be above the national average and there are no exclusions Average attendance of PPG pupils at least 95.5%
Inclusion	Average attendance of PPG pupils at least 95% The gap between pupil premium pupils and non-pupil premium (national) is no greater than 8% At least 66% of PPG pupils achieve combined in KS2
Safeguarding	Annual Safeguarding Audit identifies that the school meets <u>all statutory duties</u>
Health	At least 65% of children in KS2 take part in an inter-school sports activity Target group of inactive pupils take part in specific regular planned physical activities on a weekly basis At least 2 hours per week of PE lessons for all children Sports leaders running play activities on a daily basis (well-being) Children are happy at school (99% state that they enjoy school – fewer than 1% of pupils say they have been bullied)
Parents and the wider curriculum	At least 94% of parents have downloaded the Weduc app All parents have signed and returned consent forms (including data consent) At least 5 regular (weekly) parent volunteers FOQS organise at least 6 events during the year School organises at least 1 event for local senior citizens The school takes part in regular visits to St Mary's Church Zero formal complaints from parents
Staff CPD	Each member of staff has a programme of CPD for the year through performance management Every member of staff can identify at least 2 CPD activities they have undertaken during the year
Buildings	All classrooms are safe, bright, nurturing environments which stimulate learning Office/storage/staff workspaces are organised efficiently and effectively The exterior of the school supports learning
Grounds	Gardens developed and maintained

Queniborough Church of England Primary School

Trustees' Report for the Year Ended 31 August 2021 (continued)

Area	Aim
Personnel	staff who are eager to exchange ideas and expertise and work together as teams effective management structure high quality development programme for all staff
Marketing	high profile within the community an effective and informative website a range of partners (in education, business, etc) supporting and being involved in the school
Curriculum	the curriculum interprets statutory requirements in stimulating, as well as structured, ways, providing for high achievement, particularly in the core subjects, and offering pupils a wealth of additional opportunities the curriculum is creatively delivered through linking subjects IT is used widely across the curriculum resources are used from within and outside the school very effectively to enrich the curriculum high priority is given to developing pupils' abilities in the basic skills across subjects pupils personal development is promoted through opportunities for pupils to take significant responsibility and initiative pupils understand what is right and wrong, and show a high degree of respect for the difference between people, and their values and backgrounds the curriculum draws positively on pupils' own cultural, religious and family backgrounds
Governors. Leaders and Managers	leaders of the school share a common purpose, and put pupils and their achievements first they build co-operative and co-ordinated teams, and use assessment evidence well to set high goals for pupils, and challenging targets for the school and for individual staff staff in the school reflect critically on what they can do to improve learning and develop more effective ways of working the work of the school is fully monitored, particularly the quality of teaching and its impact, and the behaviour of pupils staff's strengths are used effectively and developed through CPD to enable all to be managers to lead and monitor their subjects well governors monitor performance and have a good understanding of the strengths and weaknesses of the school and the challenges it faces, and set the right priorities for development and improvement governors fulfil their statutory duties well in providing a sense of direction for the school, and understand and apply best value principles Schools Financial Standard is maintained Academies Agenda is continuously under review
Resources	school is well resourced in all areas school makes best use of all available resources best value is sought at all opportunities resources are used imaginatively to inspire pupils

Public benefit

The academy trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

In setting objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

Queniborough Church of England Primary School

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Achievements and performance

Due to Covid 19 – the academy does not have any results for 2020- 2021

Attainment at Queniborough CE Primary School is good.

In October 2018 the school was rated as ‘good’ by OFSTED. The overall quality of teaching is good with some outstanding elements. Pupils are motivated to learn and a large majority of pupils make good progress across the school. Pupil behaviour is very good. There is a strong sense of pride in the school and this contributes well to the caring and supportive ethos of the school. During 2020-21 attendance was above the national average at 96.16%. The school continuously focuses on raising the school performance and educational outcomes for all its pupils. The school attracts several children with disabilities and families with quite complex social issues.

Key non-financial performance indicators

- Attendance for 2020/21 was around the national average at 96.16%
- The school had an Ofsted inspection in November 2018 and continues to be a judged a ‘Good’ school.
- At the last SIAMS (Diocesan) inspection the school was judged to be outstanding

Going concern

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

Financial review

The financial performance is currently considered to be adequate, the reduction of the minimum funding guarantee may affect this going forward and strategies will be put in place to ensure this does not affect the financial performance of the Academy. The Academy is continuing to increase the number of participants which in turn will continue to help improve the financial position of the Academy. The School Development Plan outlines future aims and objectives indicate how and where resources will be spent or targeted in future years. The Academy continues to ensure children’s learning is at the forefront.

Reserves policy

Queniborough Church of England Primary School maintains reserve funds which are made up from:

- o The accumulated surplus in the official fund
- o Money derived from sources other than budget, including fundraising and donations

The AT maintains reserves to cover unexpected expenditure requirements or an unexpected fall in school numbers.

