
THE PREMIER ACADEMY LIMITED

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021



THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

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THE PREMIER ACADEMY LIMITED
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Paul Ayres Warren Harrison Keith James (appointed 24 November 2020)
Trustees	Paul Ayres, Chairman Warren Harrison, Ex-officio Zoe Biscoe (appointed 24 November 2021) Victoria Cattini, Parent Governor (resigned 23 March 2021) Nigel Mason, Vice Chair Colin Marsh, Responsible Officer (deceased 7 November 2021) Rachel Pilkington, Parent Governor (resigned 18 May 2021) Saras Pillay, Staff Governor Tracey Onan, Co-opted Governor (resigned 13 July 2021) Lee Robinson, Staff Governor
Company registered number	07324340
Company name	The Premier Academy Limited
Registered office	The Premier Academy Limited Saffron Street MK2 3AH
Principal operating office	The Premier Academy Limited Saffron Street MK2 3AH
Chief executive officer	Paul Ayres
Senior management team	Warren Harrison, Chief Executive Officer Diane Farquharson, Chief Financial Officer Collette Butler, Head of Academy Education Jesualdo Martinez Molina, Assistant Head Teacher Olivia Cain, Assistant Head Teacher Amy Taylor, Assistant Head Teacher Saras Pillay, Assistant Head Teacher
Independent auditor	Hillier Hopkins LLP Chartered Accountants Radius House 51 Clarendon Road Watford Herts WD17 1HP

THE PREMIER ACADEMY LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy.

The Trustees of The Premier Academy Limited are also the directors of the charitable company for the purposes of company law.

The charitable company is known as The Premier Academy Limited.

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.

b. Members' liability

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

c. Trustees' indemnities

The Academy's insurance covers professional indemnity for trustees up to an average limit of £2,000,000.

d. Method of recruitment and appointment or election of Trustees

The method of recruitment for Trustees is varied, due in part to the different categories of Trustees that comprise a board and the constitution as set out in the Academy's Funding Agreement. Parent Trustees are elected, however networks and word of mouth are frequently used methods of recruiting and appointing other Trustees. Drawing upon professional and community bodies to support the recruitment of appropriately skilled Trustees and community representatives has proven to be a successful method of recruitment and appointment.

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

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training on charity and educational, legal and financial matters. All new Trustees will be given a tour of the Academy and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

All trustees are required to complete a Trustee assessment questionnaire (R20), at which point they are assessed and the relevant training is offered.

f. Organisational structure

The Governing Body is responsible for the budget which includes monitoring the Academy's budgets and making major decisions about the direction of the Academy and capital expenditure. Governors are also responsible for setting general policy and the appointment of senior staff.

The leadership team is the Chief Executive Officer, the Head of the Academy Education and the Chief Financial Officer. These managers control the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The leadership team is responsible for the authorisation of spending within agreed budgets and the appointment of staff. Also included are four assistant head teachers who are part of the senior management team.

g. Arrangements for setting pay and remuneration of key management personnel

The trustees have responsibility for establishing the Academy's pay policy and for seeing that it is followed, having taken advice from the Chief Executive Officer on all matters with the exception of his own salary. It considers and approves the staffing structure for the Academy. The trustees delegate authority to the Chief Executive Officer to administer the pay policy on its behalf, including the determination of gradings and salaries other than for members of the Leadership Team.

The Leadership Team's salaries including that of the CEO are determined by two or three representatives from the trustees. These representatives have responsibility for issuing performance management target related increments and recruitment and retention awards in line with the Academy's pay policy.

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	£
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Total cost of facility time	-
Total pay bill	3,141,419
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related parties and other connected charities and organisations

The Academy shares its premises with Eaton Mill Nursery and Out Of School Day Care Limited and receives rent from Eaton Mill Nursery and Out of School Day Care Limited.

The Premier Academy has a separate charity in the name of The Premier Academy School Fund. The accounts are audited and submitted to Charities Commission by Radbourne Management – Colin Marsh.

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

Objectives and activities (continued)

a. Objects and aims

The principal object and activity of the charitable company is the operation of The Premier Academy to provide education for pupils of different abilities between the ages of 4 and 11 with an emphasis on offering and encouraging every child to achieve the academic, technological, social, physical, and emotional skills necessary to reach his or her greatest potential.

The main objectives of the Academy during the year end 31 August 2021 are summarised below:

To mitigate against the spread of Covid-19 and operate with above average attendance.

To develop an online teaching platform.

To maintain child protection, safeguarding and SEN provision in uncertain times.

To continue to operate within the 10th centile nationally with regard to adding value (progress).

To build two new classrooms, a new medical room and a Site Manager's office.

To complete an outside teaching environment. Premierville.

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

Objectives and activities (continued)

b. Objectives, strategies and activities

The Academy's main strategies are:

Its commitment to building a better future for its community

Its commitment to equality and non-discrimination

Its rigorous focus on being better than the best

Knowing that only by continually looking below the surface do we accurately self-evaluate

Understanding that the building of self-esteem underpins a life style and a life cycle

Drive, determination and rigour in enhancing creativity and individuality

Its commitment to developing healthy lifestyles and academic success

Being transparent in all financial matters.

The Academy staff believes that...

- Every child learns best in a safe and caring environment where high academic expectations, self-esteem, good character, healthy lifestyles and an appreciation for the arts are promoted
- A variety of teaching strategies, meaningful materials, and emerging technology should be used to maximise student potential and individual learning styles
- Every child should be given a variety of assessment opportunities to demonstrate achievement and application of learning
- A quality education, continuous improvements, and positive communications are the shared responsibility of the school, home and the community
- No family should be discriminated against on any grounds including income

c. Public benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

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

Strategic report

Achievements and performance

Our most recent (July 2019) un-validated academic results were once again extremely high. The vast majority of the Academy's children are drawn from the lowest 20% of social deprivation and with free school meals currently at 30.8% and social mobility at 22.9%, our results continue to be outstanding.

