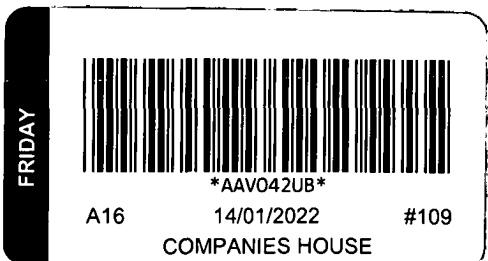


**THE FIRS LOWER SCHOOL**  
(A company limited by guarantee)

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



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**THE FIRS LOWER SCHOOL****(A company limited by guarantee)**

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## THE FIRS LOWER SCHOOL

(A company limited by guarantee)

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### REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Members</b>	Dr Jason Hart, Trustee and Vice Chair (resigned 30 October 2020) Mrs Therese Mostowfi (resigned 13 July 2021) Mrs Sandra Evans (resigned 13 July 2021) Mr Max Wiseberg (resigned 13 July 2021) Mr Gareth Jones, Chair of Trustees Louise Haigh, Trustee and Vice Chair (appointed 30 October 2020)
<b>Trustees</b>	Mr Gareth Jones, Chair of Trustees (resigned 13 July 2021) Mr Adam Campbell, Headteacher and Accounting Officer Mrs Fran Sherry, Staff Trustee <sup>1</sup> Mrs Annette Anderson Mrs Louise Haigh Mrs Joanne Milne (resigned 6 May 2021) Mr Jonathan Wilson (resigned 26 January 2021) <sup>1</sup> Mr Jason Hart (resigned 21 September 2020) Mr Jason Manley (resigned 19 January 2021) Mr John Ashley <sup>1</sup> Mr John Ashley, Chair of Trustees (appointed 13 July 2021) <sup>1</sup> Mr Franco Cameli (appointed 11 May 2021) <sup>1</sup> Mrs Kerry Mercer, Deputy Headteacher (appointed 11 March 2021) Mr Thomas Stean (appointed 6 January 2021)  <sup>1</sup> Member of the Environment and Finance Committee
<b>Company registered number</b>	07851337
<b>Company name</b>	The Firs Lower School
<b>Principal and registered office</b>	Station Road Amphill Bedfordshire MK45 2QR
<b>Company secretary</b>	Elizabeth Barnicoat
<b>Senior leadership team</b>	Adam Campbell, Headteacher Kerry Mercer, Assistant Headteacher Allison Brady, Teacher and Literacy Leader Sue A'Court, School Office Manager Celia Bennett, School Business Manager, terminated 11/01/2021 Katherine Jukes, School Business Manager, appointed 11/01/2021
<b>Independent auditors</b>	MHA MacIntyre Hudson Chartered Accountants Statutory Auditors Moorgate House 201 Silbury Boulevard Milton Keynes Buckinghamshire MK9 1LZ

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**THE FIRS LOWER SCHOOL**

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Bankers**                      National Westminster Bank Plc  
8 Church Street  
Amphill  
Bedfordshire  
MK45 2ET

**Solicitors**                      Browne Jacobson  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 18J

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## **THE FIRS LOWER SCHOOL**

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### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021**

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The Governors (who are the Trustees and also directors of the charity for the purposes of the Companies Act) have pleasure in presenting their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2020 to 31 August 2021. The Annual Report serves the purposes of both a Governors' Report and a Directors' report under company law.

The Trust operates an Academy for pupils ages 2-9 serving a catchment area to the west and south of Ampthill. It has a pupil capacity of 326 and had a roll of 286 in the school census of October 2021.

#### **Structure, governance and management**

##### **a. Constitution**

The Academy Trust is a charitable company limited by guarantee and an exempt charity. The Academy is a Single Academy Trust and these financial statements give the results of the Academy as a single entity. The Academy is incorporated in England & Wales.

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

The Governors of The Firs Lower School are also the directors of the charitable company for the purpose of company law.

The charitable company is known as The Firs Lower School.

The initial Members of the Academy Trust were the subscribers to the Memorandum of Association (and such Members are also Governors). All subsequent Governors are also Members of the Academy Trust under the terms of the Articles of Association. Details of the Governors who served during the year 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**

In accordance with normal practice the Academy has purchased insurance to protect the Governors and officers from claims arising from negligent acts, errors or omissions whilst on Academy business. The cover under the policy is £5 million and in the period under review no sums were paid out.

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## THE FIRS LOWER SCHOOL

(A company limited by guarantee)

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

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#### Structure, governance and management (continued)

##### **d. Method of recruitment and appointment or election of Trustees**

The Governing Body comprises of 5 members, and 10 Trustees (2 of which are also members being the Chair and Vice Chair) 5 co-opted parents, 3 elected parents, a staff member and the Headteacher. Additional Governors can be appointed under Article 62, 62A or 68A of the Articles of Association and further Governors under Article 63 or 68A.

The co-opted Governors are appointed by the Members of the Academy Trust. The Parent Governors are elected by the parent body of the School. The Staff Governors are elected by the School's staff. Individuals may request to join the Governing Body and the Members of the Academy Trust may decide to invite one of these individuals to join should a vacancy arise.

##### **e. Policies adopted for the induction and training of Trustees**

All Governors undertake training as appropriate to their work at the School. New Governors will be provided with an induction programme. A log is kept of all Governor training and reviewed on a regular basis at the full Governing Body meetings.

The Governors, who are also the Charity Trustees, are responsible for the overall management and control of the School and meet at least three times a year. The work of reviewing and monitoring most policies is delegated to the members of the Committees as outlined below. They all work under the chairmanship of a Governor appointed at the first committee meeting in each academic year. Terms of reference of these committees are agreed annually at these meetings. The Clerk to the Governors co-ordinates the work of the Governors and their Committees, prepares agendas and papers and reviews matters arising. The Business Manager prepares the accounts on behalf of the Governors.

