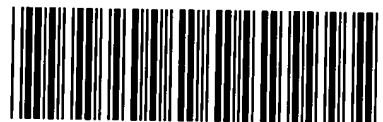


Company Registration Number: 07683660 (England & Wales)

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

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

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JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

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JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mrs Linda Jane Brockett Mr Peter Milson Mrs Elizabeth Ramm
Trustees	Mrs Lisa Ailsby (resigned 10 March 2021) Mr David Allen Mrs Teri Chatterton (resigned 30 November 2021) Mr Giles Crust Mr Simon Curtis (appointed 1 September 2021) Mrs Joanna Garrard (resigned 7 May 2021) Mrs Shirley Gibney (resigned 4 October 2021) Ms Amanda Graves (appointed 4 October 2021) Mr Ian Hart (appointed 4 October 2021) Miss Rachael Hickson Mrs Lucy Iaquaniello (resigned 4 October 2021) Mr Adam Le'gate (appointed 5 October 2021) Mr Peter Milson Mr William Nickson (appointed 8 October 2021) Dr Lynnette Pryke (appointed 6 October 2020) Mrs Elizabeth Ramm, Chair Mrs Joanna Sharp Ms Joyce Shorrock (resigned 31 August 2021) Mr Roger Snell (resigned 5 July 2021) Mr Andrew Stones (appointed 4 October 2021) Mr George Willoughby Mrs Anna Appleyard (appointed 30 November 2021) Mr David Radley (appointed 2 December 2021)
Company registered number	07683660
Company name	John Spendluffe Technology College
Principal and registered office	Hanby Lane Alford Lincolnshire LN13 9BL
Company secretary	Mr Jonathan Treasure
Senior management team	Ms J Shorrock (resigned 31/08/2021), Headteacher Mr J Treasure, College Business Manager Mrs M Matson Miss R Norton Mrs A Appleyard Mrs P Forman Mr R Thornalley

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

	Mr J Bentley Mrs S Powell Mr Simon Curtis (appointed 01/09/2021), Headteacher
Independent auditors	Duncan & Toplis Limited Chartered Accountants and Statutory Auditors 15 Chequergate Louth Lincolnshire LN11 0LJ
Bankers	Lloyds Bank 24 Mercer Row Louth Lincolnshire LN11 9JH
Solicitors	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

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

The academy operates an academy for pupil aged from 11 to 16 years old and serves a catchment area of the market town of Alford and surrounding villages and towns. It has a capacity of 625 pupils and had a roll of 630 in the school census on October 2021. John Spendluffe Technology College has tried to support the ever increasing demand for places in recent years and remains a popular choice within the local community.

Structure, governance and management

a. Constitution

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

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

The Trustees of John Spendluffe Technology College are also the directors of the charitable company for the purposes of company law.

The charitable company is known as John Spendluffe Technology College.

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

b. Members' liability

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

c. Trustees' indemnities

A full trustees' indemnity insurance is taken out with the Department for Education's Risk Protection Arrangement (RPA). Each member has unlimited insurance cover, as outlines in the policy. This is reviewed annually to protect against potential risk. The cost of this insurance is deducted from the General Annual Grant (GAG) issued to the Academy and is deducted on a monthly basis at source.

Principal activity

The principal activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

d. Method of recruitment and appointment or election of Trustees

Governors are subject to retirement by annual rotation, but are eligible for re-election at the meeting at which they retire. At each Annual General Meeting of the Charitable Company, election of the Chair and Vice Chair for the coming twelve months takes place by method of majority voting.

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training on charity and educational legal and financial matters. All new Trustees and Governors are given a tour of the Academy and the chance to meet with staff and students.

All Trustees are provided with copies of relevant policies, procedures, minutes, meeting schedules, plans and other documents that they will need to undertake their role as Trustees. An Induction Guide for new Trustees has been created to ensure that they are fully engaged with the Academy and understand the role they are committing to. As there are normally few new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Trustees will usually be issued with the latest version of the NGA Governors Handbook in addition to the 'Keeping Children Safe in Education' document and the Child Protection & Safeguarding and Prevent Policies which they will sign to say they have read and understand their responsibilities in relation to these crucial areas. They are also briefed on their ICT and E-Safety responsibilities in accordance with present policies and undertake a skills audit on an annual basis. This is done so the academy can ascertain any knowledge gaps it may have and consider whether it needs to find someone to fulfil that role.

f. Organisational structure

The Academy is overseen by one Headteacher and they are supported in delivering the educational, behavioural and financial requirements by the Senior Leadership Team. This consists of two Deputy Headteachers, three Assistant Headteachers, one Special Educational Needs Co-ordinator, and the College Business Manager.

Decisions over curriculum, finances, recruitment and restructuring are discussed between the Headteacher, SLT and College Business Manager as deemed appropriate. The Headteacher is the Accounting Officer for the Academy with the Business Manager as the Chief Financial Officer.

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

The pay scales for the Headteacher, Deputy Headteachers, SENDCO and Assistant Headteachers are set using the national pay scales. Roles have salary banding attached to them often with a four point scale for progression based on the size of school. Pay progression for those roles is subject to the completion of a satisfactory performance management review undertaken at the end of the academic year. The Headteacher's pay review includes an external advisor to demonstrate fairness in the assessment being made. The school follows a pay policy to be consistent in its approach. Due to a number of SLT being within their roles for many years many have reached the optimum level for their role.

The pay scale of the College Business Manager follows the GLEA pay scales for support staff set by Lincolnshire County Council and is a Grade 10 role between scale points 27 and 30.

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	2

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	2
51%-99%	-
100%	-

Percentage of pay bill spent on facility time £

Total cost of facility time	23,251
Total pay bill	2,325,009
Percentage of total pay bill spent on facility time	1 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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Objectives and activities

a. Objects and aims

The Academy objects are specifically restricted to the following:

a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy) and

b) to promote for the benefit of individuals living in the Alford and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

b. Objectives, strategies and activities

Objectives

The main objectives of the Trust during the year ending 31 August 2021 were as follows:

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

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

Objectives and activities (continued)

Teaching and Learning

- Continue to develop the curriculum to respond to changing government floor targets, particularly the Progress 8 measure and the renewed Ofsted focus on curriculum
- Reviewing and addressing a curriculum recovery programme due to lost learning
- Ensure a high quality Remote learning provision was in place, taking into account staff workload and wellbeing.
- Develop and improve as required, intervention strategies and monitor the effectiveness of the intervention
- To develop Continuing Professional Development (CPD) performance in the Academy and support the NQT Teaching staff to ensure they complete their first year in the profession
- Develop the system of target setting and its use to raise standards – with a specific focus on Year 9 aligning the flightpath model with the target driven model in Years 10 and 11.
- Ensuring a broad and balanced curriculum serves the needs of students and enables progression at a suitable level beyond JSTC.
- Continue to respond to the Ofsted Areas for Improvement as identified in the Ofsted report of March 2019
- Rewritten School Improvement Plan to focus on the new Ofsted inspection framework especially with respect to the Quality of Education and the intent, implementation and impact relating to curriculum development.

Care and Guidance

- Continue to ensure students have access to career advice and opportunity to meet with further education providers through trips and inviting providers into school
- Ensure the school is a safe space for all of its community, adapting and responding the challenges of the COVID-19 Pandemic
- Identify and implement support where required for mental health concerns (specifically the impact from COVID-19/Lost learning)
- Develop strategies to further improve attendance and inclusion at the Academy to ensure students benefit from the good standard of education on offer – including academic, vocational and life skills.
- Enhance and further develop the already positive attitudes to learning by remodelling the core values. These are now to be Respect, Resilience and Responsibility
- Continue to evolve the pastoral system with explicit links between academic achievement and pastoral systems. This will enable the staff involved to deliver a more personalised level of response to parents and ensure that students are engaged with their attendance, behaviour and are aware of their academic progress so strategies can be implemented to support wherever required.
- Empower parents to engage with the learning, progress and behaviour of their children via the introduction of systems in school that monitor and engage parents.
- Address any concerns regarding the wellbeing of students that impact on learning and progress.

