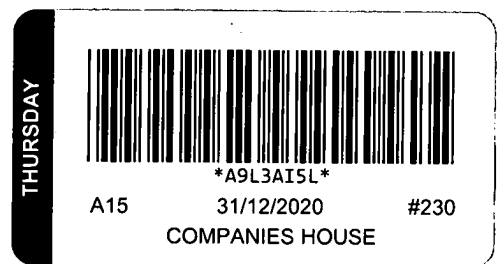


Sunbury Manor School

Annual Report and Financial Statements

31 August 2020

Company Limited by Guarantee
Registration Number
07545019 (England and Wales)



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Reference and administrative information

Governors	C Burch ∞△ A Cottle φ (Staff Governor) J Cloake ∞△ A L Duncan φ∞△ (Headteacher) D Evans φ∞△ (Chair of Governors) S Flint φ△ E Flippance φ△ D Johnson ∞ (Staff Governor) M Lamey φ∞ (Vice Chair) C Webber φ M McCartney △ S Bhal △ (Appointed 22 nd January 2020) J Fenton-Hall △ (Staff Governor – Appointed 25 th September 2019) P Jones △ (Resigned 22 nd January 2020) E Redfern φ (Appointed 22 nd January 2020) Committee membership: φ Resources and Audit ∞ Self-Evaluation and Improvement △ Student Welfare, Safeguarding & Community
Members	All governors, with the exception of staff governors, are members of the Charitable Company
Company Secretary	C Crichard
Leadership Team	A L Duncan (Headteacher) A Cottle (Deputy Headteacher) J Tweed (Deputy Headteacher) G Eynon (Assistant Headteacher) M Wood (Deputy Headteacher) C Johnston (Assistant Headteacher) M Neal (Assistant Headteacher)
Registered address	Sunbury Manor School Nursery Road Sunbury on Thames Middlesex TW16 6LF
Company registration number	07545019 (England and Wales)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Reference and administrative information

Bankers HSBC Bank plc
12A North Street
Guildford
Surrey
GU1 4AF

Solicitors Stone King LLP
16 St John's Lane
London
EC1M 4BS

Surrey Legal Services
County Hall
Kingston upon Thames
Surrey KT1 2DW

Governors' report Year to 31 August 2020

The governors of Sunbury Manor School ('the School') present their statutory report together with the financial statements of the charitable company for the year to 31 August 2020. The annual report serves the purposes of both a governors' report and a directors' report under company law.

The report has been prepared in accordance with Part VI of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 33 to 37 of the attached financial statements and comply with the School's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

STRUCTURE, GOVERNANCE AND MANAGEMENT

School Context

Sunbury Manor, a specialist 11-16 Humanities school, became a type two academy on 1 April 2011. During the accounting year ended 31 August 2020, Sunbury Manor had 1135 students on its roll (January 2020 census return).

In 2019/20 the School's population included the following:

- ◆ 23.44% of students recognised as SEN Support (K);
- ◆ 2.20% of students with statements or Education Health Care Plan;
- ◆ 9.51% of students with English as an additional language;
- ◆ 12.86 % of students on free school meals;
- ◆ 27.48% of students from ethnic minority groups;
- ◆ 22.11% of the School's population from the London Borough of Hounslow, making it very different to a typical Surrey school; and
- ◆ Remainder of the population drawn from wards with very low levels of adult education training and skills.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Staffing

The School continued to be fully staffed with qualified subject specialist in all subject areas during the academic year 2019/20.

Despite significant staffing difficulties in local secondary schools, Sunbury Manor has managed to recruit and retain staff and is pleased to report that all teaching staff are fully qualified subject specialists. This has been a particular challenge as the School is located very close to several London boroughs that offer an enhanced London salary weighting. In an attempt to attract newly qualified staff, a slightly enhanced starting salary was offered in September 2016 and this has continued. The School attempts to limit the use of recruitment and retention allowances however it has had to balance this with the need to ensure that it remains fully staffed with the best possible teaching team. There is a high level of staff stability and satisfaction, including a number of staff that have returned to Sunbury Manor or send their own children to the School. The governing body work closely with the staff to provide support, challenge and continued professional development opportunities.

In view of the ever-challenging funding situation, the School continues to review its teaching staff and support staff structure however with the increasing % of students with recognised SEN support and deprivation factors the School is needing to increase staff to ensure these students access the curriculum fully, particularly Special Educational Needs support staff. It has been recognised that there is a need for additional pastoral support staff to support the increasing number of students with behavioural, emotional and mental health needs that need to be supported to ensure that they are able to access the curriculum.

There was very little change in the staffing profile during the year. The school retained the majority of staff proving that the care and well-being of staff remains a priority.

Sunbury Manor closed to students on March 20th in line with Government recommended guidelines but remained open for Key Worker children to the end of the Summer Term. Staff that were able to work from home did so and those that were able to come in did so on a rota basis. Vulnerable members of staff were able to stay at home.

The COVID pandemic has meant that a number of staff members need to shield due to underlying health conditions and although it is recommended that these staff work from home, a teacher still needs to be present in the classroom. The school is currently covering these absences, together with those that have to self-isolate, with cover staff and agency staff. Longer term, this will have an implication on the school financial position as claims for this type of absence cannot be made on the staff insurance policy or Statutory Sick Pay. The situation will continue to be monitored by the leadership team and HR Manager on a regular basis.

To ensure that the school remains open staff have been redeployed to help reduce the risk of infection throughout the school.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Constitution

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

The governors act as the trustees for the charitable activities of the School and are also the directors of the charitable company for the purposes of company law. With the exception of staff governors, all governors are appointed as members of the charitable company. The charitable company is known as Sunbury Manor School.

Details of the School's Leadership Team and the governors who served throughout the year are included 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.

Governors' indemnities

At the start of every academic year, all governors are required to complete and sign a Declaration of Business Interests Form which is held by the Company Secretary. In addition at the start of every full governing body and committee meeting, governors are asked to declare any conflict of business interests. Where an interest is declared, the governor must leave the meeting while a related item is under discussion. No qualifying third party indemnity provisions have been declared in this financial year. Details of indemnity insurance in place are given in note 9 to the financial statements.

Principal activities

The School's principal activities, identified in the funding agreement, are specifically restricted to the following:

- a) To advance for the public benefit education in the United Kingdom, in particular but without prejudice to generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("Sunbury Manor School").
- b) To promote for the benefit of the inhabitants of Sunbury-on-Thames and the surrounding area the provision of facilities for recreation or other leisure time occupation who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and ethnic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life for the said inhabitants.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Method of recruitment and appointment or election of governors

The governing body comprises the Headteacher and up to 12 others.

When vacancies occur on the governing body, the Clerk contacts Governance Services at Surrey County Council (a bought back service) to keep them advised of the vacancy and they will put her in touch with anyone who has contacted them with a view to becoming a governor. The Clerk will then send out information relevant to the School and write to them to ask them if they would like to view the School and meet the Headteacher and the Chair of the governing body. The Clerk also approaches the "One Stop Governor Shop" in exactly the same manner.

When staff governor vacancies occur, the Clerk writes to all members of staff in the School with information regarding the governing body, the meeting structure, the diary of meetings, the commitment required, and nomination forms. Candidates need to be nominated by two other members of staff. Should more people apply than there are vacancies for, a formal ballot is held.

There are no bodies entitled to nominate or appoint governors.

When parent governor vacancies occur, the Clerk writes to all parents of students in the school with information regarding the governing body, the meeting structure, the diary of meetings, the commitment required, and nomination forms. Parents need to be nominated by two other parents. Should more people apply than there are vacancies for, a formal ballot is held.