All Governors give their time to the role freely, no remuneration was paid to Governors, other than Staff Governors, and no expenses were paid in the period.

##### **f. Organisational structure**

The Trustees determine the general policies of the School. The day to day running of the School is delegated to the Head teacher, supported by the Senior Leadership Team. The Head teacher undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the Senior Leadership Team. The day to day administration is undertaken within the policies and procedures approved by the Trustees. Only significant expenditure decisions and major capital projects should be referred to the Trustees for prior approval. The Head teacher, (who is the Accounting Officer) a Staff Trustee, attends all Governing Body meetings. The Assistant Head teacher, the Office Manager and the Business Manager are invited to attend subcommittee meetings as appropriate.

Associate Trustees attend Trustees meetings by nature of their role in the Academy but do not have any voting rights and are not full Trustees nor therefore directors under the Companies Act, Members of the company or Trustees of the Academy Trust.

##### **Trustee Committee Structure**

Each of the sub-committees can make recommendations that must be endorsed by the Full Governing Board. The Committees and the Full Board meet at least three times per year.

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## THE FIRS LOWER SCHOOL

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

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#### Structure, governance and management (continued)

##### *The Governing Body*

The Governing Body will take a strategic role, act as a critical friend to the School and be accountable for its decisions. It will set the vision and key goals and agree, monitor and review policies, targets and priorities.

The duties of the Governing Body are as follows:

1. The conduct of the school (i.e. ethos, appearance, attitudes, level of parental support etc.) is under the direction of the Governors. The Headteacher is responsible for the internal organisation and management of the school and the Governing Body has ultimate responsibility for the implementation of the curriculum and its delivery.
2. The Governors must try to ensure that the right provision is made for students with special educational needs.
3. The Governors must have a policy on whether and how sex education should be provided at the school.
4. The Governors must decide how the school's delegated budget is spent, and ensure that accurate accounts are kept.
5. The Governors must approve the school's staffing structure. They can recommend dismissal of staff and should set out disciplinary rules and procedures. They can use their discretion over the award of incentive allowances.
6. Discipline: The Governors must approve the school behaviour policy and must hear any appeals by parents against exclusion.
7. The Governors control the use of premises outside school time and should periodically inspect the premises and keep the LEA informed as to the condition and state of repair under the terms of a 125 year lease.
8. To agree constitutional matters including procedures where the Governing Body has discretion, as follows:
  - To recruit new members as vacancies arise and to appoint new governors where appropriate. To hold at least three Governing Body meetings a year;
  - To appoint or remove the Chair and Vice Chair;
  - To appoint or remove a Clerk to the Governing Body;
  - To establish the committees of the Governing Body and their terms of reference. To appoint the Chair of any committee;
  - To appoint or remove a Clerk to each committee. To suspend a Governor;
  - To decide which functions of the Governing Body will be delegated to committees, groups and individuals;
  - To receive reports from any individual or committee to whom a decision has been delegated and to consider whether any further action by the Governing Body is necessary;
  - To provide final approval of the budget plan as recommended by the Environment and Finance Sub-committee;
  - To review Health and Safety issues and recommendations referred to the Governing Body by the Environment and Finance sub-committee;
  - To review the delegation arrangements annually;
  - To agree, by early in the autumn term, the programme of work and calendar of meetings for the Governing Body and its committees for the school year, based on known cycles of school improvement, financial management, staffing issues and communicating with parents;

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## THE FIRS LOWER SCHOOL

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

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#### Structure, governance and management (continued)

- To monitor the progress of work being undertaken by committees and individuals;
- To consider recommendations made by committees with regard to the working of the Governing Body;
- To establish and keep under review, the Governing Body 'Protocols' and 'terms of reference'; To establish and keep under review arrangements for Governors' visits to school;
- To oversee arrangements for Governor involvement in formulating and monitoring the School Development Plan, the Ofsted SEF and School Profile;
- To conduct reviews of the performance of the Governing body using an appropriate 'Governor HealthCheck' process;
- To make recommendations to the Governing Body to establish working parties where particular circumstances arise e.g. a joint committee to oversee a building project or a special committee to oversee an Ofsted inspection; and
- To be available and respond to matters of particular difficulty, sensitivity or emergency and offer advice to the Headteacher.

The following Committees are sub-committees of the Governing Body.

#### ***Environment and Finance committee***

- To assist the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity.
- To make appropriate comments and recommendations on such matters to the Governing Body on a regular basis.

#### ***Staff Pay Committee***

The Staffing Committee on Pay shall consider and decide upon all matters relating to staff pay as part of the annual review process in accordance with the whole school salary policy agreed by the Governing Body in respect of the following staff: school teachers; NJC Local Government Services Staff; any other staff as determined by the Governing Body.

#### ***Hearings Committee***

- To make any determination to dismiss any member of staff.
- To make any decisions under the Governing Body's personnel procedures (e.g. disciplinary, grievance, capability) where the Headteacher is the subject of the action.
- To make any decisions relating to any member of staff other than the Headteacher, under the Governing Body's personnel procedures and pay policy.
- To make any determination or decision under the Governing Body's General Complaints Procedure for Parents and others.
- To make any determination or decision under the Governing Body's Curriculum Complaints Procedure, in respect of National Curriculum applications, and the operation of the Governing Body's charging policy.



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## **THE FIRS LOWER SCHOOL**

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

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#### **Structure, governance and management (continued)**

##### ***Appeals Committee***

- To consider any appeal against a decision to dismiss a member of staff made by the Hearings Committee.
- To consider any appeal against a decision short of dismissal under the Governing Body's personnel procedures (e.g. disciplinary, grievance, capability).
- To consider any appeal against selection for redundancy.
- To consider any appeal against a pay decision.