The Academy has achieved exceptional results in their Key Stage 2 tests with an Average Scaled Score of 107.8 in Reading. The national average is 104.

The Academy has achieved exceptional results in their Key Stage 2 tests with an Average Scaled Score of 107.2 in Maths. The national average is 105.

The Academy has achieved exceptional results in their Key Stage 2 tests with an Average Scaled Score of 113.3 in Grammar, Punctuation and Spelling. The national average is 106.

The Academy has achieved excellent results in their Key Stage 1 tests with 80.7% working at the expected standard in Reading. The national average is 75%.

The Academy has achieved excellent results in their Key Stage 1 tests with 79.5% working at the expected standard in Writing. The national average is 69%.

The Academy has achieved excellent results in their Key Stage 1 tests with 79.5% working at the expected standard in Maths. The national average is 76%.

The Academy achieved excellent results in Early Years with 79.3% achieving a Good Level of Development (GLD). The national average is 71.8%.

The Academy achieved excellent results in Year 1 Phonics with 87.6% achieving the required level of Working At (WA). The national average is 82%.

During its last Ofsted inspection (October 2018) the inspectors included the following in their report:

This is an outstanding school.

- The chief executive officer's leadership has built a truly outstanding school. His determined and innovative approach results in continuing school improvement. He is tireless in finding ways to provide the best education for all pupils.
- The head of education is well supported by other leaders and has embedded rigorous systems and routines. Leaders have very high expectations of all pupils in their care and ensure that they are exceptionally well supported. Consequently, pupils' achievements are outstanding.
- Governors know the school very well. They share the passion and vision of the chief executive officer and the staff. Together, governors support and challenge the chief executive officer and leaders well. They know the strengths of the school and the areas that leaders are improving.
- Governors fulfil their statutory duties effectively. They use regular school visits to ensure that their safeguarding and health and safety responsibilities are covered well.
- Governors ensure that school funding is spent well to maintain an excellent education for all pupils. They also make sure that any additional funding is used very well. As a result, disadvantaged and other vulnerable pupils achieve outcomes in line with, or better than, pupils with similar starting points nationally.

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

Strategic report (continued)

Achievements and performance (continued)

- Leaders and staff have created a school where every child truly matters. They have built a community where all pupils thrive.
- Pupils receive an outstanding education. Those from vulnerable backgrounds are extremely well supported. As a result, pupils' achievement is outstanding.
- Parents and carers have every confidence in the school and are very happy with the education their children receive.
- Pupils' spiritual, moral, social and cultural development is at the heart of everything the school does. Pupils are very well prepared for the next stages in their education.
- Teachers are very well trained and have high expectations of all pupils. Pupils make outstanding progress because teachers know how to help them improve quickly.
- Teaching assistants support pupils expertly. Pupils who have special educational needs (SEN) and/or disabilities receive excellent personalised support and make rapid progress.
- Specialist teaching in the performing arts, Spanish and physical education is a strength of the curriculum. Pupils enjoy and excel in these areas of the school's provision.
- Pupils' behaviour is outstanding; they are polite and confident. Pupils' attitudes to learning are exemplary. Pupil leaders confidently help school leaders determine the next steps for the school.
- Personal, social and welfare education is outstanding. Pupils trust that they can talk to any adult about their concerns. Relationships between pupils and adults are very positive.
- Safeguarding is effective. School leaders have developed strong routines and practices that help pupils feel safe at school.
- Standards and outcomes in early years are outstanding. Learning time is used exceptionally well in this area of the school.
- Leaders are determined to improve the strong reading provision, reversing a slight decline in the numbers of pupils reaching the highest standards.

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

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

The Academy continues to buck national trends with regard to performance versus social deprivation and for the fourth year running is the highest ranked school in the Local Authority.

The Academy's popularity has continued to grow and the school is oversubscribed in every year group and currently has approximately 83.8% of its population coming from outside its catchment area. Numbers have risen from 198 children in 2002 to 617 in 2021.

The Academy has received a glowing report from Ofsted which included, "Governors ensure that school funding is spent well to maintain an excellent education for all pupils. They also make sure that any additional funding is used very well. As a result, disadvantaged and other vulnerable pupils achieve outcomes in line with, or better than, pupils with similar starting points nationally."

b. Going concern

This analysis looks forward over the next 12 months to consider the operational feasibility of TPA over the next 12 months. We have determined that the most sensible way to make this projection is to focus on the rolling 5-year financial plan and performance review AVP analysis.

The financial plan demonstrates clearly that the academy operates with sufficient funds to continue as a going concern. In order to do this it does make some assumptions the main one being that the government continues to fund the academy at the same or similar level to the current year. Past experience suggests that this will be the case.

The school's popularity is somewhat borne out of its success and the school continues to operate within the top 5% of all school in England with regard to standards. This demonstrates that the popularity is likely to remain positive.

Demographics locally suggest that an increased number of children will be born over the next five years which will increase the demand for places as no new schools are planned locally.

Eaton Mill Nursery, the school's main feeder is doing well and has a positive Ofsted rating. We believe that 60 children will be entering TPA from the nursery next year, which is a good indicator that the academy is viable. The relationship between the nursery and the school is key and has been for a number of years.

The school operates with a good cash flow and has an excellent record of accomplishment with regard to paying its debtors.