Attendance at Full Board meetings and at the Resources and Audit Committee meetings in the year 2019 -20 are shown on pages 18 and 19. In the academic year 2019/20 from March 20th all meetings were held virtually through Microsoft Teams software.

Amendment to articles of association (April 2016)

Following a review of the School's governance structure, and after seeking professional advice, in September 2015 governors decided to amend the Trust's articles of association in order to provide separation between governors and members, ensuring that employees of the Trust cannot be members. Approval from the Secretary of State was obtained in December 2016 and the articles were amended by special resolution in April 2016. The amended articles, promoting an additional level of oversight and challenge by members independent of governors, ensures that the School's governance structure follows the best practice set out by the ESFA in the Academies Financial Handbook.

Secretary of State Approvals

During the academic year 2019/20 there were no applications that required Secretary of State Approval.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Policies and procedures adopted for the induction and training of governors

There is an induction handbook that is sent out to all new governors. They are then invited in to meet with the Chair of the Governing Body and the Headteacher and are welcomed by all governors at the next full board meeting. They are given the contact details for the Link Governor, who will advise them regarding training that is available to them. All information relevant to governors is placed on the governor portal, where they can access all agendas, previous minutes, committee structure, membership of committees, policy documents, calendar, handbook, future agenda items, etc.

Organisational structure

In addition to the full governing body, there are three sub-committees, all of which have delegated responsibilities to make decisions. The committees are Resources and Audit, Self-Evaluation and Improvement and Student Welfare, Safeguarding & Community.

At the first full board meeting of an academic year, in September, governors decide which committees they will sit on. All governors sit on at least one committee. Committees meet a minimum of once a term and reports from the committees are tabled at the Full Board meeting so that all governors are aware of any issues arising. The Chair of each committee sits on the Resources and Audit Committee. The Terms of Reference for each committee are decided at the first committee meeting of the academic year and reported to the Full Board at its December meeting.

Members of the School's Leadership Team attend each committee, "in attendance", and can contribute to the agenda items being discussed.

The decision as to which committee each governor attends depends on their roles and responsibilities within School. The Headteacher makes a report regarding staffing to the Resources and Audit committee.

The Headteacher attends and makes a written formal report to governors at every full board meeting and then goes through and takes questions on this report. Major decisions regarding the School are reserved for the full board meeting.

The roles and responsibilities for the Leadership Team are revised annually, and these are circulated to the Full Board.

In the academic year 2019/20 from March 20th all Full Board meetings were held virtually through Microsoft Teams software.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Arrangements for setting pay and remuneration of key management personnel

The Pay Committee, a subcommittee of the Resources and Audit Committee, is responsible for setting pay and remuneration for the Leadership Team. Each position, Headteacher, Deputy Headteacher and Assistant Headteacher, is placed on a point within a predetermined minimum/maximum range. The salary range is established by taking in to consideration the *range of skills required and responsibilities held*. Benchmarking against other Leadership Team positions in neighbouring schools has been undertaken in the past to ensure that the School is able to recruit and retain a strong Leadership Team. This is especially important given that leadership teams in neighbouring schools receive an enhanced outer London payment.

Leadership Team members are subject to an annual appraisal procedure. In the case of the Headteacher, the appraisal involves trained governors and the School Improvement Partner. Other Leadership Team members have annual appraisals with the Headteacher. Recommendations for movement within the range are made and decided by the Pay Committee.

Trade union facility time

No time was spent by relevant union officials on paid trade union activities during contracted employment hours in the relevant year for purposes of reporting under the Trade Union (Facility Time Publication Requirements) Regulations 2017.

OBJECTIVES AND ACTIVITIES

Objectives, aims, strategies and activities

The School principle aims are to provide high quality and fully inclusive education to students of all abilities between the ages of 11 and 16, underpinned by a relevant and engaging curriculum, with a focus on the humanities (English, History and Geography). The principal aims are:

- ◆ to enable students of all abilities to make the most of their intellectual, practical, physical and social skills;
- ◆ to ensure that students feel happy, safe and well cared for;
- ◆ to help students to develop self-discipline and to learn to behave towards others with care, respect and good manners;
- ◆ to help students to develop self confidence in the classroom, in extension activities and in social situations;
- ◆ to help students to develop high aspirations and to enable them to progress towards a rewarding and fulfilling future; and
- ◆ to provide a fully inclusive, welcoming environment which meets the needs of students with special educational needs or physical disabilities.

Governors' report Year to 31 August 2020

OBJECTIVES AND ACTIVITIES (continued)

Public benefit

The governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the School's objectives and aims, and in planning future activities for the year. The governors consider that the School's aims are demonstrably to the public benefit.

Equal opportunities policy

The governors recognise that equal opportunities should be an integral part of good practice within the workplace. The School aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Disabled persons

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all areas of the School. The policy of the School is to support recruitment and retention of students and employees with disabilities. The School does this by adapting the physical environment, by making support resources available and through training and career development. The School caters for a number of physically disabled students.

ACHIEVEMENT AND PERFORMANCE

Results – Summer 2020

As part of steps taken to fight the spread of coronavirus (COVID-19), the Government announced that students would not sit exams and that they would not publish any school or college level educational performance data based on tests, assessments or exams for 2020.

The following guidance explains how school and college accountability operated for 2019 to 2020 can be found using the following link [Regional Schools Commissioners will make decisions without summer 2020 data.](#)

According to the most recent data published in October 2016, 97% of students from Sunbury Manor sustained places in Further Education and training compared with 95% in Surrey and 94% nationally.

The School received a Section 8 inspection from Ofsted on 9th & 10th October 2019. Sunbury Manor continues to be a 'good' school.

Governors' report Year to 31 August 2020

ACHIEVEMENT AND PERFORMANCE (continued)

Results – Summer 2020 (continued)

The School continues provides a good and improving quality of education. Leaders are ambitious for all pupils to achieve well. Pupils study the full national curriculum through Years 7 to 9. Also, pupils enjoy many visits and other activities which relate to what they have been learning. This includes trips abroad, and parents told inspectors how much these trips build pupils' confidence. The curriculum is well designed to help pupils appreciate and understand the world. In light of the COVID pandemic all school trips were cancelled and refunds made to parents from March 2020.

Leaders have successfully created an ethos of respect and tolerance. Pupils are clear that everyone should be treated equally. Pupils want to learn, work hard in lessons and low-level disruption is rare.

Monitoring

Teachers understand how to meet the needs of pupils with special educational needs and/or disabilities (SEND). Teachers work closely with skilled leaders and staff from the SEND specialist teams to plan lessons and resources. They ensure that this group of pupils receive the support they are entitled to and achieve well.

The leadership of the School is driven by a strong moral purpose to help every pupil do their best. Leaders act with integrity. Their ambitious vision is shared by the whole school community, including governors. Staff are overwhelmingly positive about leaders' concern for their workload and well-being. Leaders changed the way that pupils' progress is monitored, away from frequent tests to fewer assessed tasks. Time previously used for testing is now better used for teaching.

The arrangements for safeguarding are effective.

The next steps as identified by Ofsted Leaders that the School now needs to do are:

- ◆ Pupils' learning in a few subjects is not sequenced as coherently as others. Teachers should ensure that curriculum plans for all subjects contain the knowledge, understanding and skills that pupils should know in a logical order.
- ◆ Across the curriculum, pupils are not always able to remember or describe their learning well enough. This lack of knowledge limits their outcomes. Leaders should ensure that pupils are enabled to recall what they have learned and explain their thinking accurately. Leaders can draw on the strong practice that exists in the school.