It is the policy of the Governing Body to maintain an annual budget that is balanced and sustainable, and to reserve funds to support future years’ budgets where necessary.

The Finance & Personnel Committee maintains oversight of the school reserves through the budget setting process and financial monitoring.

The Academy currently has a reserve of £28,866 (2020 - £38,138).

Any surplus at the end of the year will be carried over to the following year. The Governing Body must inform the ESFA immediately if a deficit is anticipated in the current year.

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Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Investment policy

The Governing Body shall authorise all investment of money under its control. Investment of Building Society and Bank Deposit Accounts shall be in the name of the school. This is an item agenda at each Finance & Audit meeting.

Principal risks and uncertainties

The academy has faced financial risk due to the on-going Covid 19 pandemic. This was mainly due to staff absences for clinically extremely vulnerable staff. Our insurers did not cover this and we had to continue to pay the staff. We also had to pay relief staff as one was our Site Manager who we needed, as we kept the school open to pupils. We have also had a number of staff suffering from mental health issues both related to covid 19 or other issues.

The academy also lost income from lettings and afterschool clubs due to Covid 19 causing additional financial risks.

Internal Controls – Risk Management

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risks. A thorough Risk Management Assessment has been conducted using guidelines provided by the EFA and has been assessed and approved via Personnel and Finance Committee along with the Statement of Internal Control. The assessment involved identifying the types of risk the Academy faces, prioritising them into operational and financial impacts, assessing the likelihood of the occurrence and the impact that the occurrence will have on the Academy, putting in place controls to mitigate such risks. Whilst reviewed on an annual basis the Risk Register is a live document which will be reviewed regularly with Governors and Management.

Capacity to handle Risk

The Academy Trust Board reviews the risks to which the academy is exposed, together with the controls implemented to mitigate those risks. The academy provides training for Trustees through Leicestershire County Council Governor Development Service.

Risk and Control

The Academy maintains and operates a system of internal control to safeguard all the resources delegated, granted or otherwise entrusted and ensures they are used cost effectively. The systems of internal control have been developed and coordinated by the Business Manager and Headteacher (Accounting Officer). The aim is to provide as much assurance as is reasonably possible (not absolute assurance) that assets are safeguarded, transactions are properly authorised and recorded and that any errors or regularities are either prevented or can be detected promptly.

Review of Effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During Year ended 31 August 2021 the review has been informed by:

- The Finance and Audit Committee
- The Internal Auditor
- The External Auditor

The Accounting Officer has been advised of any implication of the result of their review of the system of internal control by the both the Internal Auditor and EFA Auditor. Action plans are in place to address weakness and ensure continuous improvement of the systems in place.

Queniborough Church of England Primary School

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Fundraising

Queniborough Church of England Primary School works with Friends of Queniborough School when raising funds for the school. Occasionally the school organises fundraising initiatives for recognised charities ie Race for Life, Children in Need etc.

The school does not do any work with any commercial participators and/or professional fundraisers.

All fundraising that the school is involved with conforms to recognised standards.

Any fundraising complaints will be dealt with by our complaints policy

All fundraising activities are within the school community and the school ensures that this does not involve unreasonably intrusive or persistent fundraising approaches and undue pressure to donate.

Plans for future periods

The School Improvement plan for 2021-2022 has four priorities

Priority 1

Pupil Outcomes - Improving outcomes at the end of Reception. Maintaining outcomes at KS1 and KS2 (especially greater depth)

Priority 2

Teaching and Learning –Improving the progress and attainment of children in Writing across Key stages 1 and 2- Ensuring that as many children as possible meet or exceed ARE at the end of the year as possible.

Priority 3

Teaching and Learning –Improving the progress and attainment of children in Reading (phonics) across EYFS and Key stage 1: To ensure that there are phonics resources, teacher resources and an adequate supply of decodable reading books for the teaching of Early Reading. Establish robust procedures for teaching phonics ensuring consistency.

Priority 4

Curriculum: To ensure that there are robust planning documents, schemes of work and assessment resources for teachers to use across all subjects. To ensure whole school approaches are implemented in each curriculum area.

Funds held as Custodian Trustee on behalf of others

The Academy does not hold funds for any other organisations.

Auditor

Insofar as the Trustees are aware:

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

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Fortus Audit LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Queniborough Church of England Primary School

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Governing Body on 25 November 2021 and signed on its behalf by:

.....
StJohn Russell (Chair of Governors)
Governor and trustee

Queniborough Church of England Primary School

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Queniborough Church of England 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.

