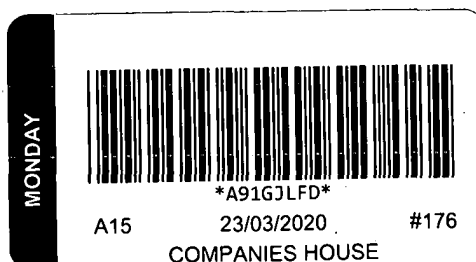


Company Registration No. 07465249 (England and Wales)

**JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2019**



JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

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JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

REFERENCE AND ADMINISTRATIVE DETAILS

Members

N Pascoe
R I Stevenson
D Strutt

Trustees

A Bailey (Parent) (Joint chair finance)
J Harris (Parent) (Resigned 17 December 2018)
D E Hudson (Community)
R Jones (Parent)
H Knapper (Support staff)
L Lown (Teacher) (Resigned 31 December 2018)
J Markey (Teacher)
K Nicholls (Support staff)
N Pascoe (Community) (Chair curriculum)
D Potter (Community)
R I Stevenson (Parent) (Joint chair finance) (Resigned 21 May 2019)
D Strutt (Community) (Chair of trustees)
N P J Griffiths (Headteacher and accounting officer)
A Middlecote (Parent)
N Dale (Community)
T Murray (Parent)
B Vinall (Community)
L Chaplain (Parent) (Appointed 21 May 2019)
R Leather (Parent) (Appointed 20 November 2018)
H Mather (Teacher) (Appointed 25 January 2019)
G Thomas (Parent) (Appointed 20 November 2018 and resigned 13 November 2019)
M Way (Parent) (Appointed 21 May 2019)
L Salter (Local Authority) (Appointed 31 January 2019)

Senior leadership group

- Headteacher	N Griffiths
- Operational headteacher	D Boyd
- Deputy headteacher	M Burton
- Assistant headteacher (resigned 31.08.2019)	D Bell
- Assistant headteacher/SENCO	T Clarke
- Assistant headteacher	M Croad
- Assistant headteacher	K Phillips
- Assistant headteacher	R Wallace
- Associate headteacher (resigned 31.08.2019)	J Salway
- Director of business & finance	C Bryan
- Headteacher/SLG PLA	C Straughan

Company secretary

Wrigleys Solicitors LLP

Company registration number

07465249 (England and Wales)

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

REFERENCE AND ADMINISTRATIVE DETAILS

Principal and registered office	Ledbury Road Ross-on-Wye Herefordshire HR9 7ET England
Independent auditor	Baldwins Audit Services Pillar House 113/115 Bath Road Cheltenham Gloucestershire GL53 7LS
Solicitors	Hulse Yazdi Limited Reed House Hunters Lane Rochdale OL16 1YL
Bankers	HSBC 32 Gloucester Road Ross-on-Wye Herefordshire, HR9 5LF Barclays Bank PLC Broad Street Herefordshire, HR4 9BH
Internal auditor	Alexis Saffin Devon Audit Partnership Dart Suite Larkbeare House Topsham Road Exeter. EX2 4NG

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates as a school for ages 11-18. It currently has on roll 1,427 pupils as at September 2019.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The academy was incorporated on 9 December 2010 and commenced as an academy trust from 1 January 2011. John Kyrle's Memorandum and Articles of Association, together with the funding agreement, are the primary governing documents of the academy trust.

The trustees act for the charitable activities of John Kyrle High School & Sixth Form Centre and are also the Directors of the charitable company for the purposes of company law. The charitable company is known as John Kyrle High School & Sixth Form Centre.

Members of an academy have a different status from trustees. The members are the subscribers to the academy's memorandum of association, have an overview of the governance arrangements.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

Trustees are responsible under the academy's article of association for controlling its management and administration. They have responsibility for directing its affairs and for ensuring that it is solvent, well run and delivering the trust's charitable outcomes for the benefit of the public, holding the school's leadership and Headteacher to account.

In accordance with normal commercial practice John Kyrle High School & Sixth Form Centre has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance is held with Zurich Municipal until the current policy expiry on 31 March 2020.

Method of recruitment and appointment or election of trustees

Eligibility to act as a trustee of John Kyrle High School & Sixth Form Centre is within the Constitutional Framework and Clauses 65-81 of the Articles of Association.

Trustees are sought via election from the parent body, the staff body and co-opted from the local community dependent upon skill requirements. Community trustees can be appointed on the recommendation of trustees and based on the needs linked to the competency framework for trustees.

The board of trustees has an ongoing policy of attracting trustees with a range of skills and backgrounds to provide the academy with the best possible advice and support; those sought must be willing to be committed to the role of a trustee, including a willingness to take on continuous development and education for their role. To assist their role, the school has taken out a Service Level Agreement (SLA) with Herefordshire Governors Association for training of trustees.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Policies and procedures adopted for the induction and training of trustees

The school has adopted an in-house programme of induction for all new trustees. This includes information about the school, the company and the trust.

Each new trustee meets with the headteacher, chair of trustees and clerk to trustees and is assigned a mentor from the board of trustees. Further induction training is provided via the SLA with the Herefordshire Governors Association (HGA).

Organisational structure

The board of trustees acts upon the guidance for trustees as laid out in the Governance Handbook March 2019.

The board of trustees manages the academy on behalf of the members of the academy trust. Their core functions are:

- ensuring clarity of vision, ethos and strategic direction;
- overseeing financial performance of the school and ensuring money is well spent; and
- holding the Headteacher to account for educational performance of the school and management of staff.

All trustees are both directors of the company and trustees of the charity. This encourages participation, devolved responsibility and encourages decision-making.

Trustees are responsible for setting strategic direction and general policy. They adopt an annual development plan and monitor the development of the academy through this.

The Trustees make decisions about the future direction of the Academy, capital expenditure and, with the senior leadership group, on staff appointments and pay. Committees monitor the effectiveness of the school through:

- curriculum committee
- finance, premises and audit committee
- personnel committee

The senior leadership group directs the academy at an executive level, implementing the policies laid down by the trustees and reporting back to them. They are also responsible for the day-to-day operation of the academy.

Committees monitor the effectiveness of the school in terms of curriculum, finance and personnel, with at least termly meetings and up to six meetings per year for certain committees. Evidence including position papers, live data and benchmarking are provided by the school for the trustees. All decisions reserved for the board of trustees are taken at the appropriate level. Committees discuss key matters and are advised by leaders. Recommendations are shared with the board of trustees for approval or rejection. All decisions delegated to management are clearly communicated and outcomes monitored.

The school has secured the services of Peter Kingham, PK Educational Enterprises Ltd to act as its School Improvement Partner and this provides the trustees with further objective evidence, supporting or challenging the work of the SLG. The trustees receive a weekly school internal staff bulletin and all student newsletter publications. They also attend many school events. Some trustees acted as mentors to pupils during 2018-19.