##### ***Pupil Discipline Committee***

- To consider representations from parents in the case of exclusions of 5 days or less (Committee may not re-instate).
- To consider representations from parents in the case of exclusions totalling more than 5 but not more than 15 school days in one term (meeting to be held between 6th and 15th school days after receiving notice of the exclusion).
- To consider the appropriateness of any permanent exclusion or any exclusion where one or more fixed period exclusions total more than 15 school days in one term or where a pupil is denied the chance to take a public examination (meeting to be held between 6th and 15th school days after receiving notice of the exclusion).

##### ***Curriculum Committee***

- To consider and advise the Governing Body on standards and other matters relating to the school's curriculum, including statutory requirements and the School's Curriculum Policy and Teaching and Learning Policy.
- To consider curricular issues which have implications for Finance and Personnel decisions and to make recommendations to the relevant committees or the Governing Body.
- To ensure that children's enjoyment of lessons is an integral part of all curriculum planning.
- To oversee the analysis annually of test data and pupil assessment and make recommendations to the Governing Body as appropriate.
- To ensure that all curricular improvements required by Ofsted are implemented. To review annually the School Prospectus.
- To review annually the School Profile.
- To make arrangements for the Governing Body to be represented at School Improvement discussions with the SI P and for reports to be received by the Governing Body.
- To oversee arrangements for individual Governors to take a leading role in specific areas of provision, e.g. SEND, Literacy, Numeracy and Curriculum Leadership Groups. To receive regular reports from them and advise the Governing Body.
- To oversee arrangements for educational visits, including the appointment of a named co-ordinator (EVC).

##### ***HR and Change Committee***

- To draft and review annually the staffing structure, in consultation with the Headteacher and the Environment and Finance Committee.
- To oversee the selection and appointment procedure for all staff.
- To oversee and review termly, the school's safeguarding procedures, including the implementation of the Child Protection and Safer Recruiting policies.
- To establish and review a Performance Management policy for all staff. To oversee the process leading to staff reductions.
- To keep under review staff work/life balance, working conditions and well-being, including the monitoring of absence.

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## THE FIRS LOWER SCHOOL

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

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#### Structure, governance and management (continued)

- To make recommendations on personnel related expenditure to the Environment and Finance Committee.
- To ensure that DfE regulatory and guidance documents are implemented appropriately in the school, with specific reference to the role assigned to the Governing Body.

#### *Headteacher's Performance Review group*

- To arrange to meet with the External Adviser / School Improvement Partner to discuss the Headteacher's performance targets.
- To decide, with the support of the External Adviser / School Improvement Partner, whether the targets have been met and to set new targets annually.
- To monitor through the year the performance of the Headteacher against the targets.
- To make recommendations to the Environment and Finance Committee in respect of awards for the successful meeting of targets set.

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

The Governors of the Academy do not receive any remuneration in respect of their roles as Governors. Staff Governors are only remunerated as a result of their employment by the Academy Trust.

The Academy follows Bedford Borough's Pay Policy for support staff following national NJC and Senior Management pay grades and terms and conditions. For teachers and senior leaders the Academy follows the national pay scales and progression/increment policy linked to performance management.

Performance reviews are carried out by Adam Campbell, Headteacher and Kerry Mercer, Deputy Headteacher. Any changes in pay as a result of these reviews go to the HR and Change Committee. The Headteacher's performance is reviewed by the School Improvement Partner and recommendations are made by them to the Chair of Governors and presented to the HR and Change Committee.

#### **h. Trade union facility time**

There were no employees who were relevant union officials during the year to 31 August 2021.

#### **Objectives and activities**

##### **a. Objects and aims**

The Firs Lower School's objects are specifically restricted to the following:

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.

To promote, for the benefit of the inhabitants of Ampthill and the surrounding area, the provision of facilities for recreation or other leisure time occupation, of individuals who have need of such facilities by reason of their youth age, infirmity or disablement, financial hardship or social welfare and with the object of improving the condition of life of the said inhabitants.

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## THE FIRS LOWER SCHOOL

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

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#### Objectives and activities (continued)

##### b. Objectives, strategies and activities

The School has identified the following key development areas:

1. Quality first teaching and Covid Recovery - Key Focus Area 1:

- To ensure a return to the highest standards of classroom provision;
- To monitor and support vulnerable pupils to enable them to achieve well.

2. Developing the curriculum and Curriculum leadership - Key Focus Area 2:

Part 1 - To fully implement the Firs Scheme of Work

- Planning fully covers the SoW;
- Teachers have a good awareness of previous / future objectives;
- Assessment systems are fully implemented.

Part 2 - Developing The Role of the Subject Leader:

- Clear planning for monitoring;
- Efficient and effective evidence collection;
- Accurate conclusions drawn;
- Confidence in how to move forward and how to communicate SL knowledge.

3. Developing The Saplings Pre School and EYFS provision - Key Focus Area 3

Part 1- To establish a strong pre-school provision, adopting appropriate features of the best practice from Pine.

- Successful provision established with growing numbers;
- Evidence of improving quality of provision offered;
- Sense of continuity with existing Foundation Stage provision.

Part 2- Further embedding new curricular and assessment arrangements.

- Baseline aut21 delivered and used well;
- New curriculum implemented and action points from DM review implemented;
- Review of Ofsted EYFS framework completed.

##### c. Public benefit

In setting the Academy's objectives and planning its activities, the Governing Body have given careful consideration to the Charity Commission's general guidance on public benefit. The Academy Trust's object is specifically restricted to the following:

- 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, continuing, managing and developing a school offering a broad and balanced curriculum.
- To promote for the benefit of the inhabitants of Ampthill and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social welfare and with the object of improving the condition of life of the said inhabitants.