The Governing Body has delegated the day-to-day responsibility to Elizabeth Hallam, 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 Queniborough Church of England Primary School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body 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 Governing Body has formally met 6 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
StJohn Russell	6	6
Rita Laughton, Chair of Finance and Audit Committee	1	1
Vanessa Dixon	6	6
Grant Mills	6	6
Gareth James (resigned 1 July 2021)	5	5
Rachel Lovett	3	6
Daniel Wale	5	6
Nisha Pancholi (resigned 26 November 2020)	0	1
Helen Frances	6	6
Sarah Jordan (resigned 7 October 2021)	1	6
Elizabeth Hallam, Headteacher	6	6
Brenda Hackett (appointed 1 October 2020)	6	6

Governance reviews

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During Year ended 31 August 2021 the review has been informed by:

- The Finance and Audit Committee
- The Internal Auditor
- The Education Funding Agency Auditor
- The External Auditor

The Accounting Officer has been advised of any implication of the result of their review of the system of internal control by the Internal Auditor. Action plans are in place to address weakness and ensure continuous improvement of the systems in place.

Queniborough Church of England Primary School

Governance Statement (continued)

The Finance & Audit committee is a sub-committee of the main board of Trustees. Its purpose is to:

- Provide guidance and assistance to the Head and governing body in all matters relating to budget and finance within an agreed framework;
- To determine and review financial systems and procedures, in line with prevailing regulations;
- To consider the budgetary implications of the annual School Development Plan;
- To oversee arrangements for obtaining quotations and inviting tenders in line with regulations;
- To ensure annual audits are carried out and results reported to Full Board;
- To review policy documents relating to Financial Regulations, Lettings, Charging and Best Value;
- To ensure insurance arrangements are appropriate and sufficient;
- To be aware of funding opportunities and how these can be accessed;
- To authorise all write-offs and disposals of surplus stock and equipment in accordance with regulations and the annual inventory check;
- To monitor conditions of school premises and grounds regularly and report to Full Board with proposals for repairs, maintenance and decoration in line with agreed financial allocations;
- To work with the Head and others to develop a long term plan for improving facilities and premises for all school users;
- To report termly to Full Board to ratify all decisions made in committee.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
StJohn Russell	5	5
Grant Mills	5	5
Rita Laughton	0	0
Gareth James	3	4
Elizabeth Hallam	5	5
Vanessa Yardley	5	5

Review of value for money

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

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

- Income generation - letting the premises for community use.
- Bring school catering in house.
- Regular reviews with Finance & Audit committee and looking at benchmarking resources with similar schools.
- In house wraparound care.

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Governance Statement (continued)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Queniborough Church of England Primary School for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body 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 Governing Body 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 ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

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 Governing Body;
- 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 Governing Body has considered the need for a specific internal audit function and has decided:

- to appoint Leicestershire County Council as internal auditor

The auditor's role includes giving advice on financial 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 purchasing systems
- testing of bank account systems

On an annual basis, the auditor reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

Review of effectiveness

As Accounting Officer, Elizabeth Hallam, 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 auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;

Queniborough Church of England Primary School

Governance Statement (continued)

- 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 General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 25 November 2021 and signed on its behalf by:

.....
StJohn Russell (Chair of Governors)
Governor and trustee

.....
Elizabeth Hallam
Governor and trustee

Queniborough Church of England Primary School

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Queniborough Church of England Primary School I have considered my responsibility to notify the academy trust Governing Body 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 Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

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

.....
Elizabeth Hallam, Headteacher
Accounting officer

25 November 2021

Queniborough Church of England Primary School

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from 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 on 25 November 2021 and signed on its behalf by:

.....
StJohn Russell (Chair of Governors)
Governor and trustee

Queniborough Church of England Primary School

Independent Auditor's Report on the Financial Statements to the Members of Queniborough Church of England Primary School

Opinion

We have audited the financial statements of Queniborough Church of England Primary School (the 'Academy') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

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

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's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

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

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Queniborough Church of England Primary School

Independent Auditor's Report on the Financial Statements to the Members of Queniborough Church of England Primary School (continued)

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 16], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Queniborough Church of England Primary School

Independent Auditor's Report on the Financial Statements to the Members of Queniborough Church of England Primary School (continued)

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Academy Trust and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting frameworks.

We understood how the Academy Trust is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assessed the susceptibility of the Academy Trust's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the Academy Trust has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

Use of our report

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

.....
Richard Buckby FCA

For and on behalf of Fortus Audit LLP, Chartered Accountants and Statutory Auditors

Hamilton Office Park
31 High View Close
Leicester
LE4 9LJ

20 December 2021

Queniborough Church of England Primary School

Independent Reporting Accountant's Assurance Report on Regularity to Queniborough Church of England Primary School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 8 October 2020 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 Queniborough Church of England Primary School during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Queniborough Church of England Primary School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Queniborough Church of England Primary School and the 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 Queniborough Church of England Primary School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 1 November 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 from 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- 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.; and
- on a sample basis reviewing records for evidence of those systems and controls in operation.