Attendance

The School supports a number of pupils with significant medical conditions, which impacts heavily on attendance; however attendance during the academic year prior to lockdown was 94.4% (March 2020). The School provides significant intervention from the Social Inclusion Team, Attendance officer and the Education Welfare provider TEAMS.

Governors' report Year to 31 August 2020

ACHIEVEMENT AND PERFORMANCE (continued)

Going concern

After making appropriate enquiries, the governing body has a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the principal accounting policies.

Financial review

Financial report for the period

In the year to 31 August 2020, ESFA GAG funding of £5,615,460 (2019 – £5,306,304) was received, together with capital funding of £21,272 (2019 – £159,996) and Pupil Premium grants totalling £221,683 (2019 – £205,292). The remaining income comprised other grant funding of £471,029 (2019 – £409,969), other income of 576,686 (2019 – £340,746) and voluntary income of £10,481 (2019 – £10,387). There was also exceptional Covid grant funding of £45,510.

Total income for the year was £6,962,121 (2019 – £10,232,794). The reduced income is because of donated Capital Works of £3.8m in 2019.

Expenditure totalling £7,426,280 was incurred in the year (2019 – £6,909,932), relating to the School's educational operations.

At 31 August 2020, the net book value of fixed assets was £10,426,807 (2019 – £10,753,746), and depreciation of £425,003 (2019 – £341,658) has been charged to the financial statements.

The school maintained an operational surplus of £198,000 after pension adjustments (2019 – deficit of £266,000)

Financial and risk management objectives and policies

The School receives its primary funding in monthly installments from the ESFA. Therefore, its cash flow risk is minimal. Any funds not immediately required for working capital are held in deposit accounts, to generate additional income. As such, the governors consider the School's liquidity risk to be minimal. The School does not use complex debt instruments, hence its exposure to credit risk is also considered low by the governors.

Governors' report Year to 31 August 2020

ACHIEVEMENT AND PERFORMANCE (continued)

Financial review (continued)

Reserves policy

The governors have reviewed the reserves of the School. This review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of reserves. The governors have concluded that reserves of £616,033 (2019 – £418,253 unrestricted general funds), represented by £413,896 unrestricted general funds and £202,137 restricted income funds, will be sufficient for the School at the present time. These reserves are planned to be expended in part over the course of the next year in order to meet financial pressures brought about by increased staffing costs and significant funding reductions, the effects of the national Covid pandemic are expected to further create financial pressure on the school finances in the academic year 2020/21. In 2020 after pension adjustments the school had an operational surplus of £198,000 (2019 – deficit of £266,000).

The school will maintain reserves of one month's payroll which is in line with recommended practice.

The Government intends that all schools will be funded via the National Funding Formula (NFF) by 2020-21. In order to maintain stability, the introduction of the NFF will be phased. Surrey County Council maintained a local funding formula during 2019-20. It is expected that the local authorities use their local formulae to achieve a smooth transition. In 2019/20 85.1 of Surrey's school funding formula was based on the national funding formula. A summary of Surrey's Formula for secondary schools in 2020/21 is summarised below.

Basic Entitlement per pupil	£
KS3	4272.5679
KS4	4851.3200
Deprivation	
Per pupil entitled to FSM	479.1331
Per "ever 6" FSM Pupil	867.7633
Per Pupil with IDACI score 0.20-0.25 (band F)	319.4221
Per Pupil with IDACI score 0.25-0.30 (band E)	431.2198
Per Pupil with IDACI score 0.30-0.35 (band D)	569.6360
Per Pupil with IDACI score 0.35-0.40 (band C)	617.5493
Per Pupil with IDACI score 0.40-0.50 (band B)	665.4626
Per Pupil with IDACI score >0.5 (bands A)	894.3818

Governors' report Year to 31 August 2020

ACHIEVEMENT AND PERFORMANCE (continued)

Financial review (continued)

Reserves policy (continued)

Low Prior Attainment/high incidence SEN	
Per KS2 low attainer	1714.2317
Per EAL 3 Pupil	1533.2259
Pupil Mobility (per pupil >6%)	1330.7490
Lump Sum/Flat Rate	129837
Sparsity (max value)	71976
Sparsity-max average pupils per year group	120
Minimum per pupil funding level	5000
Minimum pupil per funding level KS3 school	4800
Minimum funding Guarantee 2.34%	
Ceiling (maximum % gain per pupil: no limit)	

The numbers on roll at Sunbury Manor have continued to steadily rise and in September 2019 the PAN was increased to 270 helping to address the predicted shortage of secondary places in the area. The Local Authority agreed to fund additional building works on the School site to accommodate this basic need and these were completed in August 2019. The lagged funding meant the school supported a difference in the increase in student that created an in-year deficit covered by utilising existing reserves. Additional growth funding from the local authority minimised the impact. Previous forecasts showed that the school would return to an in year balanced position in 2020/21 (excluding existing reserves) and the budget submitted to the EFSA in September 2020 reflected this. Current numbers on roll (at September 2020) are reflected in the following table:

Year	Males	Females	Total
Year 7	115	126	241
Year 8	149	117	266
Year 9	118	127	245
Year 10	108	124	232
Year 11	91	100	191
Totals	581	594	1175

It is not anticipated that the School will be in a position to build upon existing reserves for purposes other than sustaining the School's current provision within the next year. The level of reserves will be kept under review by the governors.

ACHIEVEMENT AND PERFORMANCE (continued)

Financial review (continued)

Reserves policy (continued)

It is acknowledged that there is a significant deficit in the LGPS scheme and that this has an impact on the School's restricted ESFA funds balance. However, given that there is currently no expectation that the School will be required to make additional contributions to the scheme above normal funding levels, GAG reserves and the LGPS deficit are monitored and considered independently.

Investment policy

The School holds all funds in a low risk instant access HSBC bank account. There is no charge for operating the account, however interest is not paid. If interest rates rise, the governors will review the current banking arrangements to ensure that interest is earned.

PRINCIPAL RISKS AND UNCERTAINTIES

Staffing

The School, like many others in this geographical area, is finding it increasingly challenging to recruit suitably qualified teaching staff in several core subject areas including Science, Mathematics and English. The School is aware that failure to recruit qualified subject specialists may cause significant damage to the progress that students make, examination results and consequently the reputation of the School.

In an attempt to manage this risk, a considerable amount of time has been invested in working with local ITT establishments to support school based placements and recruit newly qualified teachers directly. This has worked well this year however considerable care needs to be taken as experienced teaching staff are still required to support and mentor new teachers entering the profession. Furthermore, the School is under significant pressure to pay enhanced starting salaries to newly qualified staff as the Surrey Fringe payment is not acting as an incentive to work in this geographical area. Recruitment and retention allowances have been utilised to retain key members of staff in the core subjects of Maths and Science. This is line with the national picture.