Staff Development

- Continue to develop coaching and mentoring through the Academy's appraisal process;
- Developing leadership at all levels, including support staff, but with a clear focus on the empowerment of middle leaders.
- Quality assurance of teaching, assisted with peer review of other similar schools;
- Evolve the Department Review process to build strengths in teaching, learning and staff development and address any areas for development.
- The Academy has started to look at succession planning in a number of areas and has adopted a 'grow your own' approach to support staff recruitment wherever possible. Apprentices have been recruited in both the canteen and administration areas with further opportunities to be made available over the course of time
- Continue to recruit staff trainees to secure sustainable staffing in hard to recruit subject areas especially.
- Continued use of the school performance management platform , Standards tracker, to enhance CPD and ensure a bespoke offer to all staff.

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

Environmental

- Maintaining a safe, warm and welcoming environment suitable for learning;
- Ensuring health and safety issues are kept at the forefront of the maintenance team priorities;
- Upholding legal requirements for water, fire and electrical safety;
- Ensuring the site and accommodation is suitable to meet the needs of the curriculum;
- Developing an on-going planned maintenance regime and refurbishment programme;
- Upgrading and replacing areas of the site to make the best use of the space available
- Providing required enhancements for students to enable them to have access to the full curriculum;
- Pursuing funding for additional accommodation and facilities through the Conditions Improvement Fund bidding process
- Explore alternative forms of procurement for identified improvements eg leasing as opposed to purchase. Informed choices made through investigation of experience of other schools.

Strategies

The Academy Trust's main strategy is encompassed in its vision statement:

'JSTC prides itself on creating a warm, nurturing and respectful learning environment at the heart of its local community.

As a school, we value, appreciate and celebrate the achievements and efforts of our students. Our aim is to ensure they leave school as resilient, respectful, confident and responsible young adults'

Strategic activities and achievements of the Academy during the year included:

- Development of the Key Stage four curriculum to respond to student demand and new performance measures with the continued evolution of Progress 8 and the new Ofsted focus on curriculum.
- Creation of curriculum documentation to ensure consistency of approach to curriculum delivery and planning. Staff able through the development to assess the intent and implementation of their curriculum planning with greater accuracy and analytical consistency. Dialogue regarding impact of curriculum enhanced by this development.
- Effective use of Progress Teams, tracking, monitoring and support leading to successful attainment in the 2021 exam results
- Refined procedures for the monitoring of Teaching and Learning to support the appraisal process. Enhancement of the performance management process to deliver greater accountability.
- A personalised programme of professional development offered to staff to develop teaching and learning even further. More focused and targeted intervention with staff to ensure professional practice is developed to meet the teacher Standards. This continued during the lockdown period using video resources and prompting dialogue between staff regarding professional practice.
- Effective tracking, support and intervention to help focus groups, such as Pupil Premium students, those with Special Educational Needs and Higher Ability Pupils (HAPS), make significant progress.
- Effective primary liaison has significantly enhanced the Academy's popularity within the locality to ensure we remain a popular choice with parents and the wider community.
- Introduction and continued development of Class Charts, an online parental engagement tool, which allows the parents to track the progress of their child along with the ability to see information on behaviour, homework, upcoming events and most critically, the setting of work for students during the Covid 19 pandemic.
- Development of virtual teaching using the online Teams platform to secure learning and progress during lockdown periods. Creation of virtual learning timetable, streaming of live lessons to students self-isolating and use of platforms for interventions, pastoral support and parent evenings. Support for vulnerable families through virtual meetings and agency involvement.
- A huge amount of staff time and effort has gone into health and safety considerations and planning for student and staff safety through the reading and assimilation of Government guidance. The concern was consistently there that the Government guidance did not go far enough to protect everyone in the school community. For example, it has been clear through scientific research from October 2019 to January 2020 that Covid19 is an airborne infection via small aerosols. This is different to having infection only transmitted by droplet

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

Objectives and activities (continued)

infection through coughing and sneezing. Therefore the school has taken a much more robust approach through the use of facemasks in the classrooms by staff and students since March 2020. Whilst this apparently 'new' information did not become 'known' to Government until much later in 2020 we were aware of this by December 2019. This has shaped our health and safety from that time.

Activities

The principal activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Equal opportunities policy

The Governing Body of the Academy aims to provide an appropriate learning experience for all students, whatever their colour, origin, culture, gender, religion or ability. The Academy has high expectations of all students.

The Governing Body of the Academy aims to support the creation of an environment that will eliminate unlawful, direct and indirect discrimination and promote equality of opportunity.

Disabled persons

The Academy buildings have been modified to have provision and accessibility for people with disabilities so that they may be integrated fully into Academy life. The curriculum will be designed so that it may be delivered to provide flexible and equal access to all students whether able or disabled as far as is practicable within a mainstream educational establishment.

c. Public benefit

In line with the requirements of the SORP and the Charities Commission the Trustees can confirm that they have had due regard to the definitions of "public benefit".

Strategic report

Achievements and performance

a. Key performance indicators

The 2020-21 academic year started well with all students returning to classroom teaching following national lockdowns and remote learning as a result of Covid 19. Summer examination results had seen an improvement in the summer based on teacher assessed gradings for students rather than them taking their usual GCSE examinations. JSTC Senior Leadership Team was fully staffed, meaning two Deputy Headteachers in post for Curriculum and Pastoral, it was expected that this would give the Senior Leadership Team greater capacity to be able to make progress towards the items set out on the College Development Plan and Self Evaluation Form. With the likelihood of Ofsted paying a visit within the next year, SLT was positive that progress had been made since their last visit across many of their areas for improvement outlined at their last visit.

However, Covid lockdown had given many staff members the chance to reflect on their own lives and circumstances and what they deemed as being of the greatest importance. This meant that Deputy Headteacher Mrs Matson chose to resign her position with effect from Christmas 2020 to concentrate on growing her young family. Headteacher Ms Shorrocks also announced that this year would be her last as Headteacher as she wished to retire and hand over the reins to someone else for the next chapter for JSTC. Recruitment started in October for the Deputy role and Mr Whitaker was successfully appointed to the role starting in January 2021. His experience in senior leadership from Lincoln Christ School was very much welcomed and hoped that this would

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

Strategic report (continued)

Achievements and performance (continued)

allow the curriculum work to move to the next level.

The search for Ms Shorrock's successor took place early in the new year with Mr Simon Curtis the successful candidate from a field of thirteen applicants. His experience as a Deputy Headteacher at Banovallum school in Horncastle, a school of similar size and make up to JSTC made him the ideal person to take on the challenge from September 2021. He would spend a number of days in JSTC prior to his appointment speaking to staff and getting used to the environment prior to taking up the post officially.

Covid 19 continued to severely disrupt 'normality' in school for the whole academic year. Students were kept in year group 'bubbles' for learning, wearing masks for much of the time and being temperature checked and having hands sanitised upon their arrival at the school gate. Use of the canteen was restricted to keep the intermingling of different year groups to a minimum and therefore the associated revenue was impacted. Positive cases within staff workforce meant that colleagues were pulled from pillar to post to cover for each other and undertake duties such as minding children with symptoms prior to parents collecting them from school and taking them home. The main focus for the Headteacher was to keep all staff and students safe in school and no risks were taken if any uncertainty arose.

There were a number of positive cases within different year groups which meant that whole cohorts would spend days at home until guidance changed. There was also the need for the school to close completely back in November / December 2020 due to declining staff levels, rising case numbers in the locality, within school and within neighbouring primary and secondary schools.

January 2021 saw the introduction of mass testing in schools with an announcement on the final day of term this would need to be in place for when students returned in the new year. They came back for one day then the whole country locked down again for a number of weeks and teaching then reverted back to being done on Teams and with work being set through Class Charts.