The headteacher acts as the accounting officer and works in close collaboration with the chair of the trust, the chairs of the individual committees, auditors, internal audit, and the School Business and Finance director (SBM). The headteacher is informed in his role by the SBM who sits on the budget working group and schools' forum, also by Malcolm Green (Senior Finance Manager at Herefordshire Council). The headteacher also sits as a member of the local secondary heads' association and as a member of Herefordshire School Improvement Panel. The board of trustees is made aware not only of the financial position of the school, but of any changes forthcoming in the local management of schools and also any impending national funding agreements and how this can impact on the school and throughout the locality of Herefordshire and nationally.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Arrangements for setting pay and remuneration of key management personnel

The board of trustees has full oversight of the school's performance management system. Evidence is presented in support of all pay progressions, or recommendations that progression does not occur. The evidence provided in recognition of all teaching pay progressions is based on the National Teachers' Standards, what contributions have been made to the school development also performance at examination level, taking data from a range of indicators.

The Personnel Committee undertakes scrutiny on appropriate levels of pay for the senior leadership group and refer decisions made to the board of trustees. The senior leadership group salaries are calculated using the Department for Education (DfE) School teachers' pay and conditions document (STPCD). The trustees, during the latter part of 2016-17 and early part of 2017-18, set up a Pay Review Committee, which was aimed at evaluating the pay scales for the senior leadership group. In line with the Academies Financial Handbook 2018 (paragraph 2.4.3) *"the board of trustees must ensure that their decisions about levels of executive pay, follow a robust evidence-based process and are reflective of the individual's role and responsibilities"*.

The committee sought advice from the school's HR support services, the school improvement partner and discussed financial commitments with the Business and Finance Director. The Pay Review Committee evaluated all roles within the group and concluded, through a written report to the Personnel Committee, that due consideration had been given to the salaries of the headteacher and the senior leadership group and concluded the salaries awarded had followed a robust process. The committee reaffirmed each role and appropriate pay level for each teaching member of SLG (which comprises the headteacher, operational headteacher, deputy head, SENCO and assistant headteachers). The committee had obtained and included evidence of their decision based on the school's educational progress, financial scrutiny and other factors including reputation and retention of existing highly skilled staff to the school.

The salaries of the majority of SLG are now capped in terms of performance management pay progression.

Through continued accountability, and operational scrutiny, we have in-year reduced the SLG membership. Over the past two years four members of staff have left the SLG, mainly the result of moving to promoted posts. None has been replaced. This level of operational review has also included roles within the support staff teams, where we have looked into streamlining processes and revaluating job roles. A major restructuring took place during the spring term 2019 in order to save money.

Pay progressions for leaders below the headteacher are assessed annually via performance management, where targets and previous performance are considered. The Chair of Trustees is informed of the recommendations from the headteacher for appropriate pay progressions or rejections and decisions are passed to the Personnel Committee for review.

Teaching staff have the ability to progress through the pay range, their performance is assessed annually via the appraisal process to ascertain if progression should occur. The pay progressions are then verified by the trustees' personnel committee once a year (November). Teaching staff are employed on the national teaching pay scales as identified in the DfE STPCD.

Support staff are employed under the previous pay ranges that were devised by Herefordshire Council's job evaluation process in 2004. Salaries were regraded to ensure each job attribute had a relevant score and an appropriate level of pay awarded for the score given. Under the trust, all support employees have an appropriate John Kyrle High School & Sixth Form Centre job description.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Related parties and other connected charities and organisations

The headteacher in his role as a lead inspector for Ofsted, is able to assess the school as a whole and inform the board of trustees about national developments and can also provide the opportunity to learn from best practice in other organisations. During the school year, the Headteacher led several Ofsted inspections and was commended by senior HMIs for his work.

In the autumn term of 2018, the headteacher was invited to become an Ofsted Ambassador for the West Midlands. This has led to his working in a consultancy capacity at the highest levels of Ofsted, both regionally and nationally. Also, in his role as National Leader of Education (NLE), the headteacher continues to work with the Herefordshire School Improvement Partnership (HSIP) group in sharing ideas on school development and producing a risk assessment for both primary and secondary schools. Additionally, the headteacher acts as a school improvement partner for schools locally and regionally.

We currently have four specialist leaders of education, who can work as part of its National Support School status:

- David Boyd – curriculum development
- Christine Bryan – School Finance / SBM
- Trixie Clarke – SEND
- Rob Wallace – Sixth Form

Through the specialist leaders we work with other schools as advisors and provide a range of mentoring, monitoring and best practice to assist in raising improving standards across the education sector.

The school works closely with the surrounding cluster of primary schools (headteachers and trustees) where we provide facilities they can use especially for sport and specialist facilities including science, technology and art. This supports educational improvement for all children, and aid transition into John Kyrle. This latter aspect is complemented with multiple induction days and visits to the school.

We have a suite of facilities that are open to the public to hire for sporting events, evening classes, meetings, concerts to name a few. We have a full lettings schedule for Monday to Fridays between 18:00 and 22:00, and some weekend hire also.

The school works in partnership with various contractors in order to ensure quality for the school, including services and the site as a whole. This includes Alliance in Partnership who provide catering services and is a host kitchen for providing school lunches to many primary schools in the local area.

Fundraising

John Kyrle students are involved in raising money for charities and each year through the student council they designate a local, national and international charity to support. The students mainly raise funds through non-uniform days, where the nominated fee per student is paid to the Finance Office and recorded as a collective amount. A record of the total sum raised is kept within the School Fund bank account. Once all the funds for the year have been collected, the amount is provided to the Student Council and the decision is made on how the funds are split and a record of how much to be given is kept via the minutes of the meeting.

Trade Union Facility Time

John Kyrle currently does not have any trade union representatives in the organisation. Therefore, during the period 1 September 2018 and 31 August 2019, there is no data to submit.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities

Objects and aims

Our vision

The school's student council has condensed our aspiration for students as:

Happy, healthy and successful

- We are a truly safe, inclusive and comprehensive school;
- We are committed to raising the achievement of students of all abilities;
- We focus upon the individual, tailoring a programme of study and pastoral support to enable students to leave us as confident, articulate and empowered young adults;
- We ensure students are well prepared to respect others and contribute to wider society and life in Britain today;
- We help our students to respect themselves, the school and wider environment; and
- Our students will experience a rich and broad curriculum.

Objectives, strategies and activities

The mission of John Kyrle High School & Sixth Form Centre is to develop as a centre of technological excellence in Herefordshire, embodying the best features of enterprise and sustainability.

The trust aims to attract and educate young people and equip them with the intellectual and technological skills to prosper as responsible citizens in the 21st Century.

The Trust aims to:

- Realise the potential of every student through an innovative curriculum that broadens the mind and challenges the intellect.
- Raise standards of achievement in English, Maths, the Sciences, Design Technology, Modern Foreign Languages, the Humanities, the Arts and Applied Learning for all students across the ability range.
- Improve whole-school performance through enhanced use of technology: a technological culture will pervade throughout the organisation.
- Provide young people with the skills needed to progress to employment, further training or university entrance according to their individual abilities, aptitudes and ambitions.
- Promote an educational culture which is scientific, creative, enterprising and sustainable.
- Develop intellectual, aesthetic and critical faculties in students, allied to strong ethical principles.
- Promote social, moral, spiritual and cultural awareness to prepare students for adulthood.