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## THE FIRS LOWER SCHOOL

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

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#### Strategic report

#### Achievements and performance

##### a. Key performance indicators

#### The Curriculum and standards

##### Intent

1. The Firs has always ensured that the curriculum is designed to meet the needs of all learners including the most able and vulnerable learners (including SEND and disadvantaged pupils) with the following key drivers agreed by all stakeholders:
  - a. To develop our children's view of themselves as successful learners and to help them to develop *stamina and robustness in embracing challenge*.
  - b. To inculcate our agreed values in our children and develop key personal skills to enhance teamwork, communication skills, independence and confidence.
  - c. To ensure that children develop a sound grasp in all the key aspects on literacy and numeracy, with a passionate focus on all children being fluent readers who take a pleasure in reading.
  - d. To help children to see themselves as successful writers by providing an appropriate and exciting range of purposeful writing opportunities that develop their skills and inspire them to write.
  - e. To encourage mathematical thinking, so that children can talk about their learning, demonstrating a good level of maths fluency and independently finding ways to record.
  - f. To cover all aspects of the curriculum in a stimulating way, by giving children a rich and varied range of experiences, including the use of IT resources.
  - g. To make sure that all our children develop an appreciation of the natural world, the threats it faces and the need for care and stewardship.
2. The school ethos promotes equal opportunities, high expectations and positive attitudes to learning as embodied by our 'Growth Mindset' learning culture. (Monitoring data).
3. The curriculum provides imaginative & stimulating learning opportunities that ensure pupils experience and have the opportunity to value music, artists, stories etc. including those from different times and places to support the delivery of the 'cultural capital' we wish children to experience. The Redborne Upper School Sports Partnership has contributed very successfully to the curricular and extra-curricular provision for pupils. (Photographic evidence on website and Sports Premium Review 18/19, 19/20 and 20/21). Visitors, themed days / weeks provide memorable and enjoyable experiences that make learning a joyful and enriching experience. (Photographic evidence).
4. There is a passionate focus on working to ensure all children read fluently and at an age appropriate level or beyond, which is greatly supported by the RWI literacy programme, that provides a rigorous and carefully sequenced approach. This focus leads to very good outcomes for learners. (See monitoring data and SEF Section B3).
5. The school curriculum is designed to ensure the coverage of the national curriculum, with additional elements such as Forest Schools and Eco themed work and additional enrichment aspects such as the Grafham Water Residential visit in Y4 and drama productions (to support statement b and f).
6. Between September 18 and summer 20, a sharper focus on the key determining factors behind the design of our curriculum in first Science then the foundation subjects was undertaken. There is now a clear picture of what we want the 'intent' to be, and the review of each area of the curriculum has ensured that we can more effectively achieve the highly successful outcomes desired for our learners. (See SDP 20/21 and Firs Scheme of Work).

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## THE FIRS LOWER SCHOOL

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

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#### Strategic report (continued)

#### Achievements and performance (continued)

##### II Implementation

7. The school sets out clear guidelines to staff to reinforce and make explicit to all, the agreed vision for approaches to teaching in the school and the expected standards we expect to maintain. (19/20 and 20/21 SDP and 'Expected Practice Guide').
8. Teachers' good subject knowledge, careful planning and use of strategies to include, challenge and engage all pupils, ensure a good pace of learning.
9. The focus has been on ensuring that the new SoW is fully implemented in the planning of lesson content and in the assessment of pupil's acquisition of knowledge and skills. (SDP 20/21) This work was interrupted in 20/21 by Covid 19 and will resume in 21/22.
10. Achievement in phonics has grown and 'Read Write Inc.' provides a structured programme and high quality staff development that has ensured the development and maintenance of high standards. (Head's reports, Ofsted Report Nov 13, Ofsted letter 2017, Y1 Phonic test results 2018 and 2019 and RWI data analysis and SEF Section B4).
11. Teachers' good knowledge of the National curriculum ensures accurate and effective coverage. (Long Term and Medium term planning records).
12. Subject matter including learning objectives and success criteria, are used successfully and presented clearly, to communicate to children the key facts and skills involved in an aspect of learning and how to achieve well. (Monitoring evidence).

##### III Impact

13. Standards in literacy are good overall. Conclusions from Focus Days conducted in 20/21 were as follows:  
WWW
  - Literacy planning was generally very detailed and it gave very good guidance to the teacher delivering the session.
  - There was evidence in every year group of a wide and stimulating choice of activities to engage pupils in their learning.
  - Some strong evidence of a very good use of texts as a focus for developing reading and writing skills in Y3 and Y4.
  - There was evidence in Y4 of the recording of key questions in the planning for teachers to ask to move learning on in the lesson.
  - There was good evidence of progress over time in all the books seen.  
EBI
  - There was an inclusion of key questions in Y1-Y3 to challenge and deepen learning and any work to provide challenge and learning partner work was more evident.
  - There was a general improvement in the % using joined handwriting and in some cases the presentation. (This will be a focus in the next academic year).
  - More consistency in the provision of 'wow starters' to engage children. It was agreed that we will set a whole school target of one per half term in 21/22 and this will be monitored in the autumn focus day in 21/22.
14. Standards in numeracy are good, with considerable evidence of a use of open ended approaches to learning. Children were engaged in a diverse range of activities and they demonstrated a good grasp of related knowledge and skills. Key findings were as follows:

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## THE FIRS LOWER SCHOOL

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

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#### Strategic report (continued)

#### Achievements and performance (continued)

##### WWW

- Most numeracy planning seen was appropriately detailed and planning gave very good guidance to the teacher delivering the session, with good use of practical resources indicated.
- Oral mental starters are usually well planned and detailed serving to regularly practise key skills.
- There were appropriate levels of challenge seen in all the work looked at.
- There was a good use of questions to move the learning on.