The pastoral teams in school were making weekly calls to students to check on their physical and mental wellbeing along with checking that families were coping financially. JSTC issued supermarket vouchers and food parcels to support the 220+ free school eligible families on a fortnightly basis and this continued into holiday times as additional funding was announced.

The roll out of vaccination for Covid meant that time needed to be granted to staff to go for these jabs and also that time would need to be given if they had an adverse reaction which meant they felt unwell. Number of staff absent reached in excess of 30 per day at times out of a total staff number of 120.

The government then took the decision to ask for teachers to once again provide Centre Assessed Grades rather than have students take their exams. Whilst this was the correct move due to Covid, it did also put staff under considerable pressure to ensure that all documentation and reporting was done accurately and within a relatively tight timeframe whilst also undertaking their full teaching load and trying to catch up for lost time.

The engagement and employment of multiple Academic Mentors was also a positive move to support students with their lost learning and they joined from March 2021 through until summer with the use of Covid Catch Up funding to pay their wages.

Summer examinations 2021 – Centre Assessed Grades

JSTC instigated a robust programme to deliver the required data, this applied for both GCSE courses and vocational BTEC and OCR Nationals. Heads of Department were tasked with a clear protocol to make the necessary judgements.

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

Strategic report (continued)

Achievements and performance (continued)

In department teams staff were asked to assess all the relevant information below and prepare grades for each student. The information used to determine grades included;

- Mock examination data
- Results of internal examinations took place where staff were able to
- Marked assessments
- Homework records
- Completed assignments
- External examinations
- Non Examination Assessments completed by students – or mock equivalents
- Performance in lessons
- Attendance and performance within intervention or additional sessions

All the above evidence was available for a range of courses from within Year 11. Where additional evidence was available within Year 10 this was also consulted.

Once staff had made preliminary judgements for their own classes a series of meetings within departments took place to discuss the results of each group and assess the evidence used to ensure consistency of approach. It is worth noting that for all assessments within internal examinations there is a process of internal moderation. Internal assessments used throughout the academic year and homework activities are also prepared by departments within an overall curriculum scheme to ensure consistency.

Once raw data had been produced within each curriculum area Heads of Department then worked with the Deputy Head (Curriculum), Assistant Head (Data) and the exams officer to ensure data was accurately entered. This process was not a straight forward one and took many hours of analysis to ensure the process was consistent, fair and evidenced.

On completion of collation of evidence, moderation and data inputting, departmental data was then uploaded onto a large excel and csv file to be uploaded into our data analytics system SMID. This was then deployed to give Heads of Department and SLT an oversight of the potential Progress 8 figures that the data would produce using the estimate values from the previous year's outcomes. The Progress 8 figures were determined for each subject as well as for all sub-groups and the school overall. Whilst our cohorts are not uniform and can present with spikes in prior attainment as a result of our context as a secondary modern school we would not expect to see large differences. Where there were enhancements in the data for summer 2020 these were explored with Heads of Department to ensure that they were evidenced and considered.

The same process was adhered to for both GCSE and vocational courses. Vocational courses had the added advantage of having both assignment evidence and prior examination outcomes.

Once the quality assurance process was completion for the production of centre assessed grades the confirmation of data from one file system to another for uploading then started with two key members of senior staff working together with the examinations officer to ensure that there were no errors in transcription.

Once completed they were uploaded onto the portal and a final check was made by the Headteacher.

The grades were submitted on time and no errors in transcription were found after the process was completed and results released.

The greatest challenge JSTC faces now is the return to face to face teaching for the next few years and ascertaining what the loss of learning has been to students whilst dealing with an ever increasing number of

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

mental health cases with students as a result of the global pandemic. We could easily have a fully trained counsellor in school for two days a week and still need more provision, such is the impact we are seeing.

Despite the pandemic, the Senior Leadership team at the Academy closely monitors the performance of both teaching and support staff under their line management areas of responsibility by following clearly outlined performance management processes and a more formalised Line Management process. This ensures that appropriate training, support and actions are taken to address any weaknesses in performance and advocates that career and professional development is readily available should they wish to add to their current abilities.

The Academy has continued to successfully develop a personalised approach to learning for both staff and students. This has included developing the academies curriculum to suit the needs of the student body, particularly at Key Stage four, and tailored professional development for staff with bespoke development for individuals and investment in whole school online packages.

b. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Financial review

a. Reserves policy

The Trustees of John Spendluffe Technology College have been notified of the amount the Academy holds in reserve and had made the decision to spend a significant majority on school facilities as a result. Discussions have always taken place over why reserves have been built up and what the long term plans for these reserves will be.

The Academy's 'free' reserves are its funds after excluding restricted funds. 'Reserves' are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'free reserves' represent income to the Academy which is to be spent at the Trustees' discretion in furtherance of any of the Academy's objects but which is not yet spent, committed or designated.

The trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams. The trustees have determined that the appropriate level of free reserves. Ideally, these should be equivalent to two months' expenditure on payroll which historically would have been around £500,000. However, with an increasing wage bill and utilisation of reserves on a new build, the reality is that this is now only around one month. The reason for these reserves was to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance

The academy's level of free revenue reserves at 31 August 2021 were £332,227 comprising unrestricted funds of £130,968 and restricted general funds of £201,259 (excluding the pension reserve of £2,857,000).

At the end of the prior financial period (year ended 31 August 2020) the academy had free reserves (restricted general funds excluding pension reserves plus unrestricted funds) of £205,257.

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

The majority of the academy's annual income is obtained from the Department for Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during the year ended 31 August 2021 and the associated expenditure are shown as restricted general funds in the Statement of Financial Activities.

During the period ended 31 August 2021, total unrestricted and restricted income (excluding capital funding within the restricted fixed asset fund) were £4,889,150. This compares with expenditure (excluding depreciation within the restricted fixed asset fund and pension reserve expenditure) of £4,762,905 and transfers in from the restricted fixed asset fund of £725 to give a surplus of income over expenditure on revenue funding totalling £126,970. This equates to the change in balance of the restricted general funds (excluding pension reserve) plus unrestricted funds reported at the previous year end.

At 31 August 2021 the Local Government pension scheme deficit was £2,857,000. Although the deficit is material, the academy is taking the advice of the actuary regarding the repayment structure. Advised future contributions have also been included within the annual budget.

The amount that can only be realised by disposing of tangible fixed assets is £7,649,164.

b. Investment policy

Due to the uncertainty from year to year surrounding educational budgets, the Trustee's do not feel that they could commit funds to a long term investment with a financial institution. Instead, the Trustee's delegate the responsibility for obtaining the best interest rate possible, with no risk to the capital involved, on a short term deposit account basis. i.e. no longer than one year. The College Business Manager is responsible for sourcing these rates and will arrange for this to be made.

c. Principal risks and uncertainties

The Academy's financial risk is not immediately at stake as prudent budget setting and good financial management have allowed healthy reserves to be put in place to deal with factors that are beyond the Academy's control.

An ever increasing risk for JSTC is the way in which the local authority and indeed the ESFA fund the academy with installments rather than monthly sums. In the instance of LCC, this mainly relates to SEND funding and the fact that this is only reviewed twice per year despite a large number of EHCP's being agreed or requests to take students received. The need to meet the child's needs is immediate but the funding in relation to them may only appear three or four months later when they undertake their review. This does not assist with cashflow and makes it difficult to lodge money in longer term savings accounts to generate more interest. The withdrawal of Targeted Funding in relation to SEND provision will also be of significant loss in the coming years as with having so many EHCP students this top up sum would be used to offset the cost of recruitment of LSA's and their associated salaries and oncosts.

This concern also applies to the sums of money associated with Pupil Premium as with over £250k being given to the school for this funding line, much of our staffing cost is offset by this and quarterly installments do not assist with monthly staff salary and oncost payments. Retrospective decisions to create funding streams following government announcements to plug gaps in school funding is becoming more apparent and this makes longer term budget forecasting risky and almost impossible.