The school operates with a strong financial reserve and generates a significant income of its own although Covid-19 has impacted this.

Financial review

The Academy had a surplus on its unrestricted funds after transfers of £739,022 (2020 £558,952). It had a surplus after transfers on its restricted general funds (excluding the pension reserve) of £156,198 (2020 £200,392). Its restricted fixed asset funds were in surplus by £5,952,497 (2020 £5,944,340).

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

Strategic report (continued)

Financial Management Policies

Financial review of the position and management policies including reserves and sources of funding conclude that the Academy had a deficit on its restricted general funds of £3,574,802 (2020 £2,792,608) due to its liability for the deficit of £3,731,000 (2020 £2,933,000) on the Local Government Pension Scheme (LGPS) for its non-teaching staff.

The deficit on the unrestricted funds arises because in accounting for the Local Government Pension Scheme (LGPS), the Academy is recognising a significant pension fund deficit. There is no immediate liability for this.

The deficit position of the pension scheme is likely to result in a cash flow effect for the Academy in the form of an increase or decrease in employers' pension contributions over a period of years.

The Academy's plans and budgets will take account of how pension costs might affect budgets in the future. Future increased pension contributions should generally be met from the Academy Trust's budgeted annual income and whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund, or direct impact on the free reserves because of recognising the deficit.

Restricted general funds are funds received from ESFA for particular purposes.

Restricted fixed asset funds are funds received from ESFA for capital purposes.

The Academy holds reserves to ensure that it can continue to operate and meet its objectives throughout the year. The Trustees consider the level of reserves appropriate for this purpose and reviews them regularly.

a. Reserves policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees have determined that the appropriate level of free reserves should be equivalent to 4 weeks expenditure, approximately £250,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves (total funds less restricted fixed asset funds and excluding the pension deficit) is £895,940 (2020 £759,344).

b. Investment policy

The academy trustees hold cash in a deposit account where it earns interest while remaining easily accessible.

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

c. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the coronavirus pandemic, the specific teaching, provision of facilities and other operational areas of the Academy, and its finances.

The Trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to bubbling, social distancing, teaching, health and safety, bullying and school trips) and in the relation to the control of finance. Operational systems are in place and are regularly reviewed, including, COVID-19 risk assessment, internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured that they have adequate insurance cover with effective internal financial controls.

Regular Responsible Officer systems and transactions reviews are carried out and recommendations and/or advice are considered to reduce potential risk.

The Academy is aware that periodically Industrial Action may well be an issue which affects the smooth running of the school. The Academy treats this threat of disruption seriously and understands its responsibility to its employees, the community and to the DFE. In any event the Academy will uphold 'the law' and will always act in accordance with it.

The Academy continues to take an interest in the Brexit free trade deal and the disagreement around fishing. The Academy is especially concerned about goods which we buy in from Europe eg. paper and its employees from overseas and what their fate may be if the government continues to operate an isolationistic approach. The Academy's concerns are both on a human level and on a business level as the Academy finds recruitment challenging.

The Academy is concerned about the dispute with France and the French threat to sever the power line between the two countries.

The Reputation of the Academy is dependent on The Academy's capacity to continue to offer the best possible education to all children in the area who attend the Academy. The Academy currently operates within the top 10% of all schools in England and Wales and understands that changes to funding and/or PAN could potentially put the academy at risk and reduce the amount of value it adds.

The risk of the large LGPS pension deficit could potentially have a serious effect on the financial viability of all academies. The employer contributions will rise again as in previous years from 21% in April 2020 to 23% by April 2022. Which in turn will reduce the funds available to purchase educational resources or employ teachers.

Equally the risk of a Teachers' Pension deficit hike could also have a serious effect on the financial viability of all academies as we suspect that it will follow suit.

The relaxation of the public sector pay freeze could also potentially have a serious effect on the viabilities of the academy should the budget not be increased to offset the increase.

d. Plans for Future Periods

The Trustees are committed to increasing the levels of free reserves to reach the necessary level of working capital. The aim is to increase this reserve in the shortest period possible without incurring financial hardship to the Academy and to ensure that all educational resources including staffing are financially supported during the academic year. During the year we have been able to maintain a quarter of a million pound contingency to ensure payroll would run for at least a month should any unforeseen complications arise.

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

Fundraising

The trustees' approach to fundraising at The Premier Academy is in the best interests of the school, its staff and its clients. The trustees ensure that resources are managed responsibly and that the reputation of the Academy is protected and safeguarded at all times. The trustees ensure that no legal document is signed unless the terms are in the best interests of the Academy.

The trustees understand their legal responsibilities and ensure that fundraising conforms to recognised standards by regular monitoring (monthly), that any funds raised are treated in the same way as all our funds are treated and that appropriate financial controls are in place before any spending is sanctioned.

The trustees ensure that all spends from funds raised e.g. CIF funding are agreed at the pre authorisation stage and that any risks are managed in a way equivalent to the Academy's risk management strategy adopted within the school and scrutinised by the Responsible Officer, the Chief Financial Officer and the CEO who all provide monthly reports to the Full Governing Body, its Trustees and its members.

The trustees monitor the spending and hold the school's executives to account by visiting the school, scrutinising outcome benefits and challenging via the principle of risk versus reward. The trustees also attend regular meetings where spends are analysed and evaluated for value for money and impact outcomes.

Trustees ensure that background checks are undertaken on any commercial partners / professional fundraisers. This responsibility is delegated to the Academy's Chief Financial Officer who also ensures that all necessary DBS and Barred List checks are current.