Public benefit

The academy trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising powers or duties. This has been with particular reference to Principles 1 and 2 as found in 'The Advancement of Education for the Public Benefit: 2008'.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report

Achievements and performance

During the spring term the school accepted an invitation to host a pilot inspection trialing the new Ofsted Education Inspection Framework. Four inspectors, including a HMI, spent two days at the school conducting a full section 5 inspection. Although no written report was shared with the school the verbal feedback from inspectors was positive.

Vice chair of Governors, David Potter, took notes during the feedback meeting. These were shared in an explanatory letter with parents. Included within the letter:

- *the inspection team consistently used word like 'positive' and 'strong' to describe every aspect of the school*
- *there were no weaknesses - a few 'even better if' comments, but not many of them and nothing negative*
- *they were clearly impressed with the students' attitudes to work and to school; they saw no poor behaviour*
- *in fact they described the students as delightful, and clearly enjoyed their company*
- *they understood and accepted the school's 'happy, healthy, successful' mantra*
- *they were hugely impressed with the sixth form, describing it as exemplary'*

Inspectors were rigorous and challenging: the school feels that it has been through a thorough evaluation and has come out of it extremely well.

Overall, this was an enormously positive, affirming experience. Governors are proud to be associated with the school, and congratulate the headteacher, all staff and students on what they have achieved.

In March 2017, the school underwent a 'short' Ofsted inspection. This was led by one of Her Majesty's Inspectors. The inspection confirmed the school remained 'outstanding for leadership and management, pupil behavior and safeguarding and the sixth form'. Leaders were told they have maintained the good quality of education since the last inspection.

The Ofsted report noted:

- 'pupils are well behaved, polite and friendly'
- 'because of excellent attitudes to learning and strong academic results, pupils are very well prepared for life after school'
- 'parents value the education that the school provides'
- 'staff are proud to work at the school'.

The report concluded that the headteacher is effective in his aim to ensure pupils are 'happy, healthy and successful' and also reported '*because of excellent attitudes to learning and strong academic results, pupils are very well prepared for life after school*'.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Performance at A2 continued to be strong. Progress is well above average at 0.4 with the school gaining 60% A* - B grades and a 99.75% pass rate. Indications from the independently administered ALPS (A Level Performance System) are that the school will, once again be in the top 5% of post-16 providers nationally:

The curriculum to have an emphasis on technology, modern foreign languages and applied learning (funding agreement)

Specialisms continue to underpin the standards and contribute to students' experience within and outside the classroom. Technology is popular at KS4 and offered across five subject areas. MFL uptake is actively encouraged as part of the school's commitment to the EBacc.

The school will be at the heart of its community, promoting community cohesion and sharing facilities with other schools and the wider community (funding agreement).

The outward-facing nature of the school is emphasised with school-to-school and community support:

- formal links with primary schools, for example, using our multi-specialisms to assist them deliver their priorities
- close work with primary schools on transition, especially for pupils with learning and/or attendance challenges
- headteacher advising several other schools in his capacity as a National Leader of Education
- headteacher leading Ofsted inspections
- the school deploying specialist leaders of education to support schools, including those in Ofsted categories and with a grading of RI.

A Level

Targets 100% pass rate and 60% A* - B = 60% met
Achieved: 100% pass rate and 60% A* - B = 99.75% met

Value as Added +0.4. This is significantly above average, has been the case consistently over many years. We are, by any measure, a centre of excellent for post-16 education.

Most students gained places at their first-choice institution with a third of all applicants departing for Russell Group universities. As ever, there was success in gaining higher apprenticeships with large national accountancy and management firms as well as employment in public services including the defence industry.

Following the publication of our A-level results, we received a letter of commendation from Chris Baird, Herefordshire local authority congratulating the pupils, parents and carers, staff, governors and all who contribute to the work of the school for another set of excellent A level results. He also commented that these results once again saw John Kyrle performing well above the national average pass rate recognising the hard work that leaders, staff and pupils have put in over the past two years.

GCSE

Herefordshire LA shares school outcomes across several metrics: grades 5+ at GCSE, A8, EBacc at grades 5+. John Kyrle performed above the local average for all metrics. John Kyrle was one of only four Herefordshire high schools with a positive progress 8 score in 2019.

We continue to enter much higher proportions of pupils for the EBacc than seen locally and nationally.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Extra-curricular activities

The school offers a range of additional provision for pupils. This includes sport, music, drama, chess and a range of clubs and societies. These are all updated on the school website.

All aspects of PSHE/Citizenship/FBV are delivered across the curriculum and within our bespoke 'Happy, Healthy, Successful' curriculum.

Behaviour at school is excellent. There have been no permanent exclusions for 12 years. Both fixed-term exclusions and referrals to internal isolation, whilst used, are very low.

Trips and visits are extensive. In September 2019 parents/carers were sent a list of those available with information on how to approach the school if financial support was required.

Trips planned in the academic year 2019/2020 and into 2020/2021 included:

- Geography field trips to the Forest of Dean, Cardiff, Oxwich Bay, Nettlecombe and Birmingham;
- Geology field trips to Lulworth and Broadhaven;
- MFL trips to the Cologne Christmas Markets, Betzdorf and Northern France;
- History trips to Hampton Court and Berlin;
- R.S. / Art trip to Krakow;
- Physics trip to CERN;
- Biology field trip to Orielton;
- Maths field trip to Disneyland Paris; as well as
- Trips to Kenya/Uganda, the Sports Tour, the Ski trip, a trip to Oxford University, the UCAS Convention and the Bushcraft experience.

Given all of the above our curriculum is demonstrably broad, balanced, inclusive, ambitious and successful.

We are fully staffed in all areas with 8 new members of teaching and support staff joining us in September 2019.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Key performance indicators

Pupil numbers

One, possibly the key, indicator of a school's success is parental preference. The school has seen an upward trend in pupil numbers, despite recent falling rolls in the primary sector. While still fulfilling its mission to draw students mainly from its locality, the school is increasingly popular with parents outside the traditional catchment area and across local authorities.

Number on roll:

• September '19	1,427	•	2015-16	1,428
• 2018-19	1,452	•	2014-15	1,363
• 2017-18	1,387	•	2013-14	1,387
• 2016-17	1,373	•	2012-13	1,410

Gathering parental feedback

We have issued the biennial Kirkland Rowell survey since 2006. It is always very positive. While this is to be welcomed, of course, the survey is expensive. We aim to discontinue it and use the Ofsted questionnaire, survey monkey and parental engagement evenings to capture feedback. We also encourage personal dialogue with parents via meeting with SLG 08:00 - 08.20 daily for which no appointment is necessary.