Queniborough Church of England Primary School

**Independent Reporting Accountant's Assurance Report on Regularity to Queniborough
Church of England Primary School and the Education and Skills Funding Agency
(continued)**

Conclusion

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

.....
Richard Buckby FCA
For and on behalf of Fortus Audit LLP, Chartered Accountants

Hamilton Office Park
31 High View Close
Leicester
LE4 9LJ

20 December 2021

Queniborough Church of England Primary School

Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
Income and endowments from:					
Donations and capital grants	2	-	3,928	84,949	88,877
Other trading activities	4	19,295	-	-	19,295
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	1,085,917	-	1,085,917
Total		<u>19,295</u>	<u>1,089,845</u>	<u>84,949</u>	<u>1,194,089</u>
Expenditure on:					
Raising funds	5	2,573	-	-	2,573
<i>Charitable activities:</i>					
Academy trust educational operations	6	-	1,194,276	36,785	1,231,061
Total		<u>2,573</u>	<u>1,194,276</u>	<u>36,785</u>	<u>1,233,634</u>
Net income/(expenditure)		16,722	(104,431)	48,164	(39,545)
Transfers between funds		(29,679)	22,116	7,563	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	23	-	(118,000)	-	(118,000)
Net movement in (deficit)/funds		(12,957)	(200,315)	55,727	(157,545)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		<u>34,145</u>	<u>(541,007)</u>	<u>1,290,081</u>	<u>783,219</u>
Total funds/(deficit) carried forward at 31 August 2021		<u><u>21,188</u></u>	<u><u>(741,322)</u></u>	<u><u>1,345,808</u></u>	<u><u>625,674</u></u>

Queniborough Church of England Primary School

Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:					
Donations and capital grants	2	-	253	6,318	6,571
Other trading activities	4	23,747	-	-	23,747
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	1,080,133	-	1,080,133
Total		<u>23,747</u>	<u>1,080,386</u>	<u>6,318</u>	<u>1,110,451</u>
Expenditure on:					
Raising funds	5	2,303	-	-	2,303
<i>Charitable activities:</i>					
Academy trust educational operations	6	-	1,161,075	38,266	1,199,341
Total		<u>2,303</u>	<u>1,161,075</u>	<u>38,266</u>	<u>1,201,644</u>
Net income/(expenditure)		21,444	(80,689)	(31,948)	(91,193)
Transfers between funds		(15,812)	(6,318)	22,130	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	23	-	69,000	-	69,000
Net movement in funds/(deficit)		5,632	(18,007)	(9,818)	(22,193)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		<u>28,513</u>	<u>(523,000)</u>	<u>1,299,899</u>	<u>805,412</u>
Total funds/(deficit) carried forward at 31 August 2020		<u><u>34,145</u></u>	<u><u>(541,007)</u></u>	<u><u>1,290,081</u></u>	<u><u>783,219</u></u>

Queniborough Church of England Primary School

(Registration number: 08235194) Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	10	<u>1,364,720</u>	<u>1,307,403</u>
Current assets			
Stocks	11	2,714	-
Debtors	12	24,936	40,172
Cash at bank and in hand		<u>74,090</u>	<u>88,231</u>
		101,740	128,403
Creditors: Amounts falling due within one year	13	<u>(77,602)</u>	<u>(88,675)</u>
Net current assets		<u>24,138</u>	<u>39,728</u>
Total assets less current liabilities		1,388,858	1,347,131
Creditors: Amounts falling due after more than one year	14	<u>(14,184)</u>	<u>(18,912)</u>
Net assets excluding pension liability		1,374,674	1,328,219
Pension scheme liability	23	<u>(749,000)</u>	<u>(545,000)</u>
Net assets including pension liability		<u><u>625,674</u></u>	<u><u>783,219</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		7,678	3,993
Restricted fixed asset fund		1,345,808	1,290,081
Restricted pension fund		<u>(749,000)</u>	<u>(545,000)</u>
		604,486	749,074
Unrestricted funds			
Unrestricted general fund		<u>21,188</u>	<u>34,145</u>
Total funds		<u><u>625,674</u></u>	<u><u>783,219</u></u>

The financial statements on pages 22 to 46 were approved by the Trustees, and authorised for issue on 25 November 2021 and signed on their behalf by:

.....
StJohn Russell (Chair of Governors)
Governor and trustee

.....
Elizabeth Hallam
Governor and trustee

Queniborough Church of England Primary School

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	18	79,960	40,326
Cash flows from investing activities	19	<u>(94,101)</u>	<u>(17,499)</u>
Change in cash and cash equivalents in the year		(14,141)	22,827
Cash and cash equivalents at 1 September		<u>88,231</u>	<u>65,404</u>
Cash and cash equivalents at 31 August	20	<u><u>74,090</u></u>	<u><u>88,231</u></u>

Queniborough Church of England Primary School

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), judgements and key sources of estimation uncertainty, is set out below.

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Going concern

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

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 period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are spent on capital projects in line with the terms and conditions of the grant. 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.

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Other income

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

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.