The Academy's Trustees are risk averse and as such ensure that people they work with:

- are clear about what they are supposed to do
- are aware of the rules and boundaries within which they must work, for example, when representing or speaking on behalf of the Academy
- work safely
- know what to do if there is a problem
- know what they need to report and who they report to

The Trustees take all complaints seriously and encourage whistleblowing within the organisation. The Premier Academy operates with a complaints procedure which is accessible via the website, is open and transparent. It ensures that anyone wishing to complain formally is taken seriously and that their complaints are addressed in a timely and direct fashion.

The Trustees take due care and attention to protect the public from unreasonable intrusive and persistent pressures to donate to The Premier Academy from any member of staff / volunteer.

Funds held as custodian on behalf of others

The Academy does not hold funds on behalf of others.

Disclosure of information to auditor

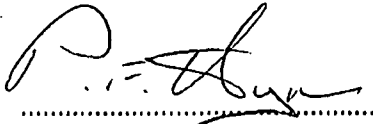
Insofar as the Trustees are aware:

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

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 30 November 2021 and signed on its behalf by:



Paul Ayres
Chair of Trustees

THE PREMIER ACADEMY LIMITED
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 7 times during the year.

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

Director (Trustee) & Member	Meetings Attended	Out of a possible
Paul Ayres, Chairman	5	7
Warren Harrison, Ex-officio	7	7
Zoe Biscoe	4	6
Victoria Cattini, Parent Governor	4	6
Nigel Mason, Vice Chair	6	7
Colin Marsh, Responsible Officer	6	7
Rachel Pilkington, Parent Governor	6	6
Saras Pillay, Staff Governor	7	7
Tracey Onan, Co-opted Governor	6	6
Lee Robinson, Staff Governor	7	7

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

The accounting officer considers how the Academy'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 has delivered improved value for money during the year by:

The Academy's overall academic results continuing to be the highest of all schools in Milton Keynes. (Last available data).

The school facilities and infrastructure being improved (two new classrooms and offices).

Staffing ratios continually being improved and opportunities for all increased.

The school also received 148 applications for 90 places into this year's Reception class making it the most sought after school in Bletchley.

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 policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Premier Academy Ltd 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 Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Board of Trustees has decided not to appoint an internal auditor. However, the Trustees have appointed Colin Marsh, a Trustee, to carry out a programme of internal checks.

The reviewer'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 including new starters
- testing of VAT systems
- testing of purchase authorisation and BACS runs
- testing of credit card transactions
- testing of budget against actuals
- testing of debit card transactions
- testing of year-end tax year and pension reconciliations
- testing of income

On bi-monthly basis, the reviewer reports to the Board of Trustees, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. No significant control issues were found during the year through the reviewer's checks.

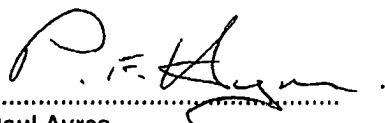
Review of effectiveness

As accounting officer, the Chief Executive Officer 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 reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy 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 relevant mentioned officers above and will ensure continuous improvement of the system is in place.

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



Paul Ayres
Chair of Trustees
Date: 30 November 2021



Warren Harrison
Accounting Officer
30 November 2021

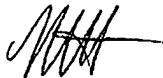
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Premier Academy Limited I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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



Warren Harrison
Accounting Officer
Date: 30 November 2021

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

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

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

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

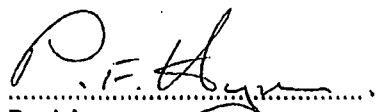
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



Paul Ayres
Chair of Trustees
Date: 30 November 2021

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
PREMIER ACADEMY LIMITED**

Opinion

We have audited the financial statements of The Premier Academy Limited (the 'academy') for the year ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
PREMIER ACADEMY LIMITED (CONTINUED)**

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
PREMIER ACADEMY LIMITED (CONTINUED)**

Responsibilities of trustees

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

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

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:

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the control environment and performance of the academy, including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the academy's documentation of their policies and procedures relating to:
 - o identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - o detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - o the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
PREMIER ACADEMY LIMITED (CONTINUED)**

material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the academy operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2020 to 2021 and relevant tax legislation.

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

Use of our report

This report is made solely to the Academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.



Alexander Bottom ACA (Senior statutory auditor)

for and on behalf of
Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor
Radius House
51 Clarendon Road
Watford
Herts
WD17 1HP

9th December 2021

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
PREMIER ACADEMY LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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

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

Respective responsibilities of The Premier Academy Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Premier Academy Limited's funding agreement with the Secretary of State for Education dated 28 February 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw our conclusions includes:

An assessment of the risk of material misstatement and irregularity across the Academy Trust's activities;

- Testing and review of areas identified through risk assessment including enquiry, observation, inspection and review of supporting evidence;
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime;
- Consideration of evidence obtained through the work performed as part of our financial statements audit in order to support the regularity conclusion.