##### EBI

- Key questions to move learning on were always included along with effective learning partner work.
- The one, two and three star, challenge, system for activities, was used in all planning consistently.
- Oral mental starters always featured a counting and other activity each day, consistently across the school.

15. The Science monitoring in 20/21 provided good evidence that significant progress had been made in the provision for science at The Firs:
- There is now much more evidence of challenge and it is far more consistent across the school in its use.
  - In Y3 and Y4 there was good evidence of challenge in the autumn focus day and this has been enhanced further by introducing challenge question sheets that make it obvious where the challenge can be found in the work and provide significant opportunities to focus on the 'science capital' linked with the lesson.
  - There was a significant improvement in Y2, with the same challenge question sheets approach ensuring consistency and the same opportunities to link to 'science capital' ideas seen in KS2.
  - There has been more disruption in Y1 with one member of staff on maternity leave and the challenge evidence was a little less strong. We will be asking the member of staff in Y2 who led the development of science there (who will be sharing the leader role with AH in 21/22) to support Y1 to introduce the same approaches next year).
  - Presentation of books has improved since last year.
  - Planning is very detailed with more key questions being recorded (in blue) so they stand out.
  - Children stressed that they got lots of opportunities to work collaboratively, which they enjoyed.
  - Children across the school all indicated that they enjoyed science.
16. In 21/22 we will be focusing on supporting staff to introduce science capital ideas and ensuring there is more hands on work to develop aspects of key skills as set out in 'working scientifically' in the NC.
17. A lot of the work on developing staff confidence and capability as subject leaders has been hit by Covid 19 but the Subject Monitoring Plan (SMP) process has sharpened the focus on the need to know the strengths and areas for development in each area. This process will be instrumental in ensuring that staff know where the weaknesses are and the Curriculum Development Plan each CLG creates as part of the SDP will provide the evidence that they have plans to rectify areas that are in need of improvement.
18. YR pupils achieved well over the last three years where data is available:  
% Achieving a GLD - 75% 2017, 76% 2018, 70% 2019\*

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## THE FIRS LOWER SCHOOL

(A company limited by guarantee)

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

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#### Strategic report (continued)

#### Achievements and performance (continued)

19. In 18/19 the YR cohort had a larger number of pupils than normal for The Firs with emotional, social and communication issues (see 18/19 Baseline) but with close and appropriate support, achieved well given the context of these issues:

% Achieving a GLD - 70%

% Expected+ Reading 81%, Writing 74%, Numbers 78%, SSM 83%

20. Children have achieved very highly in the Y1 Phonics over the last three years:

% passing test 89% 2017, 96% 2018, (letter from Nick Gibb indicating school was in top 7% of schools) and 96% again in 2019.

21. Children have achieved well at the end of KS1:

		% Expected +		
Subject	2017	2018	2019	National 2019
Reading	79%	77%	82%	75%
Writing	66%	70%	79%	69%
Maths	77%	77%	84%	76%

The cohort in 2018 contained a larger number of pupils than normal for The Firs (number?) with emotional, social and behavioural issues but made good progress despite this. In 2019 the %Expected or better is well above National in all areas.

		% GDS		
Subject	2017	2018	2019	National 2019
Reading	54%	37%	46%	25%
Writing	19%	12%	30%	15%
Maths	25%	28%	39%	22%

The cohort in 2018 contained a larger number of pupils than normal for The Firs with emotional, social and behavioural issues and it as harder to achieve the 40%+ GDS in reading we aspire to. In 2019 and 2018 however, the %GDS is well above National in all areas.

22. Appropriate Induction arrangements from our pre-school The Saplings and other local settings, ensure children in Pine (YR) settle in quickly, feel safe and secure in school and make good progress with their learning. (Parent Forum feedback).
23. Other internal arrangements ensure a smooth transition to the next year group. In Y4, a careful transition programme is designed to familiarise children with the middle school and to help prepare them for the change. (FARM transition arrangements). Next year work will focus on providing greater emotional support for pupils through creating a Cognitive Behaviour Therapy based programme of work for Y4 pupils (SDP 20/21 Section D1) and FARM joint work on introducing common and consistent approaches and to collaborative working practices, interrupted by the partial school closure, will continue) (SDP 20/21 Section A KFA1).
24. Pupil's work is of a good quality and demonstrates that children persevere with tasks and make good progress in lessons. There was growing evidence of progress over time, as illustrated by the achievement of the Primary Science Quality Mark, with an increase in the quality and quantity of work produced. There was also growing evidence of challenge in science in KS2 in 19/20 and 20/21 although this work was interrupted by partial school closure, will be continued in 21/22, (SDP 20/21 and 21/22).

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## THE FIRS LOWER SCHOOL

(A company limited by guarantee)

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

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#### Strategic report (continued)

##### Achievements and performance (continued)

##### Going concern

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

##### Financial review

The Academy had a satisfactory financial period to 31 August 2021, with total income of £1,442,336 and expenditure of £1,620,641 and a net deficit of £178,305. There is a deficit arising on the restricted funds amounting to £310,264 but this includes pension adjustments of £136,000 arising from the LGPS pension actuarial valuation. The remaining in year deficit is a result of spending brought forward revenue reserves.

Most of the Academy Trust's income is obtained from the Department of Education via the Education and Skills Funding Agency in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the Department of Education during the period ended 31 August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities and the grants received are detailed in note 5 to the financial statements.

Any surplus funds are swept nightly into a Liquidity Select bank account earning interest. No further Investment activities are undertaken.