All resources expended are inclusive of irrecoverable VAT.

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.

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Tangible fixed assets

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

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

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

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

The Trustees of Queniborough Church of England Primary School, in agreement with the Board of Education of the Diocese of Leicester, occupy buildings, a swimming pool and some open land on a rent free licence. Full details of the arrangement are detailed in note 10.

The Trustees have considered the guidance in the Academies Accounts Direction in relation to properties occupied under licence. Having considered the arrangements under which the Academy Trust is occupying the land and buildings, for the reasons given in note 10, the Trustees have concluded that the arrangement should not be included as an asset on the Balance Sheet and the Trustees have not included any value of land or buildings in the financial statements.

Asset class	Depreciation method and rate
Long leasehold property improvements	2% Straight line
Long leasehold land	Over the period of the lease
Furniture and equipment	20% Straight line
Computer equipment	33.3% Straight line

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

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.

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.

Leased assets

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

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Taxation

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

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

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated 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 based on 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 net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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 31/08/2021. 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.

2 Donations and capital grants

	Restricted funds £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Capital grants	-	84,949	84,949	6,318
Other donations	3,928	-	3,928	253
	<u>3,928</u>	<u>84,949</u>	<u>88,877</u>	<u>6,571</u>

The income from donations and capital grants was £88,876 (2020: £6,570) which was allocated between the funds as follows; £Nil unrestricted funds (2020: £Nil), £3,928 restricted funds (2020: £253), £84,949 restricted fixed asset funds (2020: £6,318) and £Nil endowment funds (2020: £Nil).

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

3 Funding for the Academy Trust's educational operations

	Restricted funds £	2020/21 Total £	2019/20 Total £
DfE/ESFA revenue grants			
General Annual Grant (GAG)	844,763	844,763	831,567
Other government grants	42,492	42,492	69,039
Pupil Premium	14,863	14,863	16,697
Sports funding	17,760	17,760	17,760
UIFSM	34,235	34,235	34,086
	<u>954,113</u>	<u>954,113</u>	<u>969,149</u>
Other government grants			
Local authority grants	45,502	45,502	39,679
Non-government grants and other income			
Other funding	18,913	18,913	3,543
Parental contributions and trip income	41,671	41,671	52,074
	<u>60,584</u>	<u>60,584</u>	<u>55,617</u>
Covid-19 additional funding (DfE/ESFA)			
Catch-up premium	20,065	20,065	5,880
Coronavirus Job Retention Scheme grants	5,653	5,653	9,808
	<u>25,718</u>	<u>25,718</u>	<u>15,688</u>
Total grants	<u>1,085,917</u>	<u>1,085,917</u>	<u>1,080,133</u>

The funding for educational operations was £1,085,917 (2020: £1,080,133) which was allocated between the funds as follows; £Nil unrestricted funds (2020: £Nil), £1,085,917 restricted funds (2020: £1,080,133), £Nil restricted fixed asset funds (2020: £Nil) and £Nil endowment funds (2020: £Nil).

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for 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.

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

4 Other trading activities

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Hire of facilities	7,165	7,165	10,899
Catering income	11,981	11,981	12,498
Other sales	149	149	350
	19,295	19,295	23,747

The income from other trading activities was £19,294 (2020: £23,747) which was allocated between the funds as follows; £19,294 unrestricted funds (2020: £23,747), £Nil restricted funds (2020: £Nil), £Nil restricted fixed asset funds (2020: £Nil) and £Nil endowment funds (2020: £Nil).

5 Expenditure

	Non Pay Expenditure				
	Staff costs £	Premises £	Other costs £	2020/21 Total £	2019/20 Total £
Expenditure on raising funds					
Direct costs	-	-	2,573	2,573	2,303
Academy's educational operations					
Direct costs	733,584	36,785	39,245	809,614	802,272
Allocated support costs	265,087	61,801	94,559	421,447	397,069
	998,671	98,586	136,377	1,233,634	1,201,644

Net income/(expenditure) for the year includes:

	2020/21 £	2019/20 £
Operating lease rentals	857	1,455
Depreciation	36,784	38,282
Fees payable to auditor - audit	5,550	5,250
- other audit services	1,250	1,250
	42,441	46,237

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

6 Charitable activities

	2020/21	2019/20
	£	£
Direct costs - educational operations	809,614	802,272
Support costs - educational operations	<u>421,447</u>	<u>397,069</u>
	<u>1,231,061</u>	<u>1,199,341</u>
	Educational operations	2020/21
	£	Total
		£
		2019/20
		Total
		£
Analysis of support costs		
Support staff costs	265,087	253,407
Premises costs	61,801	60,409
Other support costs	87,759	76,753
Governance costs	<u>6,800</u>	<u>6,500</u>
Total support costs	<u>421,447</u>	<u>397,069</u>

7 Staff

Staff costs

	2020/21	2019/20
	£	£
Staff costs during the year were:		
Wages and salaries	704,330	680,671
Social security costs	53,508	47,985
Operating costs of defined benefit pension schemes	<u>238,009</u>	<u>239,561</u>
	995,847	968,217
Supply staff costs	<u>2,824</u>	<u>4,572</u>
	<u>998,671</u>	<u>972,789</u>

Staff numbers

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

	2020/21	2019/20
	No	No
Teachers	9	9
Administration and support	32	37
Management	<u>2</u>	<u>2</u>
	<u>43</u>	<u>48</u>

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

7 Staff (continued)

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2021
	No
£60,001 - £70,000	<u>1</u>

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 £152,188 (2020: £145,027).