Going forward the School will develop further links with the local ITT establishments and attempt to forecast staffing requirements very early in the academic year, long before the resignation period. As the School is expanding, there is a plan to appoint staff in key shortage areas as soon as possible. Whilst early recruitment may result in potential over-staffing, this risk has to be weighed up against failing to find qualified teaching staff or using costly agencies to recruit staff from overseas. The School will attempt to limit the use of agencies to find teaching staff but recognise that this is becoming more challenging given the significant teacher shortage in this geographical area. That said, the school has no current teaching vacancies and in the academic year 2019/20 recruited without the use of agency finder's fees. Staff for the forthcoming academic year were subject to a virtual recruitment process.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Risk register

The governors have created a risk register which covers the following:

- ◆ the type of risks the School faces and the risks regarded as tolerable;
- ◆ the likelihood of the risks materialising and the School's ability to reduce their incidence and impact on the School's operations; and
- ◆ control procedures which can respond quickly to evolving risks arising from factors within the School and to changes in the external environment

The principal risks and uncertainties facing the School include:

- ◆ financial implications of on-going COVID pandemic including impact on staffing and resourcing and reduced non-GAG income
- ◆ Health and Safety of staff and students during the COVID pandemic
- ◆ Mental well-being of staff and students during COVID pandemic
- ◆ natural risk – uncontrollable event e.g. fire;
- ◆ failure to comply with Health and Safety legislation results in an employee/pupil or visitor being injured or killed;
- ◆ financial control risk resulting in serious budget deficit or fraud;
- ◆ failure to comply with employment law resulting in litigation, tribunals;
- ◆ competition for funding/reputation/stakeholder risk – achievement standards falling or poor marketing; falling rolls;
- ◆ insurance risk – inadequate insurance; the school utilises the Risk Protection Arrangement (RPA) through the Department for Education and takes out additional cover for the school minibuses, occasional business use and tablets;
- ◆ technology risk – information security risk; virus risk/corruption of data risk;
- ◆ quality risk of suppliers e.g. capital project providers;
- ◆ GDPR – In line with new legislation all staff have had training and the school has appointed a Data Protection Officer (Deputy Headteacher); and
- ◆ Independent checking of financial controls, systems and transactions and risk are carried out by Buzzacott, an alternative provider to be procured in line with academies accounts direction changes.

The governors of the School consider that the risk management processes undertaken by the School and the controls put in place to mitigate risk are appropriate. The risk register is reviewed annually.

FUNDRAISING

The School does not fundraise directly with individuals and therefore is not registered with the Fundraising Regulator. When donations from individuals are received, the School aims to protect personal data and never sells data or swaps data with other organisations. The School manages its own fundraising activities. The School undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2019/20, the School received no complaints about its fundraising activities

PLANS FOR FUTURE PERIODS

The outbreak of the virus has implicated the financial and operation activities of the school. Plans for the academic year 2020/21 are to provide a safe and secure learning environment whilst adhering to COVID recommendations and guidelines.

The Leadership Team ensured that the planning process for the Autumn Term commenced during the Summer Term and was constantly updated to reflect newly published guidance. All staff attended the school in July to be informed of the new systems of control that would be put in place and what to expect when returning to school in the new academic year.

New systems of control included but were not limited to;

- ◆ Contact minimalization by creation of year group bubbles and hubs pertaining to different areas of the school
- ◆ Enhanced cleaning including frequently touched surfaces with the installation of hand sanitisers throughout the school
- ◆ Wearing of appropriate PPE staff and students
- ◆ Staggered arrival times with additional entrance/exit gates
- ◆ Staggered break and lunch times in designated areas
- ◆ Additional signage to define year group area

Staff have been redeployed where possible and the Leadership meet on a daily basis to review, reflect on current arrangements and implement any further up to date government advice.

The full extent of the financial implications of the additional systems of control is not yet known. Early indications show that staffing will be the largest additional expense as cover is required for teachers that are shielding or having to self-isolate where they have come into contact with the virus. Although the expectation is that staff should work from home, additional teachers are required to be put in classrooms. Additional expenditure for cleaning and sanitisation will be incurred and income from lettings will be significantly reduced. The school will continue to work with the EFSA to seek advice in the impact of financial risk to the school.

The school was successful in its bid for Capital Improvement Funding and has been granted £1,068,100 to create a new Special Educational Needs Centre, where the empty old school kitchen is sited, and Fire Safety improvements throughout the school.

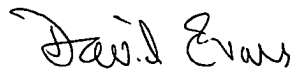
Governors' report Year to 31 August 2020

AUDITOR

In so far as the governors are aware:

- ♦ there is no relevant audit information of which the School's auditor is unaware; and
- ♦ the governors 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.

Governors' report approved by order of the members of the board of governors and signed on its behalf by:



Chair of Governors David Evans

Date: 8th December 2020

Governance statement 31 August 2020

Scope of responsibility

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

The governing body have 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 the School and the Secretary of State for Education. The Headteacher is also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

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

The information on governance included here supplements that described in the governors' report and in the statement of governors' responsibilities. The governing body has formally met four times during the year. Attendance at Full Board meetings during the year was as follows:

Governor	Number of meetings attended	Out of a possible
A L Duncan	3	4
D Evans (Chair)	4	4
M Lamey (Vice Chair)	4	4
C Burch	4	4
A Cottle	3	4
S Bhal	2	2
J Fenton-Hall	3	3
S Flint	3	4
E Flippance	4	4
D Johnson	2	4
P Jones	2	2
M McCartney	3	4
C Webber	3	4
E Redfern	2	2
J Cloake	4	4

Notes

- Meeting of 10.12.19 postponed and held on 14.01.20
- Meeting of 31.03.20 postponed and held virtually, by email, on 02.04.20 (due to COVID 19)
- Meeting of 07.07.20 re-arranged to 14.07.20
- P Jones resigned on 22.01.20
- S Bhal and E Redfern appointed 22.01.20

Governance statement 31 August 2020

Governance (continued)

The governors' annual strategy and review meeting in September identifies the development needs of the board and focus areas for the year. Termly planning sessions are used to develop specific skills and analyst impact.

The Resources and Audit Committee is a sub-committee of the main governing body. Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the School's finances and resources (including staffing), including proper planning, monitoring and probity.

Attendance at Resources and Audit Committee meetings in the year was as follows:

Governor	Number of meetings attended	Out of a possible
A L Duncan	4	4
D Evans	4	4
M Lamey	4	4
A Cottle	4	4
S Flint	1	4
E Flippance (Chair)	4	4
E Redfern	1	1
C Webber (Vice Chair)	3	4

Notes

- Meeting of 12.05.20 was cancelled due to Covid 19

Review of value for money

As Accounting Officer, the Headteacher has responsibility for ensuring that the School 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 School's use of its resources has provided good value for money during the academic year, and reports to governing body where value for money can be improved, including the use on benchmarking data where available. The Accounting officer for the School has delivered and improved value for money during the year by:

Review of staffing

The School has successfully managed to recruit qualified teaching staff to cover all periods of the timetable in 2019/20. Early curriculum planning and GCSE option choices continued to allow the school to plan effectively. Established graduate cover supervisors reduced the need of daily supply teachers and ensured continuity in the classroom for the students.

Review of value for money (continued)

Review of staffing (continued)

The curriculum planning had to be altered significantly in preparation for the new academic year 2020/21. Early planning allowed the school to plan effectively to ensure that staff and students were able to attend school in a safe and secure environment. Virtual recruitment ensured that school was fully staffed.

Each year group was placed in its own bubble with particular attention paid to those students in Years 10 and 11 being able to access their GCSE option choices.

Staff have been redeployed to cover additional health and safety requirements and reduce the risk of infection. The financial implication of those staff shielding and self-isolating will primarily be around additional agency supply costs. This, no doubt, will have a significant impact that was not forecast as the supply budget was reduced in line with the school having a full complement of staff.

Ensuring best value contracts

PPN02/20 and PPN02/40

It was considered appropriate in order to maintain delivery of the critical service of Catering, that the school continue to make payments as normal to the supplier Chartwells who were considered at risk, payments only covered the cost of free school meals, and not the costs of meals usually purchased by parents for pupils who are not eligible for free school meals.

Under PPN 04/20, this was effective until the school summer holidays and transition plans were exited before the start of the autumn term. The supplier agreed to act on an open book basis and make cost data available. Payment made to Chartwells was made promptly and on time. The supplier also utilised other grants available to them such as the furlough scheme.