Governormark

The trustees continue to operate within the framework set when it successfully achieved Governormark standards in 2012-13.

Attendance

Attendance is always above and persistent absences is always below the national averages.

Risk management

Since incorporation, the trustees and SLG have completed a financial and whole-school risk assessment to identify and implement strategies for addressing risk. The trustees have also completed an assessment of internal control for the EFSA. The process allowed risks to be identified and strategies implemented for addressing risks. Trustees have reviewed the risks to which the school is exposed, and considered those relating to teaching, provision of facilities, other operational areas of the school, and its finances. Where significant risks remain, they have ensured adequate insurance cover.

School Development Plan 2018-19

The school uses the Ofsted model as the framework for its school development plan. In 2018-19 we focused upon:

- outcomes;
- quality of teaching;
- behavior and safeguarding; and
- leadership and management.

The aim is to reach good/outstanding in relation to all the above as measured by Ofsted criteria.

The school set 10 key performance indicators. Each department/year group took several of these KPI's and developed them within the context of their area. Each KPI was the responsibility of a member of SLG who reported progress to the relevant trustee committee, who, in turn RAG (red, amber, green) rated each area on a least a termly basis. Many areas were graded green, with nothing red.

The school utilises bespoke software for school development planning, appraisals and monitoring. There is a demonstrable link between key aspects of the school budget and the school development plan via capitation and capital planning.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The school reviewed its safeguarding procedures in the spring term of 2019 and asked the LA to undertake a full review of processes. In the feedback letter to the HT, Alison Naylor, Head of Learning and Achievement wrote:

Overall the school has a strong and passionate safeguarding team who are well supported by the SLG. Staff understand that safeguarding children is a key school priority and were knowledgeable about safeguarding policy and practice. The pupils spoken with feel safe in school and did not hesitate to say that they would recommend the school to others.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The accounting period is from the 1 September 2018 to 31 August 2019. The majority of the school's income is obtained from the ESFA (Education and Skills Funding Agency) in the form of a recurrent grant, the use of which is restricted to a particular purpose. The grant received from the ESFA during the year ending 31 August 2019 and the associated expenditure are shown as restricted funds (non-fixed assets) in the statement of financial activities.

Key performance indicators include: Pupil / Teacher ratio

2018/19: 19.1

2017/18: 17.8

2016/17: 17.6

2015/16: 17.1

2014/15: 16.1

Staff costs as % of GAG income:

2018/19: 90.0%

2017/18: 88.0%

2016/17 85.9%

2015/16 86.5%

2014/15 83.6%

Financial position

Despite the overall in year revenue deficit of £499,538 the school continues to maintain a good level of funds with unrestricted reserves at £1,320,421 and restricted reserves of £25,789 before a pension deficit of £3,499,000.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Reserves policy

The Finance committee has established a Reserves' Policy in line with guidelines. The trustees can view the reserves of the academy at each financial committee meeting, from the management accounts. The Academy's 'free' reserves are the funds remaining after excluding any restricted funds. 'Reserves' are therefore the resources the Academy has or can make available to spend for the Academy's purposes once it has met its commitments and covered other planned expenditure. There are no ESFA carry forward restrictions.

The Academy's policy states that the appropriate level of revenue reserves should be equivalent to one month's expenditure, currently estimated to be between £650,000 and £700,000. This being to provide sufficient working capital, in order to cover delays between spending and receipt of grants.

The free reserves figure is currently £1,320k (2018: £1,392k) the value of approximately 2.03 (2018: 2.14) month's academy expenditure which provides a cushion to deal with unexpected emergencies such as urgent maintenance.

Due to the accounting requirements for the Local Government Pension Scheme (LGPS), we have recognised a significant pension fund deficit. Where this creates a deficit in the restricted general fund this does not mean that an immediate liability for this amount will crystallise. The deficit position of the pension scheme results in a cash flow effect for the Academy Trust in the form of an increase in employers' pension contributions over a period of 19 years from 2011.

Investment policy

The investment policy is required to ensure that investments are protected rather than maximising interest. Short term investments are restricted to transfers to the academy deposit account. The academy's business and finance director ensures that surplus funds are deposited to maximize interest. The academy's current account will hold enough funding to cover the monthly outgoings and any surplus funds will be transferred to the deposit account monthly.

Details of monthly deposit account transfers will be sent by the business and finance director to:

- headteacher for authorisation
- chair of trustees (for information)
- chair of finance committee (for information)

Should the reserves increase sufficiently to consider longer-term investment, the academy would employ an agent to give advice on suitable investment opportunities.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Principal risks and uncertainties

The trustees, in conjunction with senior managers, complete a whole-school risk assessment each year. Regular finance committee meetings also highlight uncertainties enabling us to plan any potential impact. The following areas of potential impact which pose as a risk to the academy are:

Funding/expenditure:

- Impact of lower pupil numbers (also catchment schools v nearest school);
- Impact of national funding formula, particularly in an area with a proliferation of schools requiring top-slicing by the Local Authority for both small-school protection and receiving minimum-funding guarantee;
- Impact of inflationary pressures over the next three years, currently estimated at 15%;
- Impact of teachers' pay award and pension contributions.

Competition:

- The relatively small number of available staff to either replace existing teachers or expand departments is becoming an increasing pressure. Recruitment and retention throughout the teaching profession is a concern nationally. Impact of new post-16 facility locally;

Ofsted:

- The ambition to diminish the difference between disadvantaged students and those non-disadvantaged nationally is one to which we aspire. It is acknowledged nationally, however, that schools in rural settings with a proportion of disadvantaged pupils between 11 and 19%, find it most difficult to close the gap. John Kyrle's figure has over the past three years been between 15 and 18%. Progress for this group of learners in 2019 needs to be seen within this challenging context.

Financial and risk management objectives and policies

All risks are assessed annually against a three-year rolling budget forecast verified by the Internal Auditors. The trust does not anticipate any credit, cash flow or liquidity risks for the foreseeable future. The pension deficit is covered in detail within note 19.

Plans for future periods

Following continued strong examination performance at both GCSE and A Level in the summer of 2019, the school approaches the future with great confidence.

Herefordshire local authority has requested that we begin to make plans to expand student numbers within the next few years. The local authority will fund major capital developments within the school to support the growing numbers. In the summer term of 2019, Andrew Hines, interim capital manager for the local authority wrote to Nigel Griffiths stating:

'In principle we would like to support you in expanding to take an additional 30 pupils per year group to meet demographic growth in the area and strong parental preference for places at JKHS.'