8 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from 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, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

Elizabeth Hallam (Head Teacher):

Remuneration: £60,000 - £65,000 (2020 - £55,000 - £60,000)

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

Helen Frances (Staff Trustee):

Remuneration: £45,000 - £50,000 (2020 - £45,000 - £50,000)

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

During the year ended 31 August 2021, no Trustees received reimbursement of school related expenses (2020 - £Nil).

Other related party transactions involving the trustees are set out in note 24.

9 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2021 was £11 (2020 - £176).

The cost of this insurance is included in the total insurance cost.

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

10 Tangible fixed assets

	Leasehold land £	Leasehold property improvements £	Furniture and equipment £	Computer equipment £	Total £
Cost					
At 1 September 2020	600,000	775,930	51,601	79,070	1,506,601
Additions	-	82,074	7,346	4,681	94,101
At 31 August 2021	<u>600,000</u>	<u>858,004</u>	<u>58,947</u>	<u>83,751</u>	<u>1,600,702</u>
Depreciation					
At 1 September 2020	37,197	52,261	37,535	72,205	199,198
Charge for the year	4,800	17,160	8,506	6,318	36,784
At 31 August 2021	<u>41,997</u>	<u>69,421</u>	<u>46,041</u>	<u>78,523</u>	<u>235,982</u>
Net book value					
At 31 August 2021	<u>558,003</u>	<u>788,583</u>	<u>12,906</u>	<u>5,228</u>	<u>1,364,720</u>
At 31 August 2020	<u>562,803</u>	<u>723,669</u>	<u>14,066</u>	<u>6,865</u>	<u>1,307,403</u>

The Trustees of Queniborough Church of England Primary School, in agreement with the Board of Education of the Diocese of Leicester, occupy the buildings, a swimming pool and some open land of the Academy on a rent free licence. This continuing permission of the Board of Education is pursuant to, and subject to, the Board's charitable objects. The licence delegates aspects of the management of the land (and buildings) to the Academy Trust for the time being, but does not vest any rights over the land in the Academy Trust. The terms of this licence have been agreed between the Secretary of State and the Trustees of Queniborough Church of England Primary School and contain a termination clause on the Trustees of Queniborough Church of England Primary School by the Board of Education giving two years notice. The Academy is responsible for the maintenance and insurance of the land and buildings.

The value of the donated facility cannot be reliably quantified and measured and accordingly no accounting adjustment has been made for this matter.

Long leasehold land is valued at £600,000 (2020 - £600,000) on conversion in 2012 by Leicestershire County Council, Andrea Hopkins MRICS, using the depreciated replacement cost method.

The freehold of the land is owned by Leicestershire County Council. The Academy holds a 125 year lease on a peppercorn rent from 2012.

11 Stock

	2021 £	2020 £
Books and stationery	<u>2,714</u>	<u>-</u>

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

12 Debtors

	2021	2020
	£	£
Trade debtors	(40)	2,051
VAT recoverable	2,518	4,967
Prepayments	17,125	26,761
Accrued grant and other income	5,333	6,393
	<u>24,936</u>	<u>40,172</u>

13 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	226	-
Other taxation and social security	28,796	27,604
Loans	4,728	4,728
Accruals	13,901	22,260
Deferred income	29,951	34,083
	<u>77,602</u>	<u>88,675</u>

	2021	2020
	£	£
Deferred income		
Deferred income at 1 September 2020	34,083	22,726
Resources deferred in the period	29,951	34,083
Amounts released from previous periods	(34,083)	(22,726)
Deferred income at 31 August 2021	<u>29,951</u>	<u>34,083</u>

Included in the closing balance of deferred income is £19,970 (2020 - £20,230) relating to Universal Infant Free School Meals funding received in advance of the 2021/22 academic year.