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
PREMIER ACADEMY LIMITED AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

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

Hillier Hopkins Ltd

Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor

Radius House
51 Clarendon Road
Watford
Herts
WD17 1HP

Date: ~~4~~ December 2021

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THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Income from:						
Donations and capital grants	3	-	12,592	11,133	23,725	594,397
Other trading activities	5	89,876	-	-	89,876	111,112
Investments	6	194	-	-	194	1,023
Charitable activities	4	-	3,392,246	-	3,392,246	3,209,513
Total income		90,070	3,404,838	11,133	3,506,041	3,916,045
Expenditure on:						
Charitable activities	7	-	3,635,791	154,497	3,790,288	3,557,968
Total expenditure		-	3,635,791	154,497	3,790,288	3,557,968
Net income/(expenditure) before net gains/(losses) on investments						
		90,070	(230,953)	(143,364)	(284,247)	358,077
Net gains/(losses) on investments	14	90,000	-	-	90,000	(35,000)
Net income/(expenditure)		180,070	(230,953)	(143,364)	(194,247)	323,077
Transfers between funds	18	-	(151,521)	151,521	-	-
Net movement in funds before other recognised gains/(losses)		180,070	(382,474)	8,157	(194,247)	323,077
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(399,000)	-	(399,000)	(682,000)
Net movement in funds		180,070	(781,474)	8,157	(593,247)	(358,923)

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

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

		Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
	Note					
Reconciliation of funds:						
Total funds brought forward as previously stated		558,952	(2,792,608)	5,360,976	3,127,320	4,069,607
Prior year adjustment	17	-	-	583,364	583,364	-
Total funds brought forward as restated		558,952	(2,792,608)	5,944,340	3,710,684	4,069,607
Net movement in funds		180,070	(781,474)	8,157	(593,247)	(358,923)
Total funds carried forward		739,022	(3,574,082)	5,952,497	3,117,437	3,710,684

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 30 to 56 form part of these financial statements.

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 07324340

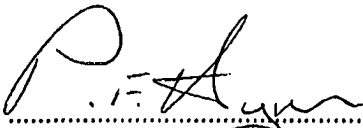
BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	As restated 2020 £
Fixed assets			
Tangible assets	13	5,943,933	5,427,976
Investment property	14	305,000	215,000
		<u>6,248,933</u>	<u>5,642,976</u>
Current assets			
Debtors	15	82,905	588,451
Cash at bank and in hand		729,550	713,858
		<u>812,455</u>	<u>1,302,309</u>
Creditors: amounts falling due within one year	16	(212,951)	(241,601)
Net current assets		<u>599,504</u>	<u>1,060,708</u>
Total assets less current liabilities		<u>6,848,437</u>	<u>6,703,684</u>
Net assets excluding pension liability		<u>6,848,437</u>	<u>6,703,684</u>
Defined benefit pension scheme liability	24	(3,731,000)	(2,993,000)
Total net assets		<u><u>3,117,437</u></u>	<u><u>3,710,684</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	18	5,952,497	5,944,340
Restricted income funds	18	156,918	200,392
		<u>6,109,415</u>	<u>6,144,732</u>
Restricted funds excluding pension asset	18	6,109,415	6,144,732
Pension reserve	18	(3,731,000)	(2,993,000)
Total restricted funds	18	<u>2,378,415</u>	<u>3,151,732</u>
Unrestricted income funds	18	<u>739,022</u>	<u>558,952</u>
Total funds		<u><u>3,117,437</u></u>	<u><u>3,710,684</u></u>

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER 07324340

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements on pages 25 to 56 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Paul Ayres
Chair of Trustees
Date: 30 November 2021

The notes on pages 30 to 56 form part of these financial statements.

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	674,819	(281,857)
Cash flows from investing activities	21	(659,127)	375,432
Change in cash and cash equivalents in the year		15,692	93,575
Cash and cash equivalents at the beginning of the year		713,858	620,283
Cash and cash equivalents at the end of the year	22, 23	<u>729,550</u>	<u>713,858</u>

The notes on pages 30 to 56 form part of these financial statements

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income (continued)

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

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Investment Property

Investment property are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on Investments' in the statement of financial activities. Investment properties are held at fair value and a valuation is undertaken each year.

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.7 Tangible fixed assets

Assets costing £1000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following basis:

Freehold property	-	2%
Furniture and equipment	-	20%
Computer equipment	-	33%
Motor vehicles	-	25%

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.11 Financial instruments

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

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Operating leases

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

1.13 Pensions

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

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

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

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

THE PREMIER ACADEMY LIMITED
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.14 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

Valuation of tangible fixed assets:

Trustees have considered the value of tangible fixed assets. Changes in the circumstances of expectations of future performance of an individual asset may be an indicator that the asset is impaired, which would require the book value to be written down to its recoverable amount. Impairments are reversed if conditions for impairment are no longer present. Due to their nature, evaluating whether an asset is impaired requires a significant degree of judgment and may to a large extent depend on the assumptions made in its evaluation. The trustees have concluded that the valuation of tangible fixed assets at the year end are appropriate.

Depreciation and residual values:

The trustees have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives and residual values are appropriate.

Investment Property:

Trustees have used Cauldwell Property Services to value the investment property at year end.

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

3. Income from donations and capital grants

	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations	12,592	-	12,592	29,847
Capital Grants	-	11,133	11,133	564,550
	<u>12,592</u>	<u>11,133</u>	<u>23,725</u>	<u>594,397</u>
<i>Total 2020</i>	<u>29,847</u>	<u>564,550</u>	<u>594,397</u>	

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4. Funding for the Academy's educational activities

	Restricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
DfE/ESFA grants			
General Annual Grant	2,699,512	2,699,512	2,604,325
Other DfE/ESFA grants			
Pupil Premium	304,346	304,346	317,587
Rates Relief	20,591	20,591	18,220
Other ESFA/DFE grants	112,680	112,680	112,875
Universal Infant FSM	94,110	94,110	99,463
PE and Sports grant	21,440	21,440	21,440
	<u>3,252,679</u>	<u>3,252,679</u>	<u>3,173,910</u>
Other Government grants			
SEN Funding	42,415	42,415	35,603
	<u>42,415</u>	<u>42,415</u>	<u>35,603</u>
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	49,600	49,600	-
Other COVID-19 additional funding	47,552	47,552	-
	<u>97,152</u>	<u>97,152</u>	<u>-</u>
	<u>3,392,246</u>	<u>3,392,246</u>	<u>3,209,513</u>
<i>Total 2020 as restated</i>	<u>3,209,513</u>	<u>3,209,513</u>	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy's funding for Universal Infant Free School Meals, Rates Relief, PE and Sports Grant 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.