Prior to expanding pupil numbers, the school will undertake all necessary consultations within the DfE guidance 'Making a Significant Change'.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Auditor

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 10 December 2019 and signed on its behalf by:



D Strutt
Chair of Trustees

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that John Kyrle High School & Sixth Form Centre has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between John Kyrle High School & Sixth Form Centre and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

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

Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
A Bailey (Parent) (Joint chair finance)	6	6
J Harris (Parent) (Resigned 17 December 2018)	0	2
D E Hudson (Community)	6	6
R Jones (Parent)	5	6
H Knapper (Support staff)	4	6
L Lown (Teacher) (Resigned 31 December 2018)	1	2
J Markey (Teacher)	5	6
K Nicholls (Support staff)	5	6
N Pascoe (Community) (Chair curriculum)	5	6
D Potter (Community)	6	6
R I Stevenson (Parent) (Joint chair finance) (Resigned 21 May 2019)	4	4
D Strutt (Community) (Chair of trustees)	6	6
N P J Griffiths (Headteacher and accounting officer)	6	6
A Middlecote (Parent)	5	6
N Dale (Community)	6	6
T Murray (Parent)	4	6
B Vinall (Community)	5	6
L Chaplain (Parent) (Appointed 21 May 2019)	2	2
R Leather (Parent) (Appointed 20 November 2018)	2	5
H Mather (Teacher) (Appointed 25 January 2019)	4	4
G Thomas (Parent) (Appointed 20 November 2018 and resigned 13 November 2019)	3	5
M Way (Parent) (Appointed 21 May 2019)	2	2
L Salter (Local Authority) (Appointed 31 January 2019)	4	4

Members of all sub committees are trustees and attend on a voluntary basis. Trustees are expected to be a member of at least one sub-committee.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Governance reviews

Trustees meet formally six times during the year, but review their effectiveness twice a year in both January and July, where they set aside time to discuss the effectiveness of governance using a range of approaches such as:

- annual skills audit to identify any skills gap which in turn informs recruitment and effective use of all trustee skills;
- evaluation of training e.g. induction training for new governors, safeguarding, Prevent;
- short quizzes to check trustee knowledge; and
- review of effectiveness benchmarked to national standards of effective governance e.g. NGA 20 questions and most recent Ofsted framework for leadership and management.

The finance, premises and audit committee is a sub-committee of the main board of trustees and from the 1 April 2017, it was decided the membership of the committee would become a closed committee with a membership of at least seven members, but other trustees can still attend if they wish. The committee's purpose is to assist the decision making of the board of trustees, by enabling detailed consideration to be given to the best means of fulfilling the board's responsibility by ensuring sound management of the academy's finances and resources, including appropriate planning, monitoring and probity.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
A Bailey (Parent) (Joint chair finance)	5	6
D E Hudson (Community)	5	6
H Knapper (Support staff)	2	6
N Pascoe (Community) (Chair curriculum)	5	6
R I Stevenson (Parent) (Joint chair finance) (Resigned 21 May 2019)	4	5
N P J Griffiths (Headteacher and accounting officer)	1	6
N Dale (Community)	5	6
B Vinall (Community)	4	6
L Chaplain (Parent) (Appointed 21 May 2019)	1	1

Review of value for money

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

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

- the school works well within its budget as evidenced by auditors' reports and a healthy carry forward. This was achieved partly by a reduction in staff, including part-time variable contracts in line with contraction of the curriculum;
- the progress and achievement levels achieved at KS4 and KS5 are significantly above national levels;
- the use of school resources are in the National Support School role whereby John Kyrle staff share resources and expertise with other schools in the primary and secondary sectors. These occur on an informal basis and more formally with contracts drawn up with individual schools and Local Authorities. In addition, the headteacher supports system development via leading Ofsted inspections;
- major challenges exist with the projected increase in costs of 15% over three years. These challenges if met will not be a compromise in terms of student outcomes.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in John Kyrle High School & Sixth Form Centre for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance, premises and audit committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees considered the need for a specific internal audit function and decided to appoint Devon Audit Partnership as internal auditor for the year.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's systems and controls, by undertaking termly visits and reporting back the findings. In particular the checks carried out in the current period included:

- testing of risk management systems;
- testing of governance, accounting and financial control systems;
- testing of purchase and payment systems;
- testing of salaries, wages and expense systems;
- testing of income, debtors and debt management systems;
- testing of contract and tendering control systems; and
- testing of asset control systems.

On a termly basis, the auditor reports to the board of trustees through the finance committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustee.

The internal audit function has delivered the schedule of work as planned for 2018-19 and there have been no material control issues arising from the internal audit reports.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Review of effectiveness

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


- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process; and
- the work of the senior leaders 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 finance, premises and audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

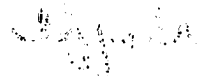
Approved by order of the board of trustees on 10 December 2019 and signed on its behalf by:



D Strutt
Chair of trustees



N P J Griffiths
Headteacher and accounting officer



JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2019

As accounting officer of John Kyrle High School & Sixth Form Centre I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2018.

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.



N P J Griffiths
Accounting Officer

10 December 2019

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees (who are also the directors of John Kyrle High School & Sixth Form Centre for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2018 to 2019 published by the Education & 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 accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

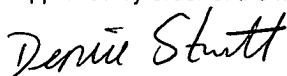
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 10 December 2019 and signed on its behalf by:



D Strutt
Chair of trustees

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

FOR THE YEAR ENDED 31 AUGUST 2019

Opinion

We have audited the accounts of John Kyrle High School & Sixth Form Centre for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019.

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 accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Opinions 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 incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated 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 the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Use of our report

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

Baldwins Audit Services

David Cary LLB FCA (Senior Statutory Auditor)
for and on behalf of Baldwins Audit Services

13/12/19

Statutory Auditor

Pillar House
113/115 Bath Road
Cheltenham
Gloucestershire
GL53 7LS

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2019

In accordance with the terms of our engagement letter dated 15 November 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by John Kyrle High School & Sixth Form Centre during the period 1 September 2018 to 31 August 2019 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 John Kyrle High School & Sixth Form Centre and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the John Kyrle High School & Sixth Form Centre 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 John Kyrle High School & Sixth Form Centre and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of John Kyrle High School & Sixth Form Centre's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of John Kyrle High School & Sixth Form Centre's funding agreement with the Secretary of State for Education dated 22 December 2010 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

In this regard, we have carried out the following:

- specific testing of a sample of items of income and expenditure to ensure appropriately applied for the purposes intended;
- specific testing of a sample of system controls relevant to the above items;
- a general review of relevant correspondence with the ESFA regarding academy governance matters during the year; and
- a general review and discussion of the academy's internal procedures for establishing and maintaining systems of control and documentation regarding these matters.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Baldwins Audit Services

Reporting Accountant

Baldwins Audit Services
Pillar House
113/115 Bath Road
Cheltenham
Gloucestershire
GL53 7LS