When adding all of these factors to the financial outlay to assist families, with over 220 families needing financial support for FSM provision and local authorities taking around six weeks to reimburse it is a difficult picture for schools to operate within.

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

Another uncertainty surrounds the level of capital funding and the ability to make significant improvements to the ageing school site. Mobile classrooms are at end of life, electric and heating systems are horrendously outdated in a building nearing 100 years old yet CIF bids are being knocked back and unfair hurdles put in the way for hugely oversubscribed schemes. The systems do not favour the single academy trust yet MAT's are given large chunks of money each year to undertake repairs as they see fit. This is an unbalanced and unfair model which needs to be reconsidered by the ESFA /DfE.

d. Financial and risk management objectives and policies

The Academy's long term future is at the centre of every decision that is taken by the Headteacher and Trustees. Any monies allocated for enhancing the site have been carefully considered with best value for money being exercised on each occasion. Projects have been considered wisely, making best use of the existing space available with renovation of existing areas taking precedence over 'new build' wherever possible.

However, with a significant number of ageing mobile classrooms along with the maintenance of a main school building that is nearing 100 years this does on many occasions prove extremely challenging. The utilisation of reserves in recent years to pay for the construction of a new four classroom block along with neighbouring toilet facilities was something that was much needed to enhance the offering JSTC has for students albeit removing over 50% of the reserves that had been built up over the last decade since academisation.

When allocating the annual budget, this centres around providing the best resources and environment to enhance the learning of our pupils. Ensuring they are given as much support as possible to reach their full potential is paramount to any decisions that are made. This is evident in the quality of classroom teaching and support staff we recruit, the contractors we engage with to maintain the site right down to the computers, materials and stationery they use when in their lessons.

The financial performance of the previous financial year gave cause for concern but was mainly down to the significant sum of lost revenue that the catering provision brings, not only for JSTC but also for the four other primary schools under contract with the school for this provision. Therefore the impact of school closure and bubble closure has been magnified based on the number of schools involved.

Funds in deficit

The Academy's non-teaching staff are entitled to membership of the Local Government Pension Scheme. The Academy's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme and consequently the Academy balance sheet shows a net liability of £2,857,000. However, the deficit does not mean that an immediate liability for this amount crystallises. The contribution rate to reduce the liability is calculated by an independent actuary and is reported within the notes to the financial statements.

Fundraising

If JSTC raise funds for National events (e.g. Children in Need, Comic Relief, Macmillan Cancer Support, Sports Relief) we would pass on the money raised to those charities. If the Trust carries out any fundraising activities for it's own benefit, these would be via occasional activities (e.g. voluntary non-uniform days for the students, summer and Xmas fayres), and any funds raised would be included within the appropriate fund.

We do not employ in-house fundraisers, nor do we engage the services of any external professional fundraisers.

If we were to fundraise, we would conform to recognised standards, would monitor the fundraising activities appropriately, would handle any fundraising complaints professionally and would protect the public, including vulnerable people, from unreasonably intrusive or persistent approaches.

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

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

Plans for future periods

Despite the pandemic, JSTC submitted two bids, one through the Conditions Improvement Fund for Window replacement, which was sadly declined. This is the third time a bid to replace single glazed, wooden framed windows has been declined in successive years. The second bid was for whole school Heating System replacement through PSDS Carbon Fund but this again was declined due to oversubscription despite being given positive feedback on our submission.

Due to the present financial situation for JSTC, large six figure projects are beyond our financial viability in the short term whilst reserves are bolstered following the construction of a new four classroom teaching block and toilet facility.

With only £14,500 of Devolved Formula Capital being the only certain Capital Grant we will get each year it does not allow the site to make significant steps to progress and evolve.

The Academy has an increasing roll of students and classroom space and some mobile facilities are nearing end of life which is a concern and will need to be monitored over the coming years. Appropriate funds need to be allocated to ensure they remain safe and in operation. There is also a growing concern over the long term viability of the JSTC swimming pool as it requires significant investment to ensure it remains functional and safe.

Future aspirations include the development of the technology wing of the school with modernisation and investment in machinery. As a result of Art and Textiles being rehomed, in the fullness of time their areas may be amended for other subjects to use.

There also remains safety concerns over the size of the JSTC car park in relation to the number of staff the school now has working for it. An option to procure land in a very nearby location often becomes possible but sadly is not financially viable in the short term.

The Academy will be submitting two bids through CIF for a final batch of window replacement for the remaining part of the main building, for the fourth time. In addition to this, attentions will switch to whole school electrical work to modernise the existing old infrastructure to make the site safer.

Smaller projects will continue to be funded, where possible, from JSTC in year budgets as was the case in 2020-21 when the departure of a teacher and non-replacement allowed sufficient funds to be available to install Wi-Fi across the whole site. Monies were also found to purchase laptop trolleys to put into classroom use the computers donated to JSTC by the Department for Education through Covid lockdowns. This coupled with Wi-Fi should support them with their curriculum catch up.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on

23 December 2021

and signed on its behalf by:

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

E. G. Ramm

.....
Mrs Elizabeth Ramm
Chair of Trustees

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The board of has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between John Spendluffe Technology College and the Secretary of State for Education. They are also responsible for reporting to the board of any material weaknesses or breakdowns in internal control.

Governance

The John Spendluffe Technology College Full Governing Body meet six times per year and delegate responsibilities to three sub committees to cover the main areas of governance. These sub committees are: Finance, Buildings & Audit, Personnel, Strategic, Standards, Student and Curriculum Matters.

Finance, Buildings & Audit and Strategic meet at least five times per year
Standards, Students and Curriculum Matters committees meet five times per year
Personnel meetings are held twice per year.

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

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

Governor	Meetings attended	Out of a possible
Ms J Shorrock (Headteacher)	6	6
Mr P Milson (Vice Chair)	5	6
Mr G Crust	4	6
Mr G Willoughby	5	6
Mrs E Ramm (Chair)	6	6
Miss R Hickson	5	6
Mr D Allen	4	6
Mrs L Iaquaniello	5	6
Mr R Follett (Staff Trustee)	0	0
Mrs J Sharp (Staff Trustee)	4	6
Mrs L Ailsby	2	4
Mr R Snell	3	6
Mrs S Gibney	3	6
Mrs J Garrard (Staff Trustee)	5	5
Mrs T Chatterton (Staff Trustee)	5	6
Dr L Pryke	4	6

During the academic year, the board of trustees lost two parent governors as their children left JSTC along with one staff governor but retained all others which provided consistency and stability. A recruitment drive was undertaken over the summer of 2021 and a number of new governors have been recruited. These new governors bring experience from the education sector with one a former secondary school Headteacher and one a current serving primary school teacher. This coupled with two local business people and a new staff governor

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

ensure numbers have not dropped and their experience in addition to those longer serving governors should provide a nice blend. A Governor skills audit has been carried out in October 2021 and will highlight where additional training may be required. Based on the responses received will dictate what training is needed although this is likely to be around data and preparation for the next Ofsted visit. This will be delivered between a combination of internal and external training. This will be arranged by Mrs Sally Sivil, the new Clerk to the Governing Body.

JSTC remains a member of the NGA (National Governors Association) and follows their Code of Conduct on all governance matters.