Loans of £Nil from which is provided on the following terms:

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

14 Creditors: amounts falling due after one year

	2021	2020
	£	£
Loans	<u>14,184</u>	<u>18,912</u>

15 Funds

	Balance at 1 September 2020	Incoming resources	Resources expended	Gains, losses and transfers	Balance at 31 August 2021
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	3,993	844,763	(870,872)	22,116	-
Pupil Premium	-	14,863	(14,863)	-	-
Sports funding	-	17,760	(10,613)	-	7,147
Other Government grants	-	42,492	(42,492)	-	-
Other income	-	64,512	(63,981)	-	531
UIFSM	-	34,235	(34,235)	-	-
Local Authority grants	-	45,502	(45,502)	-	-
Catch-up premium	-	20,065	(20,065)	-	-
Coronavirus Job Retention Scheme grants	-	5,653	(5,653)	-	-
	<u>3,993</u>	<u>1,089,845</u>	<u>(1,108,276)</u>	<u>22,116</u>	<u>7,678</u>
Restricted fixed asset funds					
Net book value of assets	1,307,403	-	(36,785)	94,102	1,364,720
ESFA capital grants unspent	6,318	84,949	-	(91,267)	-
CIF loan	<u>(23,640)</u>	<u>-</u>	<u>-</u>	<u>4,728</u>	<u>(18,912)</u>
	1,290,081	84,949	(36,785)	7,563	1,345,808
Restricted pension funds					
Pension reserve	<u>(545,000)</u>	<u>-</u>	<u>(86,000)</u>	<u>(118,000)</u>	<u>(749,000)</u>
Total restricted funds	749,074	1,174,794	(1,231,061)	(88,321)	604,486
Unrestricted funds					
Unrestricted general funds	<u>34,145</u>	<u>19,295</u>	<u>(2,573)</u>	<u>(29,679)</u>	<u>21,188</u>
Total funds	<u><u>783,219</u></u>	<u><u>1,194,089</u></u>	<u><u>(1,233,634)</u></u>	<u><u>(118,000)</u></u>	<u><u>625,674</u></u>

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Funds (continued)

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

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	831,567	(821,256)	(6,318)	3,993
Pupil Premium	-	16,697	(16,697)	-	-
Sports funding	-	17,760	(17,760)	-	-
Other Government grants	-	69,039	(69,039)	-	-
Other income	-	55,870	(55,870)	-	-
UIFSM	-	34,086	(34,086)	-	-
Local Authority grants	-	39,679	(39,679)	-	-
Catch-up premium	-	5,880	(5,880)	-	-
Coronavirus Job Retention Scheme grants	-	9,808	(9,808)	-	-
	<u>-</u>	<u>1,080,386</u>	<u>(1,070,075)</u>	<u>(6,318)</u>	<u>3,993</u>
Restricted fixed asset funds					
Net book value of assets	1,328,267	-	(38,266)	17,402	1,307,403
ESFA capital grants unspent	-	6,318	-	-	6,318
CIF loan	<u>(28,368)</u>	<u>-</u>	<u>-</u>	<u>4,728</u>	<u>(23,640)</u>
	1,299,899	6,318	(38,266)	22,130	1,290,081
Restricted pension funds					
Pension reserve	<u>(523,000)</u>	<u>-</u>	<u>(91,000)</u>	<u>69,000</u>	<u>(545,000)</u>
Total restricted funds	776,899	1,086,704	(1,199,341)	84,812	749,074
Unrestricted funds					
Unrestricted general funds	<u>28,513</u>	<u>23,747</u>	<u>(2,303)</u>	<u>(15,812)</u>	<u>34,145</u>
Total funds	<u><u>805,412</u></u>	<u><u>1,110,451</u></u>	<u><u>(1,201,644)</u></u>	<u><u>69,000</u></u>	<u><u>783,219</u></u>

The academy trust is not subject to GAG carried forward limits.

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Funds (continued)

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

Restricted general funds

General Annual Grant (GAG), other DfE/ESFA grants and local authority grants are to be applied for the primary purpose of the Academy Trust in line with the master funding agreement and other specific funding letters. This includes the pension reserve, which represents the potential liability due by the Academy Trust at the year end.

Other DfE/ESFA grants

Other funds provided by the DfE/ESFA for particular purposes within the Academy's educational operations.

Devolved Formula Capital

This consists of Devolved Formula Capital (DFC) and other capital funding from the Education and Skills Funding Agency. The DFC is to be used for ICT items, improvements to buildings and other facilities or capital repairs and refurbishments and minor works. Other capital grants are to be used as per the individual terms of the agreement and for the specific capital project as applied for.

Pupil Premium

Additional funds from the Education and Skills Funding Agency to support their disadvantaged pupils and close the attainment gap between them and their peers. This is allocated to every pupil who receives free school meals.

Other grants

These are funds and grants received from the Local Authority and other institutions for use on specific educational projects.

Other income

These consists of income from all other sources to be used primarily for the Academy's educational operations.

Restricted fixed asset funds

The restricted fixed asset funds relate to the assets acquired on conversion to an Academy Trust, being the property and fixed assets purchased using grants. It includes further amounts invested in fixed assets.

Pension reserve

Being the fund in relation to the defined benefit pension scheme liability included in the Balance Sheet. The fund is in deficit given the nature of the liability, however, this is not payable immediately. Plans are in place to address the deficit.