Throughout the year there were a number of areas that the Governors considered/ratified, as follows:

- A review of the final retention invoice from Soden Construction relating to the year 3 classroom build.
- Continued to review the Finance Risk Assessment and register in light of the challenges faced by the partial closure due to Covid and falling pupil numbers. This was considered in October 2020, February 2021 and March 2021.
- Agreed an increase of the buildings and maintenance budget by £10,000 which was taken from previous years carried forward balances to make improvements to the school.
- Benchmarked three building consultancy companies then agreed the signing of a contract with RAM consultancy to place and manage our CIF bid for new windows and electrics.
- Reviewed the budget against teacher headcount and falling pupil numbers.
- Discussed and changed charging structure for Kids Club so parents / carers now book and pay for sessions in advance.
- Agreed that we would run a summer holiday club for the first three weeks of the school holidays.
- Requested a spreadsheet to disaggregate kids club and preschool income and expenditure to review profitability.



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## THE FIRS LOWER SCHOOL

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

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#### Strategic report (continued)

- The partially completed Internal Scrutiny report was received by the Governors in June 2021, this was not fully completed due to Covid disruptions, and the completed document will be reviewed again at the start of the school year.
- Received and review Health and Safety policy:

The Governors considered the Schedule of requirements for Governors at the January 2021 meeting and the top 10 Governors musts at the May 2021 committee.

The final forecast for the year ended 31 August 2021 was reviewed in detail within the Environment and Finance Committee 22nd June 2021 along with a 3 year budget plan going forward.

#### a. Reserves policy

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. This applies particularly to funds earmarked for future capital projects. The level of reserves will be kept under review by the Governors. The Governors have the reserves policy as a standing item within the Environment and Finance Committee. Reserves at the end of the period 31 August 2021 were £1,555,056 comprising £129,277 of restricted general funds, £85,662 of unrestricted general funds, £2,359,117 of restricted fixed asset fund and a pension reserve deficit of £1,019,000.

The deficit on the pension scheme relates to the non-teaching staff pension scheme (Local Government Pension Scheme) where, unlike the teachers scheme, the deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits.

The restricted funds will be spent in accordance with the terms of the particular grants or funding received. Unrestricted funds are for use of the general purpose of the Academy and future capital projects, at the discretion of the Governors.

#### b. Investment policy

The School's Investment Strategy is:

1. Regularly monitor cash flow and current/fund account balances to ensure immediate financial commitments can be met (payroll and payments runs) and that the accounts have adequate balances to meet forthcoming commitments.
2. Funds surplus to immediate cash requirements (set at £10k) are transferred nightly to the School's liquidity deposit account bearing a higher interest rate.
3. Periodically review interest rates and compare with other investment opportunities.
4. The School's current policy is to only invest funds in risk free and immediately accessible deposit accounts.

Any change in policy requires the approval of Governors via the Environment and Finance Committee.

#### c. Principal risks and uncertainties

The Governors conduct an annual review of the major financial risks to which the Academy Trust is exposed.

The Governors are responsible for oversight of the financial risks faced by the School. Detailed considerations of risk are delegated to the Head teacher and School Business Manager. Risks were identified, assessed and controls established throughout the period with 3 reviews being submitted to the Environment and Finance

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## THE FIRS LOWER SCHOOL

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

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Committee in February 2021, March 2021 and May 2021. The Governors were satisfied that the actions agreed to mitigate these risks gave assurance that they could be adequately managed.

The major financial risks identified by the Trust for over the period September 2020 to August 2021 were:

- Risk that in year budget for 21/22 & 22/23 will be in deficit due to reduced pupil numbers.
- Risk that the budget will be in deficit for the current year.
- Risk that we will have a loss of income for Kids' Club fees due to Covid 19 closures going forward.
  
- Risk that Preschool could go into deficit in year due to the loss of fee paying income due to Covid closure.
- Risk that employers' contribution rate increases.
- Risk that financial information cannot be recovered in the event of a disaster.
- Risk that charity has entered into future commitments without having the future funding available to meet them.
- Risk that LGPS is in significant deficit.
- LGPS risk that charity is not making the correct contributions.

Risk is managed under the headings of strategic and reputational risks, operational risks, compliance risks and financial risks as recommended by the DfE's Academy Financial Handbook. Through the risk management processes that are formalised by the School, the Governors are satisfied that the major finance risks identified will be adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks will be adequately managed.

#### **d. Financial risk management objectives and policies**

The financial risks the Academy faces are mitigated by the fact that they relate largely to bank balances, cash and trade creditors, with limited trade (and other) debtors. The exception is the Pension Scheme for Local Government Employees which has a current shortfall of £1,019,000, which the Academy is making up over 7 years. This amount is booked as a liability in these financial statements.

#### **Fundraising**

The school does not use any external fundraisers. All fundraising is undertaken by The Parent Teacher Association

#### **Plans for future periods**

The Governors intend to continue their current strategies of improving the School's reputation by aiming to provide outstanding education for all students. Achieving high standards in academic results is a constant aim whilst maintaining the breadth and depth of the wider curriculum, to develop the whole child. The Headteacher and Senior Leadership Team continue to review the curriculum and standards in teaching and learning, to ensure that the education provided remains appropriate for our students' development.

Our future plans are financed from income direct from the ESFA, related to student numbers and other factors. Governors will ensure funding is invested appropriately for the next generation of students as they have done in the past for current students. Maintaining, and where necessary, developing the fabric of the facilities and updating internal fixture and fittings with sustainability and the environment in mind. The development and growth of the new Saplings preschool is central to our strategy to ensure an outstanding provision for 2-9 year olds. The school has also been able to extend its availability of wrap around care with provision available from 7.50am to 6pm for 2-9 year olds. This will be a great help to the increasing number of working parents.