The Finance, Buildings and General Purposes Committee is a sub-committee of the main board of trustees. The purpose is to:

- Set a balance budget and ensure the appropriate use of funds
- Respond to changes in staffing, utility supply and rising costs as the year progresses to ensure the academy remains on track and is financially sound. However, this is not always possible and the school must be able to function on a day to day basis with appropriate staffing and equipment to ensure the curriculum can be achieved
- Discuss and budget for potential building projects and ensure that best value for money is achieved by undertaking successful tender processes

The composition of the Finance & Buildings committee is a wide blend across many sectors. Mr Crust is the Chairman of the local drainage board responsible for the largest budget in that sector within the UK, Mr Milson is a retired Director of Kodak, Mr Willoughby is a retired farmer, Mrs Sharp is a serving teacher, Mrs Ailsby is a book keeper by profession and Mr Snell a builder.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr G Crust (Chair)	5	5
Mr P Milson	5	5
Mr G Willoughby	4	5
Mrs J Sharp	4	5
Mrs L Ailsby	1	3
Mr R Snell	3	5
Ms J Shorrock	5	5
Mrs E Ramm	5	5

Review of value for money

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

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

Effective Purchasing

The limits and processes for department and budget heads are clearly defined within the Academy's Finance & Purchasing & Tendering Policies and therefore responsibility is delegated to budget holders for ensuring that

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

value for money is sought within their area of responsibility.

Longer term contracts (e.g. two or three years) have been entered into to deliver value for money and to safeguard against potential rises within that time period. E.g. Energy suppliers, Water Cooler rental and IT educational software such as Class Charts. The rationale for longer term contracts is to benefit from any discounts that may be on offer, provide consistency and build rapport with the provider and also to allow for longer term budget planning.

Examples of actions the school has taken to ensure value for money when undertaking purchases are:

- Consider different suppliers, even for small purchases, using the internet, sales representatives and supplier catalogues. E.g. for text book orders we use Amazon, Browns for Books, Waterstones and Heath Education to find the best price for each item
- Annual contracts are reviewed to ensure they are still fit for purpose and that they are being used for the optimum benefit of the Academy. E.g. Cancellation of Standards Tracker as Performance Management tool as it was not being engaged with by staff for considerable annual outlay. The school has committed to move Management Information System in January 2022 to a package that would include something similar within it. This change allows contracts with SMID, Class Charts and Standards Tracker to be cancelled as their term expires as the new platform can do all of this at far lesser cost. Estimated cost saving is around £7,000 per annum once all in place.
- The school tendering policy ensures that tenders / quotations are obtained where appropriate to ensure value for money on all major expenditure. An example of this can be found within the tendering process when deciding which firm to engage with to install whole school Wifi. The school would engage with multiple suppliers on the feasibility and detailed breakdown of the installation and then decisions would be made on the correct solution for the school at the right price. Quotations were obtained from three separate organisations to ensure the right specifications and prices were achieved.

Income Generation

The Academy looks to generate income from letting out the school premises wherever possible. The floodlit astroturf pitch is used by the local community sporting groups during weekday evenings. The main school hall continues to be used for a fitness class letting in the week as another minor income stream.

JSTC remains the catering provider for four neighbouring, local authority maintained primary schools showing its commitment to collaborating with other schools wherever possible. The income levels achieved by the provision of meals to these primaries, in addition to the income received from the sale of meals to JSTC students. Levels of income have declined in recent times and were hit significantly with the pandemic and closure of schools. Work is being done to re-establish numbers and retain contracts wherever possible although the future with two of these schools is uncertain.

Any surplus monies that are at the Academy's disposal are actively managed by the College Business Manager and are invested in suitable interest bearing accounts with no risk to the capital but this is almost impossible in the current climate due to the time lag of the government or local authorities reimbursing us for essential expenditure and poor interest rates for easy access monies.

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy'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 in John Spendluffe Technology College for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the Academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy trust's significant risks that has been in place for the year ending 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

The risk and control framework

The Academy'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;
- monthly reviews with the Headteacher and Chair of Governors from September 2021
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has decided not to appoint an internal auditor.

In normal years, JSTC would have engaged with an internal auditor to undertake a series of internal audit visits to ascertain the financial controls of the academy. Due to the pressures experienced during Covid lockdowns, the academy was unable for these to take place in person and performing these remotely given the circumstances was almost impossible. The Trust has relied on the external audit process undertaken by Duncan & Toplis Limited at the year end to ascertain and provide reassurance that procedures were followed and any concerns are highlighted in their management letter.

JSTC are aware of the changes to the FRC Ethical standards that now state that internal scrutiny can no longer be performed by the external auditors. The Trust recognises the need for this additional degree of separation. Measures will be put in place to ensure by the end of the financial year 2021-22 that these have been carried out by an alternative firm. This will allow Duncan & Toplis Limited to continue with the year end work as has been the case for the last decade since we became an academy.

There has been a gap in the interim overview of accounts by a second party as per the Academies Financial Handbook. This is being rectified within the 2021-22 financial year with multiple accountancy firms being asked to provide quotations and frameworks of what they can offer. JSTC Governors would want this to be undertaken by a reputable firm to ensure they have peace of mind that the academy is operating efficiently.

In normal years, on a termly basis, the reviewer reports to the board of trustees through the finance committee

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. The committee consider reports to help them consider actions and assess year on year progress.

Review of effectiveness

As accounting officer for the 2020-21 financial year, Ms Joyce Shorrocks has responsibility for reviewing the effectiveness of the system of internal control. However, due to her retirement, this declaration will now be signed by new Headteacher, Mr Simon Curtis.

- the work of the reviewer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

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

23 December 2021 and signed on



.....
Mrs Elizabeth Ramm
Chair of Trustees



.....
Mr Simon Curtis
Accounting Officer

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of Trustees and ESFA:

Several instances of non-compliance with the Academies Financial handbook were identified, including:

- Late filing of the financial statements to 31 August 2020 with ESFA;
- No Internal Scrutiny undertaken during the year;
- Lack of preparation of monthly management accounts;
- Lack of cash flow forecast and medium-long term budget;
- Inadequate records of meetings maintained, as a complete set of minutes were not available for all board and committee meetings held in the year;
- Lack of effective oversight of the Trust activities.



Mr Simon Curtis
Accounting Officer
Date: 23/12/2021

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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


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

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

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

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

Approved by order of the members of the Board of Trustees on
23 December 2021 and signed on its behalf by:


.....
Mrs Elizabeth Ramm
Chair of Trustees

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF JOHN SPENDLUFFE TECHNOLOGY COLLEGE

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF JOHN SPENDLUFFE TECHNOLOGY COLLEGE (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF JOHN SPENDLUFFE TECHNOLOGY COLLEGE (CONTINUED)

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

We have identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial experience, knowledge of the sector, a review of regulatory and legal correspondence and through discussions with Trustees and other management obtained as part of the work required by auditing standards. We have also discussed with the Directors and other management the policies and procedures relating to compliance with laws and regulations. We communicated laws and regulations throughout the team and remained alert to any indications of non-compliance throughout the audit.

The potential impact of different laws and regulations varies considerably. Firstly, the academy is subject to laws and regulations that directly impact the financial statements (for example financial reporting legislation) and we have assessed the extent of compliance with such laws as part of our financial statements audit. This included the identification and testing of unusual material journal entries and challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies.

Secondly, the academy is subject to other laws and regulations where the consequence for non-compliance could have a material effect on the amounts or disclosures in the financial statements. We identified the following areas as those most likely to have such an effect: Ofsted rating, Health & Safety Law, HR & minimum wage law, Company Law, compliance with the Funding agreement, compliance with the Academies Financial Handbook and the completion of DBS checks.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection. We have performed audit work through enquiries with management regarding any non-compliance and reviewed all available information to assess whether any breaches have been found. Through these procedures, if we became aware of any

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF JOHN SPENDLUFFE TECHNOLOGY COLLEGE (CONTINUED)

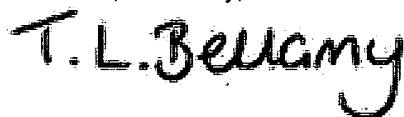
noncompliance, we considered the impact on the procedures performed on the related financial statement items.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. As with any audit, there is a greater risk of nondetection of irregularities as these may involve collusion, intentional omissions of the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect noncompliance with all laws and regulations.