Dated: 13/12/19

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £	Restricted funds: General £ Fixed asset £	Total 2019 £	Total 2018 £
Income and endowments from:					
Donations and capital grants	4	10,065	266	110,726	121,057
Charitable activities:					
- Funding for educational operations	5	171,905	7,063,483	-	7,235,388
Other trading activities	6	103,290	-	-	103,290
Investments	7	6,474	-	-	6,474
Total		291,734	7,063,749	110,726	7,466,209
Expenditure on:					
Raising funds	8	17,728	-	-	17,728
Charitable activities:					
- Educational operations	9	187,143	7,827,401	783,702	8,798,246
Total	8	204,871	7,827,401	783,702	8,815,974
Net income/(expenditure)		86,863	(763,652)	(672,976)	(1,349,765)
Transfers between funds	17	(158,212)	180,463	(22,251)	-
Other recognised gains/(losses)					
Actuarial (losses)/gains on defined benefit pension schemes	19	-	(939,000)	-	(939,000)
Net movement in funds		(71,349)	(1,522,189)	(695,227)	(2,288,765)
Reconciliation of funds					
Total funds brought forward		1,391,770	(1,951,022)	19,924,446	19,365,194
Total funds carried forward		1,320,421	(3,473,211)	19,229,219	17,076,429

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	13		19,163,219		19,924,446
Current assets					
Debtors	14	229,621		255,180	
Cash at bank and in hand		1,453,408		2,016,737	
		<u>1,683,029</u>		<u>2,271,917</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(270,819)		(426,169)	
Net current assets			1,412,210		1,845,748
Net assets excluding pension liability			<u>20,575,429</u>		<u>21,770,194</u>
Defined benefit pension scheme liability	19		(3,499,000)		(2,405,000)
Total net assets			<u>17,076,429</u>		<u>19,365,194</u>
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			19,229,219		19,924,446
- Restricted income funds			25,789		453,978
- Pension reserve			(3,499,000)		(2,405,000)
Total restricted funds			<u>15,756,008</u>		<u>17,973,424</u>
Unrestricted income funds	17		1,320,421		1,391,770
Total funds			<u>17,076,429</u>		<u>19,365,194</u>

The accounts on pages 27 to 50 were approved by the trustees and authorised for issue on 10 December 2019 and are signed on their behalf by:

Dennis Strutt

D Strutt
Chair of trustees

Company Number 07465249

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	20		(682,043)		4,304
Cash flows from investing activities					
Dividends, interest and rents from investments		6,474		3,181	
Capital grants from DfE Group		126,517		261,989	
Capital funding received from sponsors and others		8,198		-	
Purchase of tangible fixed assets		(22,475)		(326,588)	
Net cash provided by/(used in) investing activities			<u>118,714</u>		<u>(61,418)</u>
Net decrease in cash and cash equivalents in the reporting period			(563,329)		(57,114)
Cash and cash equivalents at beginning of the year			<u>2,016,737</u>		<u>2,073,851</u>
Cash and cash equivalents at end of the year			<u><u>1,453,408</u></u>		<u><u>2,016,737</u></u>

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

John Kyrle High School & Sixth Form Centre meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

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.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require 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.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

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:

Long Leasehold Buildings	2%
Leasehold improvements	10%
Plant and machinery	10%
Fixtures and fittings and computer equipment	25% - 33%
Motor vehicles	25%

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

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

1.6 Liabilities

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

1.7 Provisions

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

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

1.8 Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.9 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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.

1.10 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The 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 are recognised in the period to which they relate.

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

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

1.12 Fund accounting

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

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

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency, Department for Education and School Fund accounts.

1.13 Long Leasehold Buildings

The academy has a 125 year lease for the property it operates from. The terms and conditions attached to the lease have been considered by the Trustees and they have concluded that the risk and rewards of ownership have substantially transferred to the Academy and therefore a Long Leasehold Buildings asset has been recognised within fixed assets and depreciated in line with the accounting policy. The valuation of the Long Leasehold Building has also been considered by the Trustees and included at what they consider a reasonable and reliable estimate of the current market value.

1.14 Agency arrangements

The Academy Trust acts as an agent in distributing certain monies to students, for example 16-19 Bursary funding from ESFA in so far as these are not discretionary in nature.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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 19, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

3 Comparative year information

Year ended 31 August 2018	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2018 £
Income and endowments from:				
Donations and capital grants	21,461	-	285,978	307,439
Charitable activities:				
- Funding for educational operations	90,714	6,760,799	-	6,851,513
Other trading activities	103,973	-	-	103,973
Investments	3,181	-	-	3,181
Total	219,329	6,760,799	285,978	7,266,106
Expenditure on:				
Raising funds	20,735	-	-	20,735
Charitable activities:				
- Educational operations	142	7,118,351	774,843	7,893,336
Total	20,877	7,118,351	774,843	7,914,071
Net income/(expenditure)	198,452	(357,552)	(488,865)	(647,965)
Transfers between funds	-	(40,610)	40,610	-
Other recognised gains/(losses)				
Actuarial gains on defined benefit pension schemes	-	446,000	-	446,000
Net movement in funds	198,452	47,838	(448,255)	(201,965)

4 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Capital grants	-	102,528	102,528	285,978
Other donations	10,065	8,464	18,529	21,461
	10,065	110,992	121,057	307,439

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

5 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
DfE / ESFA grants				
General annual grant (GAG)	-	6,548,549	6,548,549	6,314,846
Other DfE group grants	-	211,164	211,164	187,686
	-	6,759,713	6,759,713	6,502,532
Other government grants				
Local authority grants	-	110,000	110,000	59,167
Other funding				
School fund	-	193,770	193,770	194,260
Other incoming resources	171,905	-	171,905	95,554
	171,905	193,770	365,675	289,814
Total funding	171,905	7,063,483	7,235,388	6,851,513

6 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Hire of facilities	55,573	-	55,573	47,785
Course attendance	16,774	-	16,774	19,432
Other income	30,943	-	30,943	36,756
	103,290	-	103,290	103,973

7 Investment income

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Short term deposits	6,474	-	6,474	3,181

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

8 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2019 £	Total 2018 £
Expenditure on raising funds					
- Allocated support costs	2,853	-	14,875	17,728	20,735
Academy's educational operations					
- Direct costs	5,186,508	-	735,562	5,922,070	5,326,757
- Allocated support costs	995,657	1,163,291	717,228	2,876,176	2,566,579
	<u>6,185,018</u>	<u>1,163,291</u>	<u>1,467,665</u>	<u>8,815,974</u>	<u>7,914,071</u>

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Fees payable to auditor for:		
- Audit	9,725	9,600
- Assurance services other than audit	2,645	1,290
- Other services	1,145	1,413
Operating lease rentals	13,038	13,674
Depreciation of tangible fixed assets	783,702	774,843
Net interest on defined benefit pension liability	60,000	61,000

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Direct costs				
Educational operations	-	5,922,070	5,922,070	5,326,757
Support costs				
Educational operations	187,143	2,689,033	2,876,176	2,566,579
	<u>187,143</u>	<u>8,611,103</u>	<u>8,798,246</u>	<u>7,893,336</u>

	2019 £	2018 £
Analysis of support costs		
Support staff costs	995,657	844,083
Depreciation	783,702	774,843
Technology costs	113,844	105,351
Premises costs	379,589	450,708
Other support costs	587,120	376,384
Governance costs	16,264	15,210
	<u>2,876,176</u>	<u>2,566,579</u>

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

9 Charitable activities (Continued)

During the year ended 31 August 2019, the Academy Trust incurred the following Governance costs: £100,705 (2018 - £98,136) included above in respect of Educational operations.