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**THE FIRS LOWER SCHOOL**

**(A company limited by guarantee)**

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

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**Funds held as custodian on behalf of others**

No such funds are held by The Firs Lower School.

**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.

**Auditors**

The auditor, MHA Macintyre Hudson, has indicated its willingness to continue in office. The Governors will propose a motion re-appointing the auditor at a meeting of the Governors.

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



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**Mr. John Ashley**  
Chair of Trustees

Date:

14/12/21

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## THE FIRS LOWER SCHOOL

(A company limited by guarantee)

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### GOVERNANCE STATEMENT

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#### Scope of responsibility

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

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

#### Governance

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

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

Trustee	Meetings attended	Out of a possible
Mr Gareth Jones, Chair of Trustees (resigned 13 July 2021)	4	5
Mr Thomas Stean (appointed 6 January 2021)	4	4
Mr Adam Campbell, Head Teacher and Accounting Officer	5	5
Mrs Fran Sherry	4	5
Mr John Ashley (appointed 13 July 2021)	4	5
Mrs Joanne Milne (resigned 6 May 2021)	3	3
Mr Jonathan Wilson (resigned 26 January 2021)	1	1
Mrs Louise Haigh	5	5
Mrs Annette Anderson	2	5
Mr Jason Manley (resigned 19 January 2021)	0	1
Mr Franco Cameli (appointed 11 May 2021), Chair of Trustees	1	2
Mrs Kerry Mercer, Deputy Headteacher (appointed 11 March 2021)	3	3

#### Governance reviews:

The full board met five times last year due to the operational challenges relating to COVID-19. However, to ensure good governance and financial oversight, the E&F committee, the HR Committee and the curriculum committee continued to meet as scheduled and operate the usual agenda.

The Governors undertook a Governing Body Health Check using a check list as a process of self-valuation. The Environment and Finance Committee is a sub-committee of the main Governing Board. Its purpose is to: Assist the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity.

Make appropriate comments and recommendations on such matters to the Governing Body on a regular basis.

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## THE FIRS LOWER SCHOOL

(A company limited by guarantee)

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### GOVERNANCE STATEMENT (CONTINUED)

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#### Governance (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Jonathan Wilson (Chair) (resigned 26 January 2021)	2	2
Mr John Ashley (appointed 13 July 2021)	6	6
Mr Adam Campbell (Headteacher)	6	6
Mrs Fran Sherry (Staff Trustee)	6	6
Mr Franco Cameli (appointed 6 January 2021)	2	2

Mrs C Bennett / Katherine Jukes also attended all of the above meetings in her role as School Business Manager.

During the course of the year the Environment and Finance committee reviewed all the monthly finance reports against budget and cash flow statements. The finance risk register was reviewed and discussed in full at Committee meetings in February 2021, March 2021 and May 2021. The main risks that were monitored were the risk that the in year budget for 21/22 and 22/23 years will be in deficit due to reduced pupil numbers. The risk that the budget will be in deficit for the current year. The risk of loss of income from both Kids Club and Saplings fees due to Covid closures.

#### Review of value for money

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

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

- The Governing Body is accountable for the way in which the school's resources are allocated to meet the objectives set out in the school's development plan. Governors need to secure the best possible outcome for pupils, in the most efficient and effective way, at a reasonable cost. This will support the schools efforts to continuously improve standards achieved and services provided.
- Governors and school leaders have adhered to the purchasing procedures which are laid down in The Firs Lower School Finance Manual. Goods and services have been obtained which provide "value for money" in terms of the school purchasing what it needs in the correct quantity, the appropriate quality and at the time the best price possible.
- The Governors reviewed its preschool, Kids Club, Holiday Club and lettings Charges. The schools charges were bench marked against a number of local providers and it was decided to increase some of them slightly. The Site Agents rent payment was also reviewed and a decision was made to reduce the payment in line with circumstances to the change of tenant.
- Three quotations benchmarked and reviewed before a final decision was made to purchase The Pirate Ship play equipment.
- The school has implemented parent pay across all its income collection arear which ensures prompt and complete cash collection.

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## **THE FIRS LOWER SCHOOL**

**(A company limited by guarantee)**

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### **GOVERNANCE STATEMENT (CONTINUED)**

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#### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. This year the system of Internal Scrutiny has been expanded in line with the Academies Financial Handbook to encompass a wider remit.

#### **Capacity to handle risk**

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

#### **The risk and control framework**

Internal scrutiny is a process that provides independent assurance to the Board that its financial and other controls, and risk management procedures, are operating effectively. It involves a series of tests to ensure systems are effective and compliant, but goes beyond mere transaction checking.

The Firs Lower School has appointed Internal Scrutineer IS ,Mrs Elizabeth Owen who is a qualified accountant who acts as an independent, trusted 'critical friend' and assists the Board to improve governance, risk and control arrangements, as well as ensures compliance with the AFH (Academies Financial Handbook). The IS reviews policies, systems and operations in order to determine how well risks are managed, whether effective processes are in place, and whether agreed procedures are being followed. As part of the IS review Mrs Owen was asked to specifically focus on areas that scored highly on the RISK Matrix.

#### **Approach to work and standards**

The Firs Lower School is not a large, complex organisation and as such the scale of any internal scrutiny is appropriate. In several areas requiring scrutiny, the underlying test and check work is already being completed on a regular basis and can potentially be relied upon for the purposes of the IS Report. For example, the School Business Manager (SBM), Senior Leadership Team (SLT) and relevant governors regularly examine the Risk Matrix and resulting Risk Register; With this in mind, the work of IS has focussed largely on bringing together and reviewing the work performed and assessing whether it meets the required standard to form an opinion on the school's control and risk management structure. Where necessary, further tests were performed by the Internal Scrutineer to reach an opinion.

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines; and
- identification and management of risks.