The school continues to follow best value principals when purchasing services and learning resources.

The school has not entered into any new leasing contracts during the year to 31st August 2020.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the School's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place at the School for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

Governance statement 31 August 2020

Capacity to handle risk

The governing body has reviewed the key risks to which the School is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is an ongoing process for identifying, evaluating and managing the School's significant risks that has been in place for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

The risk and control framework

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

- ◆ comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governing body;
- ◆ regular reviews by the Resources 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 governing body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Buzzacott, the external auditors to undertake internal assurance testing, as set out in the Academies Financial Handbook on behalf of the governors. The internal assurance report is considered by governors. The report completed this year has not identified any areas of concern.

The trust is aware of the newly revised FRC Ethical Standard and will seek to appoint a new independent party to complete the internal controls in 2021.

Review of effectiveness

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

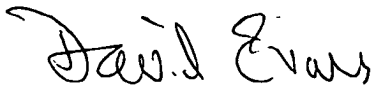
- ◆ the work of the external auditor;
- ◆ the financial management and governance self-assessment process;
- ◆ the work of the Leadership Team within the School who have responsibility for the development and maintenance of the internal control framework.

Governance statement 31 August 2020

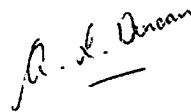
Review of effectiveness (continued)

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the governing body and signed on their behalf by:



David Evans
Chair of Governors



Anne Duncan
Headteacher and Accounting Officer

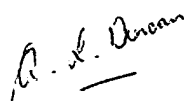
Approved on: 8th December 2020

Statement on regularity, propriety and compliance 31 August 2020

As Accounting Officer of Sunbury Manor School I have considered my responsibility to notify the School's Governing Body and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the School and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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


Anne Duncan
Accounting Officer

Date: 8th December 2020

Statement of governors' responsibilities 31 August 2020

The governors (who act as trustees of the School and are also the directors for the purposes of company law) are responsible for preparing the governors' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

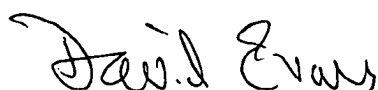
- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' SORP 2015 and the Academies Accounts Direction 2019 to 2020;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in operation.

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

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

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

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



David Evans
Chair of Governors

Date: 8th December 2020

Independent auditor's report Year to 31 August 2020

Independent auditor's report to the members of Sunbury Manor School

Opinion

We have audited the financial statements of Sunbury Manor School (the 'charitable company') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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) (the Charities SORP 2015) and the Academies Accounts Direction 2019 to 2020.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of 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 Academies Accounts Direction 2019 to 2020.

Basis for opinion

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

Conclusions relating to going concern

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

Independent auditor's report Year to 31 August 2020

Other information (covers the reference and administrative details, the report of the governors and strategic report and the governance statement)

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

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

We have nothing to report in this regard.

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 governors' report, which is also the directors' report for the purpose of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements: and
- ◆ The governors report, which is also the director's report for the purposes of company law and includes the strategic report, has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the governors' 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
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of governors' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the governors' report and from the requirement to prepare a strategic report.

Independent auditor's report Year to 31 August 2020

Responsibilities of governors

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

In preparing the financial statements, the governors are responsible for assessing the charitable company'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 governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the 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.



14 December 2020

Shachi Blakemore (Senior Statutory Auditor)
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Independent reporting accountant's report Year to 31 August 2020

Independent reporting accountant's assurance report on regularity to Sunbury Manor School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sunbury Manor School during the period from 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Sunbury Manor School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Sunbury Manor School's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the 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.

Independent reporting accountant's report Year to 31 August 2020

Approach (continued)

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the School's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

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 from 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



14 December 2020

Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Statement of financial activities Year to 31 August 2020

(Including the income and expenditure account)

		Un- restricted general fund £	Restricted funds		2020 Total funds £	2019 Total funds £
	Notes		Income funds £	Fixed assets fund £		
Income and endowments from:						
Donations and capital grants	1	10,481	—	21,272	31,753	3,970,383
Charitable activities						
· Funding for the School's educational operations	3	—	6,692,495	—	6,692,495	5,921,565
Other trading activities	2	61,954	175,919	—	237,873	340,846
Total income		72,435	6,868,414	21,272	6,962,121	10,232,794
Expenditure on:						
Charitable activities						
· School's educational operations	4, 5	—	7,001,277	425,003	7,426,280	6,909,932
Total expenditure		—	7,001,277	425,003	7,426,280	6,909,932
Net (expenditure) income		72,435	(132,863)	(403,731)	(464,159)	3,322,862
Transfers between funds	13	(76,792)	—	76,792	—	—
Other recognised gains and losses						
· Actuarial (losses) on defined benefit pension scheme	18	—	(375,000)	—	(375,000)	(802,000)
Net movement in funds		(4,357)	(507,863)	(326,939)	(839,159)	2,520,862
Reconciliation of funds						
Fund balances brought forward at 1 September		418,253	(2,862,000)	10,753,746	8,309,999	5,789,137
Fund balances carried forward at 31 August		413,896	(3,369,863)	10,426,807	7,470,840	8,309,999


All activities are derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the Statement of Financial Activities.

Balance sheet as at 31 August 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible fixed assets	10		10,426,807		10,753,746
Current assets					
Debtors	11	168,822		122,828	
Cash at bank and in hand		735,719		630,578	
		<u>904,541</u>		<u>753,406</u>	
Liabilities					
Creditors: amounts falling due within one year	12	(288,508)		(335,153)	
Net current assets			<u>616,033</u>		<u>418,253</u>
Net assets excluding pension scheme liability			<u>11,042,840</u>		<u>11,171,999</u>
Defined benefit pension scheme liability	18		(3,572,000)		(2,862,000)
Total net assets			<u>7,470,840</u>		<u>8,309,999</u>
Restricted funds					
Fixed assets fund	13		10,426,807		10,753,746
Restricted income funds	13		202,137		—
Pension fund	13		(3,572,000)		(2,862,000)
Total restricted funds			<u>7,056,944</u>		<u>7,891,746</u>
Unrestricted funds					
General fund	13		413,896		418,253
Total funds			<u>7,470,840</u>		<u>8,309,999</u>

The financial statements were approved by the governors and signed on their behalf by:



David Evans

Chair of Governors

Sunbury Manor School

Approved on: 8th December 2020

Company Limited by Guarantee

Registration Number 07545019 (England and Wales)

Cash Flow Year to 31 August 2020

		2020 £	2019 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	A	181,933	(62,167)
Cash flows from investing activities	B	(76,792)	(209,563)
Change in cash and cash equivalents in the year		105,141	(271,730)
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at 1 September		630,578	902,308
Cash and cash equivalents at 31 August	C	735,719	630,578

A Reconciliation of net income (expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net (expenditure) for the year (as per the statement of financial activities)	(464,159)	3,322,862
Adjusted for:		
Depreciation charges (note 10)	425,003	341,658
Capital grants from DfE and other capital income	(21,272)	(159,996)
Donated fixed assets	—	(3,800,000)
Defined benefit pension scheme cost less contributions payable (note 18)	281,000	184,000
Defined benefit pension scheme finance cost (note 18)	54,000	53,000
(Increase) in debtors	(45,994)	4,236
(Decrease) in creditors	(46,645)	(7,927)
Net cash provided by (used in) operating activities	181,933	(62,167)

B Cash flows from investing activities

	2020 £	2019 £
Purchase of tangible fixed assets	(98,064)	(369,559)
Capital grants from DfE/ESFA utilised in year	21,272	67,996
Capital funding received from sponsors and others	—	92,000
Net cash used in investing activities	(76,792)	(209,563)

C Analysis of changes in net debt

	2020 £	2019 £
Cash at bank and in hand	735,719	630,578
Total cash and cash equivalents	735,719	630,578

Sunbury Manor School does not have any borrowings or lease obligations. Net debt consists therefore of the cash at bank and in hand.