Unrestricted funds

Unrestricted funds represents other incoming resources to the Academy Trust applied for general purposes of the Trust at the discretion of the Trustees.

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	1,364,720	1,364,720
Current assets	21,188	80,552	-	101,740
Current liabilities	-	(72,874)	(4,728)	(77,602)
Creditors over 1 year	-	-	(14,184)	(14,184)
Pension scheme liability	-	(749,000)	-	(749,000)
	21,188	(741,322)	1,345,808	625,674
Total net assets	21,188	(741,322)	1,345,808	625,674

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	1,307,403	1,307,403
Current assets	34,145	87,940	6,318	128,403
Current liabilities	-	(83,947)	(4,728)	(88,675)
Creditors over 1 year	-	-	(18,912)	(18,912)
Pension scheme liability	-	(545,000)	-	(545,000)
	34,145	(541,007)	1,290,081	783,219
Total net assets	34,145	(541,007)	1,290,081	783,219

17 Long-term commitments, including operating leases

Operating leases

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

	2021 £	2020 £
Amounts due between one and five years	935	1,870

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2020/21	2019/20
	£	£
Net expenditure	(39,545)	(91,193)
Depreciation	36,784	38,267
Defined benefit pension scheme cost less contributions payable	76,000	81,000
Defined benefit pension scheme finance cost	10,000	10,000
(Increase)/decrease in stocks	(2,714)	2,753
Decrease/(increase) in debtors	15,236	(17,704)
(Decrease)/increase in creditors	(15,801)	17,203
	<u>79,960</u>	<u>40,326</u>
Net cash provided by Operating Activities	<u>79,960</u>	<u>40,326</u>

19 Cash flows from investing activities

	2020/21	2019/20
	£	£
Purchase of tangible fixed assets	<u>(94,101)</u>	<u>(17,499)</u>

20 Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand and at bank	<u>74,090</u>	<u>88,231</u>
Total cash and cash equivalents	<u>74,090</u>	<u>88,231</u>

21 Analysis of changes in net debt

	At 1 September 2020	Cash flows	At 31 August 2021
	£	£	£
Cash	88,231	(14,141)	74,090
Loans falling due within one year	(4,728)	-	(4,728)
Loans falling due after more than one year	<u>(18,912)</u>	<u>4,728</u>	<u>(14,184)</u>
Total	<u>64,591</u>	<u>(9,413)</u>	<u>55,178</u>

22 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.

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

23 Pension and similar obligations

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 . 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.

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

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 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 member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% 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 period amounted to £88,434 (2020: £82,261).

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

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

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

23 Pension and similar obligations (continued)

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £94,000 (2020 - £97,000), of which employer's contributions totalled £75,000 (2020 - £78,000) and employees' contributions totalled £19,000 (2020 - £19,000). The agreed contribution rates for future years are per cent for employers and 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 an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.40	2.70
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	1.70	1.70
Inflation assumptions (CPI)	2.90	2.20
Commutation of pensions to lump sums	<u>50.00</u>	<u>50.00</u>

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

	2021	2020
Retiring today		
Males retiring today	21.70	21.50
Females retiring today	24.20	23.80
Retiring in 20 years		
Males retiring in 20 years	22.60	22.20
Females retiring in 20 years	<u>25.90</u>	<u>25.20</u>

The academy trust's share of the assets in the scheme were:

	2021 £	2020 £
Equities	569,000	431,000
Government bonds	285,000	212,000
Property	69,000	59,000
Cash and other liquid assets	<u>59,000</u>	<u>29,000</u>
Total market value of assets	<u>982,000</u>	<u>731,000</u>

The actual return on scheme assets was £169,000 (2020 - (£66,000)).

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

23 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2020/21	2019/20
	£	£
Current service cost	151,000	159,000
Interest income	(13,000)	(14,000)
Interest cost	<u>23,000</u>	<u>24,000</u>
Total amount recognized in the SOFA	<u>161,000</u>	<u>169,000</u>

Queniborough Church of England Primary School

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

23 Pension and similar obligations (continued)

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

	2020/21	2019/20
	£	£
At start of period	1,276,000	1,233,000
Current service cost	151,000	159,000
Interest cost	23,000	24,000
Employee contributions	19,000	19,000
Actuarial (gain)/loss	274,000	(149,000)
Benefits paid	<u>(12,000)</u>	<u>(10,000)</u>
At 31 August	<u>1,731,000</u>	<u>1,276,000</u>

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

	2020/21	2019/20
	£	£
At start of period	731,000	710,000
Interest income	13,000	14,000
Actuarial gain/(loss)	156,000	(80,000)
Employer contributions	75,000	78,000
Employee contributions	19,000	19,000
Benefits paid	<u>(12,000)</u>	<u>(10,000)</u>
At 31 August	<u>982,000</u>	<u>731,000</u>

24 Related party transactions

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

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 8.