The academy received £49,600 of funding for catch-up premium and costs incurred in respect of this funding totalled £49,600.

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

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rental income	20,759	20,759	27,633
Sale of materials	5,403	5,403	4,688
Music income	-	-	14,694
Catering income	56,531	56,531	34,786
Other income	7,183	7,183	27,175
Letings income	-	-	2,136
	<u>89,876</u>	<u>89,876</u>	<u>111,112</u>
<i>Total 2020</i>	<u>111,112</u>	<u>111,112</u>	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Interest received	194	194	1,023
	<u>1,023</u>	<u>1,023</u>	
<i>Total 2020</i>	<u>1,023</u>	<u>1,023</u>	

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

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	<i>Total</i> <i>2020</i> £
Educational Activities:					
Direct costs	2,247,401	-	57,756	2,305,157	2,244,462
Allocated support costs	894,018	243,866	347,247	1,485,131	1,313,506
	<u>3,141,419</u>	<u>243,866</u>	<u>405,003</u>	<u>3,790,288</u>	<u>3,557,968</u>
<i>Total 2020</i>	<u>2,888,305</u>	<u>97,178</u>	<u>572,485</u>	<u>3,557,968</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	<i>Total</i> <i>funds</i> <i>2020</i> £
Educational Activities	<u>2,305,157</u>	<u>1,485,131</u>	<u>3,790,288</u>	<u>3,557,968</u>
<i>Total 2020</i>	<u>2,244,462</u>	<u>1,313,506</u>	<u>3,557,968</u>	

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational Activities 2021 £	Total funds 2021 £	<i>As restated Total funds 2020 £</i>
Pension finance costs	48,000	48,000	38,000
Staff costs	894,018	894,018	735,430
Depreciation	151,178	151,178	130,977
Premises Costs	126,602	126,602	140,377
Technology Costs	24,224	24,224	30,360
Other Support Costs	125,138	125,138	132,031
Catering Costs	115,971	115,971	106,331
	<u>1,485,131</u>	<u>1,485,131</u>	<u>1,313,506</u>
<i>Total 2020 as restated</i>	<u>1,313,506</u>	<u>1,313,506</u>	

Following the reclassification in the Academy's Accounts Direction 2020/21 the depreciation charged on computer equipment as well as some staffing and recruitment costs have been reclassified to direct costs. The prior year numbers have been reclassified.

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	5,280	7,920
Depreciation of tangible fixed assets	154,497	139,776
Fees paid to auditor for:		
- audit	7,000	8,500
- other services	2,500	2,600

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	2,186,350	2,078,832
Social security costs	195,489	176,698
Pension costs	759,580	632,775
	<u>3,141,419</u>	<u>2,888,305</u>

b. Staff numbers

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

	2021 No.	2020 No.
Teachers	24	25
Administration and support	64	62
Management (including 3 teachers)	6	7
	<u>94</u>	<u>94</u>

c. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	1
In the band £90,001 - £100,000	1	-
In the band £140,001 - £150,000	1	1

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for

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

10. Staff (continued)

d. Key management personnel (continued)

their services to the Academy was £715,232 (2020 - £518,498).

11. Trustees' remuneration and expenses

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

		2021 £	2020 £
Warren Harrison, Ex-officio	Remuneration	145,000 - 150,000	145,000 - 150,000
	Pension contributions paid	35,000 - 40,000	15,000 - 20,000
Saras Pillay, Staff Governor	Remuneration	45,000 - 50,000	45,000 - 50,000
	Pension contributions paid	10,000 - 15,000	0 - 5,000
Lee Robinson, Staff Governor	Remuneration	35,000 - 40,000	35,000 - 40,000
	Pension contributions paid	5,000 - 10,000	0 - 5,000

During the year, retirement benefits were accruing to 3 Trustees (2020 - 3) in respect of defined benefit pension schemes.

During the year ended 31 August 2021, no expenses were reimbursed or paid directly to the Trustees (2020 - £66 to 2 Trustees). The nature of the expenses in the prior year were in relation to travel and subsistence.

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2021 was £133 (2020 - £175). The cost of this insurance is included in the total insurance cost.

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FOR THE YEAR ENDED 31 AUGUST 2021**

13. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2020 (as previously stated)	6,161,496	59,866	90,616	82,020	6,393,998
Prior Year Adjustment (note 17)	67,000	-	-	-	67,000
At 1 September 2020 (as restated)	6,228,496	59,866	90,616	82,020	6,460,998
Additions	467,035	203,419	-	-	670,454
At 31 August 2021	6,695,531	263,285	90,616	82,020	7,131,452
Depreciation					
At 1 September 2020	862,246	32,257	82,089	56,430	1,033,022
Charge for the year	117,264	23,289	3,319	10,625	154,497
At 31 August 2021	979,510	55,546	85,408	67,055	1,187,519
Net book value					
At 31 August 2021	5,716,021	207,739	5,208	14,965	5,943,933
At 31 August 2020 (as restated)	5,366,250	27,609	8,527	25,590	5,427,976

Included in the net book value of property displayed above are the following amounts ascribable to land:

	2021 £	2020 £
Freehold land	739,392	739,392

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14. Investment property

	Freehold investment property £
Valuation	
At 1 September 2020	215,000
Surplus on revaluation	90,000
At 31 August 2021	<u>305,000</u>

The investment property has been valued on an open market basis based on comparable market data. The valuation was undertaken by Cauldwell Property Services as at 30 September 2021.