Principal accountings policies Year to 31 August 2020

Statement of accounting policies

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

Basis of preparation

The financial statements of the School, 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Sunbury Manor School meets the definition of a public benefit entity under FRS 102.

Going concern

The governors have assessed whether the school continues to be a going concern. In arriving at this judgement a number of assumptions have been made;

- ♦ The financial forecasts have been reviewed and the robustness of these forecasts have been assessed. The school has reserves of £616,033 (2019 – £418,253 unrestricted general funds). Taking into account the pension adjustment the operation surplus was £198,000.
- ♦ The budget that was submitted to the EFSA showed that the school would maintain this position in the forthcoming year, however in light of the continuing Covid pandemic this has been reviewed and it is likely that some of the reserves will be expended in year to cover additional staffing and resources costs. This can be absorbed in the existing carry forward reserves.
- ♦ The local demographic profile has been reviewed along with Surrey County Council data and there remains an anticipated shortfall of school secondary places in the local area. Pupil numbers are reviewed on a termly basis by governors.
- ♦ The financial and operational impacts of Covid have been considered and the projected cashflow forecast for 2020/21 reflects assumed additional expenditure for staff (primarily agency) and cleaning. This shows that cashflow remains positive. Cashflow statements are reviewed monthly.
- ♦ The education sector faces a challenging time but early consideration of the trust's viability remains the key to ensuring the sustainability of the school. There has already been re-deployment of staff during the pandemic to ensure the safety of staff and students. Staffing will continue to be reviewed according to the current needs of the school using short term contracts and agency staffing where possible.

Principal accountings policies Year to 31 August 2020

Going concern (continued)

They governors continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All incoming resources are recognised when the School 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.

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

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

Donations

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

Other income

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

Expenditure

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

Principal accountings policies Year to 31 August 2020

Expenditure (continued)

Charitable activities

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

All resources expended are stated net of recoverable VAT.

Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed assets fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed assets fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the School's depreciation policy.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, as follows:

Freehold buildings	50 years
Temporary freehold buildings	10 years
Building improvements	10 years
Fixtures, fittings and equipment	6 years
Computer equipment	3 years
Motor vehicles	7 years

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 School 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.

Leased assets

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

Principal accountings policies Year to 31 August 2020

Financial instruments

The School only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the School 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.

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.

Taxation

The School 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 School 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.

Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll.

The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 18, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the School 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.

Principal accountings policies Year to 31 August 2020

Pensions benefits (continued)

They are included as part of staff costs as incurred. Net interest on the net defined benefit liability is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund accounting

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

Restricted fixed assets fund is to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted income funds comprise all other restricted funds received and include grants from the local education authority.

Critical accounting estimates and areas of judgment

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 School 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 for pensions include the discount rate. Any changes in these assumptions 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 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Notes to the financial statements Year to 31 August 2020

1 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed assets funds £	2020 £	2019 £
Capital grants	—	—	21,272	21,272	159,996
Donated fixed assets	—	—	—	—	3,800,000
Other donations received	10,481	—	—	10,481	10,387
	<u>10,481</u>	<u>—</u>	<u>21,272</u>	<u>31,753</u>	<u>3,970,383</u>

	Unrestricted funds £	Restricted funds £	Restricted fixed assets funds £	2019 £
Capital grants	—	—	159,996	159,996
Donated fixed assets (see note 10)	—	—	3,800,000	3,800,000
Other donations received	6,387	4,000	—	10,387
	<u>6,387</u>	<u>4,000</u>	<u>3,959,996</u>	<u>3,970,383</u>

2 Other trading activities

	Unrestricted funds £	Restricted funds £	2020 £	2019 £
Hire of facilities and lettings income	9,200	—	9,200	15,969
Trips income	—	122,177	122,177	168,309
Catering income	—	30,612	30,612	50,000
Miscellaneous income	52,754	23,130	75,884	106,568
	<u>61,954</u>	<u>175,919</u>	<u>237,873</u>	<u>340,846</u>

	Unrestricted funds £	Restricted funds £	2019 £
Hire of facilities and lettings income	15,969	—	15,969
Trips income	—	168,309	168,309
Catering income	—	50,000	50,000
Miscellaneous income	106,568	—	106,568
	<u>122,537</u>	<u>218,309</u>	<u>340,846</u>

Notes to the financial statements Year to 31 August 2020

3 Funding for the School's educational operations

	Unrestricted funds £	Restricted funds £	2020 £	2019 £
DfE/ESFA grants				
General Annual Grant (GAG)	—	5,615,460	5,615,460	5,306,304
Other DfE/ESFA grants	—	560,496	560,496	205,292
	—	6,175,956	6,175,956	5,511,596
Other Government grants				
Local authority grants	—	471,029	471,029	409,969
	—	471,029	471,029	409,969
Exceptional government funding				
Coronavirus job retention scheme grant	—	—	—	—
Coronavirus exceptional support	—	—	—	—
Other coronavirus funding	—	45,510	45,510	—
	—	45,510	45,510	—
	—	6,692,495	6,692,495	5,921,565

Exceptional funding:

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

- ♦ The funding received for coronavirus exceptional support covers £37,162 of FSM costs and £8,348 of cleaning costs. These costs are included in notes 4 and 5 below as appropriate.

	Unrestricted funds £	Restricted funds £	2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	—	5,306,304	5,306,304
Other DfE/ESFA grants	—	205,292	205,292
	—	5,511,596	5,511,596
Other Government grants			
Local authority grants	—	409,969	409,969
	—	409,969	409,969
	—	5,921,565	5,921,565

Notes to the financial statements Year to 31 August 2020

4 Expenditure

	Non pay expenditure			2020 Total funds £	2019 Total funds £
	Staff costs £	Premises £	Other costs £		
School's educational operations (note 5)					
Direct costs	4,598,398	425,003	397,179	5,420,580	4,969,345
Allocated support costs	1,287,319	344,264	374,117	2,005,700	1,940,587
	5,885,717	769,267	771,296	7,426,280	6,909,932

	Non pay expenditure			2019 Total funds £
	Staff costs £	Premises £	Other costs £	
School's educational operations (note 5)				
Direct costs	4,183,942	341,658	443,745	4,969,345
Allocated support costs	1,212,245	344,695	383,647	1,940,587
	5,396,187	686,353	827,392	6,909,932

	2020 £	2019 £
Net expenditure for the year includes:		
Operating lease rentals	5,620	5,620
Depreciation	425,003	341,658
Fees payable to auditor for		
Statutory audit	10,800	10,500
Other services	9,835	8,610

5 School's educational operations

	2020 Total funds £	2019 Total funds £
Direct costs	5,420,580	4,969,345
Support costs	2,005,700	1,940,587
	7,426,280	6,909,932

	2020 Total funds £	2019 Total funds £
Analysis of support costs		
Support staff costs	1,287,319	1,212,245
Technology costs	39,353	60,920
Premises costs	344,264	344,695
Legal costs - other	—	—
Other support costs	312,481	300,964
Governance costs	22,283	21,763
Total support costs	2,005,700	1,940,587

Notes to the financial statements Year to 31 August 2020

6 Comparative information

Analysis of income and expenditure in the year ended 31 August 2019 between restricted and unrestricted funds:

	Notes	Un-restricted general fund £	Restricted funds		2019 Total funds £
			Income funds £	Fixed assets fund £	
Income and endowments from:					
Donations and capital grants	1	6,387	4,000	3,959,996	3,970,383
Charitable activities					
· Funding for the School's educational operations	3	—	5,921,565	—	5,921,565
Other trading activities	2	122,537	218,309	—	340,846
Total income		128,924	6,143,874	3,959,996	10,232,794
Expenditure on:					
Charitable activities					
· School's educational operations	4, 5	—	6,568,274	341,658	6,909,932
Total expenditure		—	6,568,274	341,658	6,909,932
Net income (expenditure)		128,924	(424,400)	3,618,338	3,322,862
Transfers between funds	13	(369,591)	162,204	207,387	—
Other recognised gains and losses					
· Actuarial (losses) gains on defined benefit pension scheme	18	—	(802,000)	—	(802,000)
Net movement in funds		(240,667)	(1,064,196)	3,825,725	2,520,862
Reconciliation of funds					
Fund balances brought forward at 1 September		658,920	(1,797,804)	6,928,021	5,789,137
Fund balances carried forward at 31 August		418,253	(2,862,000)	10,753,746	8,309,999

7 Staff

(a) Staff costs

Staff costs during the year were:

	2020 £	2019 £
Wages and salaries	4,194,628	4,059,713
Social security costs	439,944	419,535
Pension costs	1,232,736	893,945
	5,867,308	5,373,193
Supply teacher costs	18,409	22,994
	5,885,717	5,396,187

Notes to the financial statements Year to 31 August 2020

7 Staff (continued)

(b) Staff numbers

The average number of persons (including the senior management team) employed by the School during the year ended 31 August 2020 was as follows:

Charitable Activities	2019 Number	2019 Number
Teachers	59	64
Administration and support	48	45
Management	7	7
	114	116

(c) Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	2	4
£70,001 - £80,000	1	—
£80,001 - £90,000	3	2
£120,001 - £130,000	—	1
£130,001 - £140,000	1	—

(d) Key management personnel

The key management personnel of the School comprise the Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employers national insurance contributions) received by key management personnel for their services to the School was £788,982 (2019 – £716,320).

Notes to the financial statements Year to 31 August 2020

8 Governors' remuneration and expenses

The Headteacher and staff governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as governors. Other governors did not receive any payments from the School in respect of their role as governors. The value of governors' remuneration and other benefits was as follows:

	2020 £'000	2019 £'000
A L Duncan (Headteacher and governor)		
. Remuneration	130 – 135	120-125
. Employer's pension contributions	30 – 35	20-25
A Cottle (Staff governor)		
. Remuneration	85 – 90	80-85
. Employer's pension contributions	20 – 25	10-15
C Fagan (Staff governor)		
. Remuneration	—	55-60
. Employer's pension contributions	—	15-20
J Fenton-Hall (Staff governor)		
. Remuneration	55 – 60	—
. Employer's pension contributions	10 – 15	—
D Johnson (Staff governor)		
. Remuneration	50 – 55	50-55
. Employer's pension contributions	10 – 15	5-10

During the year to 31 August 2020, expenses were paid to nine governors and amounted to £1,610 (2019 – £5 paid to one governor). These expenses are summarised as follows;

- ♦ The Chair of Governors and one trust governor claimed Safer recruitment Training Fee reimbursement
- ♦ Two Staff Governors claimed reimbursements for learning resources purchased on behalf of the school
- ♦ One Staff Governor claimed reimbursement for currency purchased for residential school trips
- ♦ One Trust Governor was refunded in respect of a cancelled residential school trip for their children
- ♦ The Clerk and one staff governor claimed reimbursement for catering supplies purchased on behalf of the school
- ♦ The Clerk claimed reimbursement for postage costs incurred on behalf of the school
- ♦ The Chair of Governors claimed travel expenses incurred on behalf of the school

Other related party transactions are set out in note 19.

Notes to the financial statements Year to 31 August 2020

9 Governor and Officers' Insurance

The School has opted into the ESFA Risk Protection Arrangement (RPA) which provides cover up to £10 million. The total costs for the overall insurance package for the School, including governor and officers' insurance, was £18,800 (2019 – £18,800).

10 Tangible fixed assets

	Freehold land and buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total funds £
Cost/Value					
At 1 September 2019	12,272,258	495,435	339,390	30,179	13,137,262
Additions	37,992	4,306	55,766	—	98,064
At 31 August 2020	<u>12,310,250</u>	<u>499,741</u>	<u>395,156</u>	<u>30,179</u>	<u>13,235,326</u>
Depreciation					
At 1 September 2019	1,853,074	246,247	254,016	30,179	2,383,516
Charge in for the year	355,256	26,451	43,296	—	425,003
At 31 August 2020	<u>2,208,330</u>	<u>272,698</u>	<u>297,312</u>	<u>30,179</u>	<u>2,808,519</u>
Net book value					
At 31 August 2019	10,419,184	249,188	85,374	—	10,753,746
At 31 August 2020	<u>10,101,920</u>	<u>227,043</u>	<u>97,844</u>	<u>—</u>	<u>10,426,807</u>

The School acquired the school buildings and associated fixtures and equipment from Surrey County Council on 1 April 2011. The governors based their valuation of the School buildings on information provided by the Surrey Valuation Office at the date of acquisition. The building was valued at the existing use value, using a depreciated replacement cost approach.

The land on which the School buildings are situated is deemed to have no commercial value to the School. Ancillary land owned by the School is currently leased to Spelthorne Borough Council until September 2038. The School has no rights over this land until the expiry of the lease, and so it is also deemed to have no commercial value.

11 Debtors

	2020 £	2019 £
VAT recoverable	35,264	7,410
Other debtors	1,253	3,420
Prepayments and accrued income	132,305	111,998
	<u>168,822</u>	<u>122,828</u>

Notes to the financial statements Year to 31 August 2020

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Taxation and social security	217,185	197,243
Accruals and deferred income	71,323	137,910
	288,508	335,153
Deferred income:		
Deferred income at 1 September	100,853	96,863
Released during the year	(100,853)	(96,863)
Resources deferred in the year	26,944	100,853
Deferred income at 31 August	26,944	100,853

13 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	—	5,615,460	(5,413,323)	—	202,137
Pupil Premium	—	560,496	(560,496)	—	—
Other grants	—	692,458	(692,458)	—	—
Pension reserve	(2,862,000)	—	(335,000)	(375,000)	(3,572,000)
	(2,862,000)	6,868,414	(7,001,277)	(375,000)	(3,369,863)
Restricted fixed assets fund					
Fixed assets held	6,554,929	—	(418,670)	—	6,136,259
Donated fixed assets	3,800,000	—	(6,333)	—	3,793,667
DfE/ESFA capital grants	191,430	21,272	—	—	212,702
Capital expenditure from GAG/unrestricted funds	207,387	—	—	76,792	284,179
	10,753,746	21,272	(425,003)	76,792	10,426,807
Unrestricted funds					
General funds	418,253	72,435	—	(76,792)	413,896
Total unrestricted funds	418,253	72,435	—	(76,792)	413,896
Total funds	8,309,999	6,962,121	(7,426,280)	(375,000)	7,470,840

Notes to the financial statements Year to 31 August 2020

13 Funds (continued)

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

Restricted ESFA funds

These grants relate to the School's development and operational activities.

General Annual Grant (GAG)

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

Restricted fixed assets fund

This fund comprises the tangible fixed assets owned by the School plus any capital grants received but unspent at the year end.