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

Use of our report

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



Tara Bellamy FCA (Senior statutory auditor)
for and on behalf of
Duncan & Toplis Limited
Chartered Accountants and Statutory Auditors
15 Chequergate
Louth
Lincolnshire
LN11 0LJ

Date: 23/12/2021

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO JOHN SPENDLUFFE TECHNOLOGY COLLEGE AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 4 October 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by John Spendluffe Technology College during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of John Spendluffe Technology College's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of John Spendluffe Technology College's funding agreement with the Secretary of State for Education dated 29 July 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO JOHN
SPENDLUFFE TECHNOLOGY COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

Conclusion

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

Several instances of non-compliance with the Academies Financial handbook were identified, including:

- Late filing of the financial statements to 31 August 2020 with ESFA;
- No Internal Scrutiny undertaken during the year;
- Lack of preparation of monthly management accounts;
- Lack of cash flow forecast and medium-long term budget;
- Inadequate records of meetings maintained, as a complete set of minutes were not available for all board and committee meetings held in the year;
- Lack of effective oversight of the Trust activities.

T. L. Bellamy

Tara Bellamy FCA
Duncan & Toplis Limited
Chartered Accountants and Statutory Auditors

15 Chequergate
Louth
Lincolnshire
LN11 0LJ

Date: 23/12/2021

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	27,224	-	115,615	142,839	98,597
Charitable activities:	4					
Funding for the Academy's educational operations		-	4,745,358	-	4,745,358	4,235,848
Other trading activities	5	116,568	-	-	116,568	248,321
Investments	6	-	-	-	-	116
Total income		143,792	4,745,358	115,615	5,004,765	4,582,882
Expenditure on:						
Raising funds		5,485	-	-	5,485	10,952
Charitable activities:						
Academy trust educational operations		157,498	4,842,922	256,576	5,256,996	5,001,077
Total expenditure		162,983	4,842,922	256,576	5,262,481	5,012,029
Net expenditure		(19,191)	(97,564)	(140,961)	(257,716)	(429,147)
Transfers between funds	16	-	725	(725)	-	-
Net movement in funds before other recognised gains/(losses)		(19,191)	(96,839)	(141,686)	(257,716)	(429,147)
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	23	-	(290,000)	-	(290,000)	82,000
Net movement in funds		(19,191)	(386,839)	(141,686)	(547,716)	(347,147)

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Reconciliation of funds:						
Total funds brought forward		150,159	(2,268,902)	7,804,350	5,685,607	6,032,754
Net movement in funds		(19,191)	(386,839)	(141,686)	(547,716)	(347,147)
Total funds carried forward		130,968	(2,655,741)	7,662,664	5,137,891	5,685,607

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)
REGISTERED NUMBER: 07683660

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	7,649,164	7,801,559
Current assets			
Debtors	14	119,354	232,818
Cash at bank and in hand		488,843	196,561
		<u>608,197</u>	<u>429,379</u>
Creditors: amounts falling due within one year	15	(262,470)	(221,331)
Net current assets		<u>345,727</u>	<u>208,048</u>
Total assets less current liabilities		<u>7,994,891</u>	<u>8,009,607</u>
Net assets excluding pension liability		<u>7,994,891</u>	<u>8,009,607</u>
Defined benefit pension scheme liability	23	(2,857,000)	(2,324,000)
Total net assets		<u><u>5,137,891</u></u>	<u><u>5,685,607</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	16	7,662,664	7,804,350
Restricted income funds	16	201,259	55,098
		<u>7,863,923</u>	<u>7,859,448</u>
Restricted funds excluding pension asset	16	7,863,923	7,859,448
Pension reserve	16	(2,857,000)	(2,324,000)
Total restricted funds	16	<u>5,006,923</u>	<u>5,535,448</u>
Unrestricted income funds	16	<u>130,968</u>	<u>150,159</u>
Total funds		<u><u>5,137,891</u></u>	<u><u>5,685,607</u></u>

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)
REGISTERED NUMBER: 07683660

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements on pages 29 to 63 were approved and authorised for issue by the Trustees and are signed on their behalf, by: 23 December 2021

E. G. Ramm

.....
Mrs Elizabeth Ramm
Chair of Trustees
Date: 23/12/2021

SC

.....
Mr Simon Curtis
Headteacher

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	18	280,848	<i>(177,377)</i>
Cash flows from investing activities	19	11,434	<i>(95,073)</i>
Change in cash and cash equivalents in the year		292,282	<i>(272,450)</i>
Cash and cash equivalents at the beginning of the year		196,561	<i>469,011</i>
Cash and cash equivalents at the end of the year	20, 21	<u>488,843</u>	<u><i>196,561</i></u>

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

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

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

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Taxation

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

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

1.6 Tangible fixed assets

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

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Freehold property	- 2% on cost
Furniture and equipment	- 25% on cost
Computer equipment	- 20% on cost
Motor vehicles	- 25% reducing balance

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

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

1.7 Liabilities

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

1.8 Provisions

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

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

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. 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.

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.10 Operating leases

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

1.11 Pensions

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

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

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

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

1.12 Fund accounting

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

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

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

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Other voluntary income	27,224	39,400	66,624
Capital Grants	-	76,215	76,215
	<u>27,224</u>	<u>115,615</u>	<u>142,839</u>
	<i>Unrestricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Other voluntary income	36,561	-	36,561
Capital Grants	-	62,036	62,036
	<u>36,561</u>	<u>62,036</u>	<u>98,597</u>

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. Funding for the Academy's trust's educational operations

	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	3,659,433	3,659,433	3,319,861
Other DfE/ESFA grants			
Pupil Premium	276,769	276,769	268,205
Other DfE/ESFA Revenue grants	31,346	31,346	42,686
Universal infant free school meals	40,510	40,510	17,600
Teachers' Pay and Pension Grants	165,465	165,465	161,538
	4,173,523	4,173,523	3,809,890
Other Government grants			
SEN 1-1 Funding	311,095	311,095	282,247
Other local authority revenue grant	29,307	29,307	27,189
	340,402	340,402	309,436
Other income from the Academy's funding for the academy trust's educational operations	68,513	68,513	-
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	49,760	49,760	-
Other DfE/ESFA COVID-19 funding	19,790	19,790	116,522
	69,550	69,550	116,522
COVID-19 additional funding (non-DfE/ESFA)			
Mass testing	74,270	74,270	-
Other COVID-19 funding	19,100	19,100	-
	93,370	93,370	-
	4,745,358	4,745,358	4,235,848

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

The academy received £49,760 of funding for Catch-up premium and costs incurred in respect of this funding totalled £49,760, with £Nil remaining to be spent in 2021/22.

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. Funding for the Academy's trust's educational operations (continued)

The academy received £74,270 of funding for Mass testing funding and costs incurred in respect of this funding totalled £73,572, with the remaining £698 to be spent in 2021/22.

The academy received £19,790 of funding for Universal infant free school meals and costs incurred in respect of this funding totalled £19,790, with £Nil remaining to be spent in 2021/22.

The academy received £19,100 of funding for other COVID-19 funding and costs incurred in respect of this funding totalled £19,100, with £Nil remaining to be spent in 2021/22.