The historic cost of the property is £207,043.

15. Debtors

	2021 £	As restated 2020 £
Due within one year		
Trade debtors	8,360	10,187
Other debtors	1,498	-
Prepayments and accrued income	73,047	578,264
	<u>82,905</u>	<u>588,451</u>

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

16. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	16,789	19,814
Other taxation and social security	51,542	45,435
Other creditors	56,465	46,722
Accruals and deferred income	88,155	129,630
	<u>212,951</u>	<u>241,601</u>
	2021 £	2020 £
Deferred income at 1 September 2020	82,544	62,629
Resources deferred during the year	61,811	82,544
Amounts released from previous periods	(82,544)	(62,629)
	<u>61,811</u>	<u>82,544</u>

At the balance sheet date, the academy trust was holding deferred income of Universal Infant Free School Meals and other income relating to the 2021/22 year.

17. Prior year adjustments

In the prior year the CIF income awarded had not been accounted for as accrued income. A prior year adjustment has now been included which has increased the income and the debtors balance by £516,364 for the prior year.

The expenditure incurred in the prior year relating to capital works completed was expensed as revenue expenditure rather than included as fixed assets. A prior year adjustment has now been included which has increased the asset value and reduced the support costs by £67,000 for the prior year.

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

	As restated Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds - all funds	343,952	90,070	-	-	-	434,022
Investment Property	215,000	-	-	-	90,000	305,000
	<u>558,952</u>	<u>90,070</u>	<u>-</u>	<u>-</u>	<u>90,000</u>	<u>739,022</u>
Restricted general funds						
GAG	200,392	2,699,512	(2,591,465)	(151,521)	-	156,918
Pupil Premium	-	304,346	(304,346)	-	-	-
Rates Relief	-	20,591	(20,591)	-	-	-
Other DfE	-	112,680	(112,680)	-	-	-
Universal Infant FSM	-	94,110	(94,110)	-	-	-
PE & Sports Grant	-	21,440	(21,440)	-	-	-
SEN	-	42,415	(42,415)	-	-	-
Catch-up Premium	-	49,600	(49,600)	-	-	-
Other COVID-19 additional funding	-	47,552	(47,552)	-	-	-
Other donations	-	12,592	(12,592)	-	-	-
Pension reserve	(2,993,000)	-	(339,000)	-	(399,000)	(3,731,000)
	<u>(2,792,608)</u>	<u>3,404,838</u>	<u>(3,635,791)</u>	<u>(151,521)</u>	<u>(399,000)</u>	<u>(3,574,082)</u>
Restricted fixed asset funds						
Fixed assets	5,427,976	-	(154,497)	670,454	-	5,943,933
DfE/EFA capital grant	-	11,133	-	(11,133)	-	-
CIF income	516,364	-	-	(507,800)	-	8,564

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18. Statement of funds (continued)

	As restated Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
	5,944,340	11,133	(154,497)	151,521	-	5,952,497
Total Restricted funds	3,151,732	3,415,971	(3,790,288)	-	(399,000)	2,378,415
Total funds	3,710,684	3,506,041	(3,790,288)	-	(309,000)	3,117,437

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

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the academy via the Education and Skills Funding Agency by the Department for Education. The General Annual Grant Fund has been set up because the GAG must be used for the normal running costs of the academy.

Pupil Premium is a grant allocated to academies with pupils that are known to be eligible for free school meals. The purpose is to raise attainment for pupils from low income families.

Rates relief is a grant allocated to academies to cover the rates cost of the business rates during the year.

Teachers pay grants and Teachers pensions grants are additional funding streams provided to cover the increased pay and pension contribution rates set for the Teachers.

The Covid catch up premium and other covid funding has been received to assist with the additional costs associated with the impact on the pupils during the covid-19 pandemic.

The Pension reserve represents the net deficit on the LGPS defined benefit pension scheme. Future GAG funding agreed by the ESFA is expected to be sufficient to take the fund back into surplus.

The restricted fixed asset fund includes the leasehold property and all other fixed assets. Depreciation charged on the assets is allocated to the fund.

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

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

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	As restated Balance at 31 August 2020 £
Unrestricted funds						
General Funds - all funds	303,015	40,937	-	-	-	343,952
Investment Property	250,000	-	-	-	(35,000)	215,000
	<u>553,015</u>	<u>40,937</u>	<u>-</u>	<u>-</u>	<u>(35,000)</u>	<u>558,952</u>
Restricted general funds						
Restricted Funds - all funds	218,980	3,310,558	(3,187,191)	(141,955)	-	200,392
Pension reserve	(2,080,000)	-	(231,000)	-	(682,000)	(2,993,000)
	<u>(1,861,020)</u>	<u>3,310,558</u>	<u>(3,418,191)</u>	<u>(141,955)</u>	<u>(682,000)</u>	<u>(2,792,608)</u>
Restricted fixed asset funds						
Fixed assets	4,436,817	-	(139,776)	1,130,935	-	5,427,976
DfE/EFA capital grant	940,794	48,186	-	(988,980)	-	-
CIF income	-	516,364	-	-	-	516,364
	<u>5,377,611</u>	<u>564,550</u>	<u>(139,776)</u>	<u>141,955</u>	<u>-</u>	<u>5,944,340</u>
Total Restricted funds	<u>3,516,591</u>	<u>3,875,108</u>	<u>(3,557,967)</u>	<u>-</u>	<u>(682,000)</u>	<u>3,151,732</u>
Total funds	<u><u>4,069,606</u></u>	<u><u>3,916,045</u></u>	<u><u>(3,557,967)</u></u>	<u><u>-</u></u>	<u><u>(717,000)</u></u>	<u><u>3,710,684</u></u>