10 Staff

Staff costs

Staff costs during the year were:

	2019 £	2018 £
Wages and salaries	4,586,276	4,258,021
Social security costs	470,766	404,021
Pension costs	965,612	837,199
Amounts paid to employees	6,022,654	5,499,241
Agency staff costs	55,354	42,796
Staff restructuring costs	107,010	12,470
Total staff expenditure	6,185,018	5,554,507

Staff restructuring costs comprise:

Redundancy payments	107,010	12,470
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Staff numbers

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

	2019 Number	2018 Number
Teachers	86	78
Administration and support	95	106
Management	11	12
	192	196

Higher paid staff

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

	2019 Number	2018 Number
In the band £70,001 - £80,000	3	4
In the band £80,001 - £90,000	2	2
In the band £100,001 - £110,000	1	1
In the band £140,001 - £150,000	1	1

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

10 Staff

(Continued)

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior leadership group as listed on the reference and administrative details pages. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,300,201 (2018: £1,335,269).

11 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

Nigel Griffiths (Headteacher/Accounting Officer)

Remuneration £140,000 - £145,000 (2018 - £140,000 - £145,000)

Employer's pension contributions £20,000 - £25,000 (2018 - £20,000 - £25,000)

Kate Nicholls (Support Staff)

Remuneration £20,000 - £25,000 (2018 - £20,000 - £25,000)

Employer's pension contributions £0 - £5,000 (2018 - £0 - £5,000)

Hayley Knapper (Support Staff)

Remuneration £30,000 - £35,000 (2018 - £25,000 - £30,000)

Employer's pension contributions £5,000 - £10,000 (2018 - £5,000 - £10,000)

Julie Markey (Teacher)

Remuneration £60,000 - £65,000 (2018 - £45,000 - £50,000)

Employer's pension contributions £5,000 - £10,000 (2018 - £5,000 - £10,000)

Lisa Lown (Teacher)

Remuneration £10,000 - £15,000 (2018 - £40,000 - £45,000)

Employer's pension contributions £0 - £5,000 (2018 - £5,000 - £10,000)

Helen Mather (Teacher)

Remuneration £35,000 - £40,000 (2018 - N/A)

Employer's pension contributions £5,000 - £10,000 (2018 - N/A)

Nick Dale (Community)

Remuneration £0 - £5,000 (2018 - £0 - £5,000)

Employer's pension contributions £0 - £5,000 (2018 - £0 - £5,000)

During the year ended 31 August 2019, travel expenses were reimbursed to trustees totalled £20 (2018 - £NIL).

Other related party transactions involving the Trustees are set out in the Related party transactions note.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

12 Trustees and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the insurance for the year ended 31 August 2019 or the year ended 31 August 2018. The cost of this insurance is included in the total insurance cost.

13 Tangible fixed assets

	Long Leasehold Buildings	Leasehold Improvements	Plant and machinery	Fixtures and fittings and computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 September 2018	21,312,529	3,290,293	49,239	374,446	25,305	25,051,812
Additions	-	22,475	-	-	-	22,475
At 31 August 2019	21,312,529	3,312,768	49,239	374,446	25,305	25,074,287
Depreciation						
At 1 September 2018	3,267,931	1,460,030	31,274	342,826	25,305	5,127,366
Charge for the year	426,250	330,658	4,923	21,871	-	783,702
At 31 August 2019	3,694,181	1,790,688	36,197	364,697	25,305	5,911,068
Net book value						
At 31 August 2019	17,618,348	1,522,080	13,042	9,749	-	19,163,219
At 31 August 2018	18,044,598	1,830,263	17,965	31,620	-	19,924,446

The Academy Trust leases land and buildings from Herefordshire Council. On conversion the Trustees agreed to base their valuation of land and buildings on insurance valuation. This was chosen in favour of having a formal valuation done as the cost of a formal valuation would be onerous compared with the additional benefit derived by users of the accounts.

Due to the Academy Trust's buildings being deemed specialist in nature and therefore not traded in an open market, insurance valuation was deemed to be a reasonable estimate of depreciated replacement cost for recognition purposes.

14 Debtors

	2019 £	2018 £
Trade debtors	6,933	7,255
VAT recoverable	85,214	88,866
Prepayments and accrued income	137,474	159,059
	<u>229,621</u>	<u>255,180</u>

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

15	Creditors: amounts falling due within one year	2019	2018
		£	£
	Trade creditors	16,283	24,546
	Other taxation and social security	119,215	109,182
	Other creditors	90,087	85,022
	Accruals and deferred income	45,234	207,419
		<u>270,819</u>	<u>426,169</u>
16	Deferred income	2019	2018
		£	£
	Deferred income is included within:		
	Creditors due within one year	<u>19,551</u>	<u>19,772</u>
	Deferred income at 1 September 2018	19,772	42,767
	Released from previous years	(19,772)	(42,767)
	Resources deferred in the year	<u>19,551</u>	<u>19,772</u>
	Deferred income at 31 August 2019	<u>19,551</u>	<u>19,772</u>

At the balance sheet date the academy trust was holding funds received in advance relating to rates relief (2018: rates relief).

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	362,750	6,548,549	(7,091,762)	180,463	-
Other DfE / ESFA grants	-	211,164	(211,164)	-	-
Other government grants	16	110,000	(110,016)	-	-
School funds	91,212	193,770	(259,193)	-	25,789
Other restricted funds	-	266	(266)	-	-
Pension reserve	(2,405,000)	-	(155,000)	(939,000)	(3,499,000)
	<u>(1,951,022)</u>	<u>7,063,749</u>	<u>(7,827,401)</u>	<u>(758,537)</u>	<u>(3,473,211)</u>
Restricted fixed asset funds					
DfE group capital grants	18,665,940	102,528	(521,753)	(22,251)	18,224,464
Capital expenditure from GAG	453,663	-	(111,801)	-	341,862
Partnership for Schools capital grant	79,486	-	(33,610)	-	45,876
Other grants	61,454	8,198	(10,892)	-	58,760
Other donations	72,000	-	(9,000)	-	63,000
Unrestricted funds	551,293	-	(93,396)	-	457,897
Section 106 Monies	40,610	-	(3,250)	-	37,360
	<u>19,924,446</u>	<u>110,726</u>	<u>(783,702)</u>	<u>(22,251)</u>	<u>19,229,219</u>
Total restricted funds	<u>17,973,424</u>	<u>7,174,475</u>	<u>(8,611,103)</u>	<u>(780,788)</u>	<u>15,756,008</u>
Unrestricted funds					
General funds	<u>1,391,770</u>	<u>291,734</u>	<u>(204,871)</u>	<u>(158,212)</u>	<u>1,320,421</u>
Total funds	<u>19,365,194</u>	<u>7,466,209</u>	<u>(8,815,974)</u>	<u>(939,000)</u>	<u>17,076,429</u>

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

(Continued)

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

The Restricted General Funds includes GAG and other grants receivable from the ESFA and Local Authority towards the School's educational activities. School funds held in respect of educational visits and events are also included in the Restricted General Fund.