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Catering income	104,126	104,126	213,997
Sale of goods	6,966	6,966	25,968
Lettings income	2,350	2,350	2,691
Other income	3,126	3,126	5,665
	<u>116,568</u>	<u>116,568</u>	<u>248,321</u>

6. Investment income

	Total funds 2021 £	<i>Total funds 2020 £</i>
Bank account interest	<u>-</u>	<u>116</u>

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	5,485	5,485
Funding for the academy trust's educational operations:				
Direct costs	3,327,762	164,814	281,486	3,774,062
Allocated support costs	916,732	290,102	276,100	1,482,934
	<u>4,244,494</u>	<u>454,916</u>	<u>563,071</u>	<u>5,262,481</u>
	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	10,952	10,952
Funding for the academy trust's educational operations:				
Direct costs	3,122,149	164,814	338,301	3,625,264
Allocated support costs	834,816	171,649	369,348	1,375,813
	<u>3,956,965</u>	<u>336,463</u>	<u>718,601</u>	<u>5,012,029</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Funding for the academy trust's educational operations	<u>3,774,062</u>	<u>1,482,934</u>	<u>5,256,996</u>

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

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

8. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Funding for the academy trust's educational operations	3,625,264	1,375,813	5,001,077

Analysis of direct costs

	Educational operations 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	3,327,762	3,327,762	3,122,149
Depreciation	256,576	256,576	250,116
Educational supplies	91,468	91,468	132,434
Technology costs	33,693	33,693	39,280
Examination fees	44,728	44,728	56,126
Staff development	5,669	5,669	2,430
Other costs	14,166	14,166	22,729
	<u>3,774,062</u>	<u>3,774,062</u>	<u>3,625,264</u>

JOHN SPENDLUFFE TECHNOLOGY COLLEGE
(A company limited by guarantee)

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	916,732	916,732	834,816
Technology costs	25,120	25,120	23,525
Recruitment and support	16,664	16,664	25,729
Maintenance of premises and equipment	77,324	77,324	60,925
Cleaning	98,615	98,615	10,047
Rent and rates	27,918	27,918	25,119
Energy costs	74,959	74,959	64,794
Insurance	11,286	11,286	10,764
Telephone, postage and stationery	24,242	24,242	14,812
Catering	110,509	110,509	207,281
Other costs	49,859	49,859	58,451
Bank interest and charges	23	23	-
Operating leases - other	6,702	6,702	6,114
Auditors' remuneration	24,600	24,600	16,740
Legal fees	1,410	1,410	2,085
Professional fees	16,971	16,971	14,611
	<u>1,482,934</u>	<u>1,482,934</u>	<u>1,375,813</u>

During the year ended 31 August 2021, the Academy incurred the following Governance costs:

£42,981 (2020 - £33,436) included within the table above in respect of Funding for the academy trust's educational operations.

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Net expenditure

Net expenditure for the year includes:

	2021	2020
	£	£
Operating lease rentals	5,714	6,114
Depreciation of tangible fixed assets	256,576	250,116
Fees paid to auditors for:		
- audit	23,700	11,000
- other services	900	5,740
	<u><u> </u></u>	<u><u> </u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	3,081,279	2,840,569
Social security costs	278,162	255,412
Pension costs	831,649	776,684
	<u>4,191,090</u>	<u>3,872,665</u>
Agency staff costs	53,404	77,070
Staff restructuring costs	-	7,230
	<u><u>4,244,494</u></u>	<u><u>3,956,965</u></u>

Staff restructuring costs comprise:

	2021 £	2020 £
Severance payments	-	7,230
	<u>-</u>	<u>7,230</u>

b. Non-statutory/non-contractual staff severance payments

Included in severance payments are non-contractual payments of £Nil (2020 - £7,230). Individually the payments were £Nil (2020 - £3,160 and £4,070).

c. Staff numbers

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

	2021 No.	2020 No.
Teachers	46	46
Management	1	1
Administration and support staff	82	77
	<u>129</u>	<u>124</u>

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10. Staff (continued)

c. Staff numbers (continued)

d. Higher paid staff

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

	2021	<i>2020</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	1	<i>1</i>
In the band £90,001 - £100,000	1	<i>1</i>
	<u>1</u>	<u><i>1</i></u>

e. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £667,690 (2020 £695,991).

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11. Trustees' remuneration and expenses

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

		2021	2020
		£	£
Ms J Shorrocks	Remuneration	95,000 -	95,000 -
		100,000	100,000
	Pension contributions paid	20,000 -	20,000 -
		25,000	25,000
Mr R Follett	Remuneration	-	25,000 -
			30,000
	Pension contributions paid	-	5,000 -
			10,000
Mrs T Chatterton	Remuneration	25,000 -	25,000 -
		30,000	30,000
	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000
Mrs J Sharp	Remuneration	50,000 -	45,000 -
		55,000	50,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
Mrs J Garrard	Remuneration	35,000 -	15,000 -
		40,000	20,000
	Pension contributions paid	5,000 -	0 - 5,000
		10,000	

During the year ended 31 August 2021, expenses totalling £588 were reimbursed to 4 Trustees (2020 - £231 to 1 Trustee) for miscellaneous expenses relating to their duties as staff members.

During the year ended 31 August 2021, 1 trustee was reimbursed totalling £999 (2020 - £Nil) relating to the Trust's cycle to work scheme. This was in accordance with the terms and conditions and the trustee received no special treatment.

12. Trustees' and Officers' insurance

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

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13. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2020	8,911,337	449,155	315,329	6,191	9,682,012
Additions	-	18,173	86,008	-	104,181
At 31 August 2021	8,911,337	467,328	401,337	6,191	9,786,193
Depreciation					
At 1 September 2020	1,313,185	312,183	251,505	3,580	1,880,453
Charge for the year	164,814	62,255	28,854	653	256,576
At 31 August 2021	1,477,999	374,438	280,359	4,233	2,137,029
Net book value					
At 31 August 2021	7,433,338	92,890	120,978	1,958	7,649,164
At 31 August 2020	7,598,152	136,972	63,824	2,611	7,801,559

Included within Freehold property is £670,617 (2020 - £670,617) relating to Freehold land which is not depreciated.

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

14. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	8,313	6,584
Prepayments and accrued income	83,561	202,833
VAT recoverable	27,480	23,401
	<u>119,354</u>	<u>232,818</u>

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15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	107,315	88,398
Other taxation and social security	67,893	58,739
Other creditors	70,725	62,944
Accruals and deferred income	16,537	11,250
	<u>262,470</u>	<u>221,331</u>

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Other income	150,159	143,792	(162,983)	-	-	130,968
Restricted general funds						
General Annual Grant (GAG)	22,678	3,681,782	(3,524,534)	(32,392)	-	147,534
Other DfE/ESFA grants	-	214,972	(225,740)	33,117	-	22,349
Other grants	32,420	340,402	(342,144)	-	-	30,678
Other income	-	68,513	(68,513)	-	-	-
Pupil Premium	-	276,769	(276,769)	-	-	-
Catch-up premium	-	49,760	(49,760)	-	-	-
Other DfE/ESFA COVID-19 funding	-	19,790	(19,790)	-	-	-
Other COVID-19 funding	-	93,370	(92,672)	-	-	698
Pension reserve	(2,324,000)	-	(243,000)	-	(290,000)	(2,857,000)
	<u>(2,268,902)</u>	<u>4,745,358</u>	<u>(4,842,922)</u>	<u>725</u>	<u>(290,000)</u>	<u>(2,655,741)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	286,905	14,437	(51,371)	(17,227)	-	232,744
Capital expenditure from GAG	835,522	-	(49,709)	47,903	-	833,716
Capital expenditure from other income	6,681,923	101,178	(155,496)	(31,401)	-	6,596,204
	<u>7,804,350</u>	<u>115,615</u>	<u>(256,576)</u>	<u>(725)</u>	<u>-</u>	<u>7,662,664</u>

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Total Restricted funds	5,535,448	4,860,973	(5,099,498)	-	(290,000)	5,006,923
Total funds	<u>5,685,607</u>	<u>5,004,765</u>	<u>(5,262,481)</u>	<u>-</u>	<u>(290,000)</u>	<u>5,137,891</u>

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

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy.

Other DFE / ESFA Grants comprise of various grants awarded for specific projects, in particular to boost standards of attainment. Grants include Pupil Premium funding which is intended to support education from pupils from a disadvantaged background.

Local Government Grants includes funding provided for pupils with Statements of Special Educational Needs and is used by the academy to assist with the pupil's education.