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19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	5,943,933	5,943,933
Investment property	305,000	-	-	305,000
Current assets	421,368	382,523	8,564	812,455
Creditors due within one year	12,654	(225,605)	-	(212,951)
Provisions for liabilities and charges	-	(3,731,000)	-	(3,731,000)
Total	739,022	(3,574,082)	5,952,497	3,117,437

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	As restated Restricted fixed asset funds 2020 £	As restated Total funds 2020 £
Tangible fixed assets	(516,364)	-	5,944,340	5,427,976
Investment property	215,000	-	-	215,000
Current assets	860,316	441,993	-	1,302,309
Creditors due within one year	-	(241,601)	-	(241,601)
Provisions for liabilities and charges	-	(2,993,000)	-	(2,993,000)
Total As restated	558,952	(2,792,608)	5,944,340	3,710,684

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

	2021 £	2020 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(194,247)	323,077
Adjustments for:		
Depreciation	154,497	139,781
Capital grants from DfE and other capital income	(11,133)	(564,550)
Interest receivable	(194)	(1,023)
Defined benefit pension scheme cost less contributions payable	339,000	231,000
Decrease/(increase) in debtors	505,546	(488,625)
(Decrease)/increase in creditors	(28,650)	43,483
Loss/(Gain) on revaluation of investment property	(90,000)	35,000
Net cash provided by/(used in) operating activities	674,819	(281,857)

21. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	194	1,023
Purchase of tangible fixed assets	(670,454)	(190,141)
Capital grants from DfE Group	11,133	564,550
Net cash (used in)/provided by investing activities	(659,127)	375,432

22. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	729,550	713,858
Total cash and cash equivalents	729,550	713,858

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	713,858	15,692	729,550
	<u>713,858</u>	<u>15,692</u>	<u>729,550</u>

24. Pension commitments

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Buckingham County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £55,912 were payable to the schemes at 31 August 2021 (2020 - £46,285) and are included within creditors.

Teachers' Pension Scheme

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

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

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24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £270,087 (2020 - £257,935).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £259,000 (2020 - £223,000), of which employer's contributions totalled £198,000 (2020 - £170,000) and employees' contributions totalled £ 61,000 (2020 - £53,000). The agreed contribution rates for future years are 23% per cent for employers and 5.5% to 12.5% per cent for employees.

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

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24. Pension commitments (continued)

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.85	3.25
Rate of increase for pensions in payment/inflation	2.85	2.25
Discount rate for scheme liabilities	1.65	1.65

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

	2021 Years	2020 Years
<i>Retiring today</i>		
Males	21.6	21.8
Females	25.0	25.1
<i>Retiring in 20 years</i>		
Males	22.9	23.2
Females	26.4	26.6

Sensitivity analysis

Share of scheme assets

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

	2021 £	2020 £
Equities	1,740,000	1,370,000
Gilts	301,000	264,000
Corporate bonds	449,000	392,000
Property	186,000	156,000
Cash and other liquid assets	43,000	66,000
Other	484,000	251,000
Total market value of assets	3,203,000	2,499,000

The actual return on scheme assets was £479,000 (2020 - £76,000).

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24. Pension commitments (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2021 £	2020 £
Current service cost	(487,000)	(361,000)
Interest income	43,000	46,000
Interest cost	(91,000)	(38,000)
Administrative expenses	(2,000)	(2,000)
Total amount recognised in the Statement of financial activities	(537,000)	(355,000)

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

	2021 £	2020 £
At 1 September	5,492,000	4,417,000
Current service cost	487,000	361,000
Interest cost	91,000	84,000
Employee contributions	61,000	53,000
Actuarial losses	835,000	587,000
Benefits paid	(32,000)	(10,000)
At 31 August	6,934,000	5,492,000

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

	2021 £	2020 £
At 1 September	2,499,000	2,337,000
Interest income	43,000	46,000
Actuarial gains/(losses)	436,000	(95,000)
Employer contributions	198,000	170,000
Employee contributions	61,000	53,000
Benefits paid	(32,000)	(10,000)
Administrative expenses	(2,000)	(2,000)
At 31 August	3,203,000	2,499,000

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25. Operating lease commitments

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

	2021 £	2020 £
Not later than 1 year	-	5,280

26. Members' liability

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

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27. Related party transactions

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

Eaton Mill Nursery & Out of School Day Care use the school premises. During the year the academy charged the company £6,000 (2020 - £16,800) for rent and other services. Eaton Mill Nursery & Out of School Day Care charged the academy £13,189 (2020 - £37,937) for secondment of staff, provision of retained safeguarding and SEN support. At the year end the academy owed the company £nil (2020 - £nil) and the company owed academy £nil (2020 - £nil).

The Academy recharged funds to The Premier Academy School Fund of £5,676 during the year (2020 - £nil).

C. Marsh, Trustee and Responsible Officer, received £496 (2020 - £165) in respect of accounting services.

In the year to August 2021, two relations of trustees and key management staff were employed by the school:

	2021	2020
D Farquharson's relations:		
J Farquharson:		
Remuneration	£25,000-£30,000	£20,000-£25,000
Employer's pension contribution paid	£5,000-£10,000	£nil - £5,000
A Farquharson:		
Remuneration	£15,000-£20,000	£15,000-£20,000
Employer's pension contribution paid	£nil - £5,000	£nil - £5,000