Comparative information

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	25,196	5,306,304	(5,493,704)	162,204	—
Pupil Premium	—	205,292	(205,292)	—	—
Pension reserve	(1,823,000)	—	(237,000)	(802,000)	(2,862,000)
	<u>(1,797,804)</u>	<u>5,511,596</u>	<u>(5,935,996)</u>	<u>(639,796)</u>	<u>(2,862,000)</u>
Other restricted funds					
Local authority grants	—	409,969	(409,969)	—	—
Other restricted funds	—	222,309	(222,309)	—	—
	<u>—</u>	<u>632,278</u>	<u>(632,278)</u>	<u>—</u>	<u>—</u>
Total restricted funds	<u>(1,797,804)</u>	<u>6,143,874</u>	<u>(6,568,274)</u>	<u>(639,796)</u>	<u>(2,862,000)</u>
Restricted fixed assets fund					
Fixed assets held	6,896,587	—	(341,658)	—	6,554,929
Donated fixed assets	—	3,800,000	—	—	3,800,000
DfE/ESFA capital grants	31,434	159,996	—	—	191,430
Capital expenditure from	—	—	—	207,387	207,387
	<u>6,928,021</u>	<u>3,959,996</u>	<u>(341,658)</u>	<u>207,387</u>	<u>10,753,746</u>
Unrestricted funds					
General funds	658,920	128,924	—	(369,591)	418,253
Total unrestricted funds	<u>658,920</u>	<u>128,924</u>	<u>—</u>	<u>(369,591)</u>	<u>418,253</u>
Total funds	<u>5,789,137</u>	<u>10,232,794</u>	<u>(6,909,932)</u>	<u>(802,000)</u>	<u>8,309,999</u>

Notes to the financial statements Year to 31 August 2020

14 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds £	Restricted ESFA Funds £	Restricted Fixed Asset Funds £	Total 2020 £	Total 2019 £
Tangible fixed assets	—	—	10,426,807	10,426,807	10,753,746
Current assets	413,896	490,645	—	904,541	753,406
Current liabilities	—	(288,508)	—	(288,508)	(335,153)
Pension scheme liability	—	(3,572,000)	—	(3,572,000)	(2,862,000)
Total net assets	413,896	(3,369,863)	10,426,807	7,470,840	8,309,999

	Unrestricted Funds £	Restricted ESFA Funds £	Restricted Fixed Asset Funds £	Total 2019 £
Tangible fixed assets	—	—	10,753,746	10,753,746
Current assets	418,253	335,153	—	753,406
Current liabilities	—	(335,153)	—	(335,153)
Pension scheme liability	—	(2,862,000)	—	(2,862,000)
Total net assets	418,253	(2,862,000)	10,753,746	8,309,999

15 Financial commitments

Operating leases

At 31 August 2020, the total of the School's future minimum lease payments under non-cancellable operating leases was as follows:

	2020 £	2019 £
Amounts due within one year	3,747	5,620
Amounts due between two and five years inclusive	—	4,215
	3,747	9,835

16 Contingent liabilities

Under the terms of a catering contract between the School and a third party supplier, there is a contingent liability to repay a proportion of an initial advance received by the School when the contract was signed in August 2018. The liability would crystallise, should either the School or supplier terminate the contract before August 2025. At 31 August 2020, the contingency is estimated at £36,000 (2019 – £43,000). The School does not consider that early termination is probable and therefore no liability is recognised in the financial statements.

17 Members' Liability

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

18 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2016. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

- ◆ employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy);
- ◆ total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million; and

Notes to the financial statements Year to 31 August 2020

18 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme (continued)

- ♦ the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the period amounted to £722,677 (2019 – £565,712).

A copy of the valuation report and supporting documentation is on the [Teachers' Pension Scheme website](#).

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

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £296,000 (2019 – £277,000), of which employer's contributions totalled £232,000 (2019 – £216,000) and employees' contributions totalled £64,000 (2019 – £61,000). The agreed contribution rates for future years are 22.3% for employers and 5.5- 12.5% 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.

	At 31 August 2020	At 31 August 2019
Principal Actuarial Assumptions		
Rate of increase in salaries	3.1%	2.6%
Rate of increase for pensions in payment / inflation	2.2%	2.3%
Discount rate for scheme liabilities	1.7%	1.8%
Inflation assumption (CPI)	2.2%	2.3%
Commutation of pensions to lump sums	63.0%	63.0%

Notes to the financial statements Year to 31 August 2020

18 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

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

	At 31 August 2020	At 31 August 2019
<i>Retiring today</i>		
Males	22.1	21.6
Females	24.3	23.6
<i>Retiring in 20 years</i>		
Males	22.9	22.5
Females	25.7	25.0
	At 31 August 2020	At 31 August 2019
Sensitivity analysis of assumptions used to measure scheme liability:	£'000	£'000
Discount rate -0.5%	845	803
Salary increase rate +0.5%	31	83
Pension increase rate +0.5%	802	706

The School's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2020 £	Fair value at 31 August 2019 £
Equities	2,698,000	2,567,000
Corporate bonds	637,000	651,000
Property	300,000	289,000
Cash and other liquid assets	112,000	108,000
Total market value of assets	3,747,000	3,615,000
Present value of scheme liabilities		
· Funded	(7,319,000)	(6,477,000)
Deficit in the scheme	(3,572,000)	(2,862,000)
	2020 £	2019 £
Amounts recognised in statement of financial activities		
Current service cost	513,000	380,000
Interest income	67,000	92,000
Interest cost	(121,000)	(145,000)
Total amount recognised in the SOFA	459,000	327,000
Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	67,000	92,000
Interest on pension liabilities	(121,000)	(145,000)
Pension finance costs	(54,000)	(53,000)

Notes to the financial statements Year to 31 August 2020

18 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

Movements in the overall deficit were as follows	2020 £	2019 £
Deficit at 1 September	(2,862,000)	(1,823,000)
Current service cost	(513,000)	(400,000)
Employer contributions	232,000	216,000
Net finance interest	(54,000)	(53,000)
Actuarial (losses)	(375,000)	(802,000)
At 31 August	(3,572,000)	(2,862,000)

Changes in the present value of defined benefit obligations were as follows:	2020 £	2019 £
At 1 September	6,477,000	4,998,000
Current service cost	513,000	380,000
Past service cost	-	20,000
Interest cost	121,000	145,000
Employee contributions	64,000	61,000
Actuarial gain/(loss)	253,000	922,000
Benefits paid	(109,000)	(49,000)
At 31 August	7,319,000	6,477,000

Changes in the fair value of the School's share of scheme assets:	2019 £	2019 £
At 1 September	3,615,000	3,175,000
Interest income	67,000	92,000
Actuarial gain	(122,000)	120,000
Employer contributions	232,000	216,000
Employee contributions	64,000	61,000
Benefits paid	(109,000)	(49,000)
At 31 August	3,747,000	3,615,000

Employer contributions for the year ended 31 August 2021 are estimated at £221,000.

19 Related party transactions

Owing to the nature of the School's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the School's financial regulations and normal procurement procedures.

19 Related party transactions (continued)

In the 2019/20 financial year, the School employed the spouse of the Headteacher on a part time basis for which it paid £639 including national insurance contributions (2019 – £2,145). The spouse of the Headteacher was employed in the capacity of casual staff for invigilating during the exam period and driving the school Mini-Bus. He was paid the standard market rate for this employment in line with other invigilators. The Headteacher was not involved in the recruitment and appointment process and he is line managed by the Deputy Headteacher.

The School conducted the above related party transactions in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2020 and obtaining their approval where required, and with their financial regulations and procurement procedures.