The Restricted General Fixed Assets Fund includes amounts receivable from the ESFA in respect of tangible fixed assets held for Academy use and amounts received from the Local Authority in respect of donated tangible fixed assets held for Academy use. The transfer between GAG fund and Restricted Fixed Assets Fund relates to Devolved Formula Capital which has been used to fund premises repairs and maintenance.

The Pension Reserve relates to the School's share of the deficit of the Local Government Pension Scheme overseen by the Local Authority.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward as at 31 August 2019.

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

(Continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	511,931	6,314,846	(6,464,027)	-	362,750
Other DfE / ESFA grants	-	187,686	(187,686)	-	-
Other government grants	194,000	59,167	(212,541)	(40,610)	16
School funds	34,209	194,260	(137,257)	-	91,212
Other restricted funds	-	4,840	(4,840)	-	-
Pension reserve	(2,739,000)	-	(112,000)	446,000	(2,405,000)
	<u>(1,998,860)</u>	<u>6,760,799</u>	<u>(7,118,351)</u>	<u>405,390</u>	<u>(1,951,022)</u>
Restricted fixed asset funds					
DfE group capital grants	18,886,462	285,978	(506,500)	-	18,665,940
Capital expenditure from GAG	546,274	-	(92,611)	-	453,663
Partnership for Schools capital grant	109,862	-	(30,376)	-	79,486
Other grants	70,553	-	(9,099)	-	61,454
Other donations	81,000	-	(9,000)	-	72,000
Unrestricted funds	678,550	-	(127,257)	-	551,293
Section 106 Monies	-	-	-	40,610	40,610
	<u>20,372,701</u>	<u>285,978</u>	<u>(774,843)</u>	<u>40,610</u>	<u>19,924,446</u>
Total restricted funds	<u>18,373,841</u>	<u>7,046,777</u>	<u>(7,893,194)</u>	<u>446,000</u>	<u>17,973,424</u>
Unrestricted funds					
General funds	<u>1,193,318</u>	<u>219,329</u>	<u>(20,877)</u>	<u>-</u>	<u>1,391,770</u>
Total funds	<u>19,567,159</u>	<u>7,266,106</u>	<u>(7,914,071)</u>	<u>446,000</u>	<u>19,365,194</u>

FOR THE YEAR ENDED 31 AUGUST 2019

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations

(Continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' pension budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.08%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

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

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to the TPS in the period amounted to £571,619 (2018: £522,346).

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations

(Continued)

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £370,988 (2018: £320,350), of which employer's contributions totalled £315,993 (2018: £266,177) and employees' contributions totalled £54,995 (2018: £54,173). The agreed contribution rates for future years are 22.5 per cent for employers and 5.5 - 12.5 per cent for employees.

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

Total contributions made	2019 £	2018 £
Employer's contributions	318,000	267,000
Employees' contributions	55,000	54,000
Total contributions	373,000	321,000

Principal actuarial assumptions	2019 %	2018 %
Rate of increase in salaries	3.60	3.60
Rate of increase for pensions in payment/inflation	2.20	2.20
Discount rate for scheme liabilities	1.80	2.80
Inflation assumption (CPI)	2.10	2.10
Commutation of pensions to lump sums	50.00	50.00

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

	2019 Years	2018 Years
Retiring today		
- Males	22.8	22.7
- Females	25.8	25.7
Retiring in 20 years		
- Males	25.1	24.9
- Females	28.2	28.0

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations

(Continued)

Scheme liabilities would have been affected by changes in assumptions as follows:

	2019	2018
Discount rate + 0.1%	(107,000)	(81,000)
Discount rate - 0.1%	107,000	81,000
Mortality assumption + 1 year	114,000	87,000
Mortality assumption - 1 year	(114,000)	(87,000)
CPI rate + 0.1%	110,000	84,000
CPI rate - 0.1%	(110,000)	(84,000)

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

	2019 Fair value £	2018 Fair value £
Equities	2,002,000	1,851,000
Government bonds	212,000	192,000
Other bonds	141,000	111,000
Cash/liquidity	82,000	51,000
Property	169,000	113,000
Other assets	217,000	87,000
Total market value of assets	2,823,000	2,405,000

The actual return on scheme assets was £111,000 (2018: £146,000).

Amount recognised in the Statement of Financial Activities

	2019 £	2018 £
Current service cost	285,000	315,000
Past service cost	56,000	-
Interest income	(72,000)	(53,000)
Interest cost	132,000	114,000
Benefit changes, curtailments and settlements gains or losses	68,000	-
Administration expenses	4,000	3,000
Total operating charge	473,000	379,000

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations

(Continued)

Changes in the present value of defined benefit obligations	2019 £	2018 £
At 1 September 2018	4,760,000	4,868,000
Current service cost	285,000	315,000
Interest cost	132,000	114,000
Employee contributions	55,000	54,000
Actuarial loss/(gain)	978,000	(354,000)
Benefits paid	(62,000)	(240,000)
Losses on curtailment	68,000	-
Past service cost	56,000	-
Effect of non-routine settlements and administration expenses	(7,000)	3,000
At 31 August 2019	6,265,000	4,760,000

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

	2019 £	2018 £
At 1 September 2018	2,355,000	2,129,000
Interest income	72,000	53,000
Actuarial gain	39,000	92,000
Employer contributions	318,000	267,000
Employee contributions	55,000	54,000
Benefits paid	(62,000)	(240,000)
Effect of non-routine settlements and administration expenses	(11,000)	-
At 31 August 2019	2,766,000	2,355,000

20 Reconciliation of net expenditure to net cash flow from operating activities

	2019 £	2018 £
Net expenditure for the reporting period (as per the statement of financial activities)	(1,349,765)	(647,965)
Adjusted for:		
Capital grants from DfE and other capital income	(110,726)	(285,978)
Investment income receivable	(6,474)	(3,181)
Defined benefit pension costs less contributions payable	95,000	51,000
Defined benefit pension scheme finance cost	60,000	61,000
Depreciation of tangible fixed assets	783,702	774,843
Decrease/(increase) in debtors	1,570	(46,138)
(Decrease)/increase in creditors	(155,350)	100,723
Net cash (used in)/provided by operating activities	(682,043)	4,304

JOHN KYRLE HIGH SCHOOL & SIXTH FORM CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

21 Commitments under operating leases

At 31 August 2019 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Amounts due within one year	18,052	14,969
Amounts due in two and five years	15,878	10,965
	<u>33,930</u>	<u>25,934</u>

22 Capital commitments

At 31 August 2019 the Academy had capital commitments totalling £Nil (2018: £Nil).

23 Related party transactions

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

No related party transactions took place in the period of account (2018 - £Nil).

24 Members' liability

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