Devolved capital funding is that provided to academies to use as it sees fit in areas such as improvements to buildings or facilities, or the repair or refurbishment of such.

Other capital grants are provided to the academy based on specific bids for individual projects.

Other income comprises various other receipts including school meals. The income is classed as restricted or unrestricted based on the nature of the income.

The pension reserve arises from the actuarial measurement of the Academy's share of the Local Government Pension Scheme deficit. This deficit is recorded as a provision. The actuarial cost of employing staff during the year is initially reflected in the normal running costs of the school in the restricted pension fund. The amount included in resources expended represents the pension cost for the year charged to income and expenditure that arises from actuarial calculations of service cost rather than employer contributions paid, and amounts to £243,000. Actuarial gains and losses that arise from changes in assumptions by the actuary or wider influences are shown in the restricted pension fund, the movement this year being a net £290,000 actuarial increase in the net pension fund deficit.

Restricted fixed asset funds represent monies received in respect of and spent on fixed assets. This includes assets inherited on conversion. The total of resources expended within this fund include the depreciation charge for the year. The transfers figure is the amount of other funds used to acquire fixed assets.

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

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

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
Other income	230,135	284,998	(364,974)	-	-	150,159
Restricted general funds						
General Annual Grant (GAG)	(26,752)	3,338,552	(3,149,209)	(139,913)	-	22,678
Other DfE/ESFA grants	51,759	585,660	(637,419)	-	-	-
Other grants	82,095	311,636	(361,311)	-	-	32,420
Pension reserve	(2,157,000)	-	(249,000)	-	82,000	(2,324,000)
	<u>(2,049,898)</u>	<u>4,235,848</u>	<u>(4,396,939)</u>	<u>(139,913)</u>	<u>82,000</u>	<u>(2,268,902)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	264,262	62,036	(39,393)	-	-	286,905
Capital expenditure from GAG	760,585	-	(64,976)	139,913	-	835,522
Capital expenditure from other income	6,827,670	-	(145,747)	-	-	6,681,923
	<u>7,852,517</u>	<u>62,036</u>	<u>(250,116)</u>	<u>139,913</u>	<u>-</u>	<u>7,804,350</u>
Total Restricted funds	<u>5,802,619</u>	<u>4,297,884</u>	<u>(4,647,055)</u>	<u>-</u>	<u>82,000</u>	<u>5,535,448</u>
Total funds	<u><u>6,032,754</u></u>	<u><u>4,582,882</u></u>	<u><u>(5,012,029)</u></u>	<u><u>-</u></u>	<u><u>82,000</u></u>	<u><u>5,685,607</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	7,649,164	7,649,164
Current assets	130,968	463,729	13,500	608,197
Creditors due within one year	-	(262,470)	-	(262,470)
Provisions for liabilities and charges	-	(2,857,000)	-	(2,857,000)
Total	130,968	(2,655,741)	7,662,664	5,137,891

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	7,801,559	7,801,559
Current assets	150,159	279,220	-	429,379
Creditors due within one year	-	(224,122)	2,791	(221,331)
Provisions for liabilities and charges	-	(2,324,000)	-	(2,324,000)
Total	150,159	(2,268,902)	7,804,350	5,685,607

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18. Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the year (as per Statement of financial activities)	(257,716)	(429,147)
Adjustments for:		
Depreciation	256,576	250,116
Interest receivable	-	(116)
Defined benefit pension scheme cost less contributions payable	204,000	206,000
Defined benefit pension scheme finance cost	39,000	43,000
Decrease/(increase) in debtors	113,464	(118,285)
Increase/(decrease) in creditors	41,139	(63,948)
Capital grants from DfE and other capital income	(115,615)	(64,997)
Net cash provided by/(used in) operating activities	280,848	(177,377)

19. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	-	116
Purchase of tangible assets	(104,181)	(166,681)
Proceeds from the sale of intangible assets	-	6,495
Capital grants from DfE Group	14,437	14,091
Capital funding received from others	101,178	50,906
Net cash provided by/(used in) investing activities	11,434	(95,073)

20. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	488,843	196,561
Total cash and cash equivalents	488,843	196,561

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

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	196,561	292,282	488,843
	<u>196,561</u>	<u>292,282</u>	<u>488,843</u>

22. Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

(a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and

(b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

23. Pension commitments

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

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

Contributions amounting to £70,725 were payable to the schemes at 31 August 2021 (2020 - £62,944) and are included within creditors.

Teachers' Pension Scheme

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

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

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23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £403,711 (2020 - £382,583).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £274,000 (2020 - £238,000), of which employer's contributions totalled £218,000 (2020 - £189,000) and employees' contributions totalled £ 56,000 (2020 - £49,000). The agreed contribution rates for future years are 20.7 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

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23. Pension commitments (continued)

The LGPS is in deficit. In order to finance the academy's share of the deficit, the academy trust has entered into an agreement to make additional lump sum contributions in addition to the normal funding levels for future years. The agreed additional contributions are £20,000 for 2021/22.

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.20	2.50
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	1.65	1.70

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

	2021 Years	2020 Years
<i>Retiring today</i>		
Males	21.2	21.4
Females	23.6	23.7
<i>Retiring in 20 years</i>		
Males	22.0	22.4
Females	25.1	25.2

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	(161)	(130)
Discount rate -0.1%	165	130
Mortality assumption - 1 year increase	307	270
Mortality assumption - 1 year decrease	(294)	(270)
CPI rate +0.1%	129	110
CPI rate -0.1%	(125)	(110)
Salary increase rate +0.1%	34	17
Salary increase rate -0.1%	(34)	(17)

Share of scheme assets

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23. Pension commitments (continued)

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

	2021 £	2020 £
Equities	2,899,000	2,120,000
Property	418,000	307,000
Cash and other liquid assets	154,000	31,000
Debt instruments	575,000	615,000
Total market value of assets	4,046,000	3,073,000

The actual return on scheme assets was £55,000 (2020 - £58,000).

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

	2021 £	2020 £
Current service cost	(422,000)	(395,000)
Interest income	55,000	58,000
Interest cost	(92,000)	(101,000)
Administrative expenses	(2,000)	-
Total amount recognised in the Statement of financial activities	(461,000)	(438,000)

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

	2021 £	2020 £
At 1 September	5,397,000	5,133,000
Current service cost	422,000	395,000
Interest cost	92,000	101,000
Employee contributions	56,000	49,000
Actuarial losses/(gains)	907,000	(209,000)
Benefits paid	29,000	(72,000)
At 31 August	6,903,000	5,397,000

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23. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	3,073,000	2,976,000
Interest income	55,000	58,000
Actuarial gains/(losses)	617,000	(127,000)
Employer contributions	218,000	189,000
Employee contributions	56,000	49,000
Benefits paid	29,000	(72,000)
Administration expenses	(2,000)	-
At 31 August	4,046,000	3,073,000

24. Operating lease commitments

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

	2021 £	2020 £
Not later than 1 year	5,714	6,541
Later than 1 year and not later than 5 years	1,120	-
	6,834	6,541

25. Members' liability

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

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26. Related party transactions

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

Income Related Party Transaction

During the year Alford Sports Hall Association, in which the trustee Mr D Allen is a governor and treasurer, paid £7,500 (2020 - £2,691) to John Spendluffe Technology College for the use of the JSTC Astroturf and Hall Lettings with £Nil (2020 - Nil) owing to the academy at the year end.

Expenditure Related Party Transaction

During the year Alford Sports Hall Association, in which the trustee Mr D Allen is a governor and treasurer, were paid £Nil (2020 - £3,500) as a contribution towards a new sports hall floor with £Nil (2020 - £Nil) owing from the academy at the year end. The Academy paid £Nil (2020 - £261) to Alford Sports Hall Association as their management fee of the previously mentioned hiring's/letting's. The Academy also paid £3,712 (2020 - £3,862) for business rates to East Lindsey District Council on behalf of Alford Sports Hall Association.