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## THE FIRS LOWER SCHOOL

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### GOVERNANCE STATEMENT (CONTINUED)

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#### The risk and control framework (continued)

The Board of Trustees has decided not to appoint an internal auditor. However, the Governing Body have appointed Mrs Elizabeth Owen a qualified accountant, a former Trustee at The Firs Lower School and Chair of the Finance Committee, to the role of Responsible Officer, a Trustee, to carry out a programme of internal checks.

The IS role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- Testing of income system
- Testing of payroll system
- Testing of bank accounts and petty cash reconciliations
- Testing of purchasing system & review of contracts
- Review of risk register
- Review of VAT control account
- Review of monthly management accounts

In addition the IS undertook a review of Governance, Risk Management, IT and security systems, and other operational matters including succession planning and business continuity.

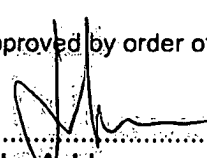
The IS report was partially completed and then discussed at the E & F committee meeting held in June 2021. Due to Covid restrictions the final part of the IS report (GDPR and IT systems) was not completed, this due to be completed by the end of September 2021 and will be shared at the next E & F meeting.

#### Review of effectiveness

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

- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the Senior Leadership Team within the Academy who have responsibility for the development and maintenance of the internal control framework;
- The Internal Scrutiny Report.

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

  
John Ashley  
Chair of Trustees

Date: 14/12/21

  
Adam Campbell  
Accounting Officer

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**THE FIRS LOWER SCHOOL**

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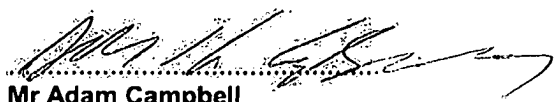
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of The Firs Lower School I have considered my responsibility to notify the Academy Trust's Governing Body 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 Trust's Governing Body are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2020.

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

  
**Mr Adam Campbell**  
Accounting Officer

Date: 14 December 2021



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## THE FIRS LOWER SCHOOL

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

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

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

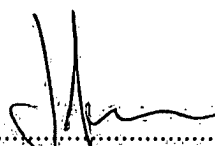
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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

  
.....  
**Mr John Ashley**  
Chair of Trustees

Date:  14/12/21.

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## **THE FIRS LOWER SCHOOL**

**(A company limited by guarantee)**

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### **INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE FIRS LOWER SCHOOL**

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#### **Opinion**

We have audited the financial statements of The Firs Lower School (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.

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**THE FIRS LOWER SCHOOL**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
FIRS LOWER SCHOOL (CONTINUED)**

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**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 (incorporating the Strategic Report and the Directors Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors 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.

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## THE FIRS LOWER SCHOOL

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### INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE FIRS LOWER SCHOOL (CONTINUED)

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#### 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:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

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**THE FIRS LOWER SCHOOL**

**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
FIRS LOWER SCHOOL (CONTINUED)**

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**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.



**Atul Kariya FCCA (Senior statutory auditor)**  
**for and on behalf on**  
**MHA MacIntyre Hudson**  
Chartered Accountants  
Statutory Auditors  
Milton Keynes

Date: 22 December 2021

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## **THE FIRS LOWER SCHOOL**

**(A company limited by guarantee)**

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### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE FIRS LOWER SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 3 November 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Firs Lower School during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Respective responsibilities of The Firs Lower School's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of The Firs Lower School's funding agreement with the Secretary of State for Education dated January 2012 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 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.

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**THE FIRS LOWER SCHOOL**

**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE FIRS LOWER SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**


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The work undertaken to draw out conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- consideration of governance issues and;
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

**Conclusion**

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



Reporting Accountant  
**MHA MacIntyre Hudson**  
Chartered Accountants  
Statutory Auditors

Date: 22 December 2021

**THE FIRS LOWER SCHOOL**

**(A company limited by guarantee)**

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

		Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
	Note					
<b>Income from:</b>						
Donations and capital grants	3	-	6,010	13,951	19,961	250,478
Charitable activities	4	-	1,320,737	-	1,320,737	1,242,081
Other trading activities	5	101,609	-	-	101,609	84,635
Investments	6	29	-	-	29	444
<b>Total income</b>		<b>101,638</b>	<b>1,326,747</b>	<b>13,951</b>	<b>1,442,336</b>	<b>1,577,638</b>
<b>Expenditure on:</b>						
Charitable activities		538	1,460,706	85,496	1,546,740	1,291,118
Other expenditure	8	73,901	-	-	73,901	59,240
<b>Total expenditure</b>	7	<b>74,439</b>	<b>1,460,706</b>	<b>85,496</b>	<b>1,620,641</b>	<b>1,350,358</b>
<b>Net income/ (expenditure)</b>		<b>27,199</b>	<b>(133,959)</b>	<b>(71,545)</b>	<b>(178,305)</b>	<b>227,280</b>
Transfers between funds	17	-	(40,305)	40,305	-	-
<b>Net movement in funds before other recognised losses</b>		<b>27,199</b>	<b>(174,264)</b>	<b>(31,240)</b>	<b>(178,305)</b>	<b>227,280</b>
<b>Other recognised losses:</b>						
Actuarial losses on defined benefit pension schemes	23	-	(136,000)	-	(136,000)	(264,000)
<b>Net movement in funds</b>		<b>27,199</b>	<b>(310,264)</b>	<b>(31,240)</b>	<b>(314,305)</b>	<b>(36,720)</b>



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**THE FIRS LOWER SCHOOL****(A company limited by guarantee)**

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

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	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
<b>Note</b>					
<b>Reconciliation of funds:</b>					
Total funds brought forward	<b>58,463</b>	<b>(579,459)</b>	<b>2,390,357</b>	<b>1,869,361</b>	<b>1,906,081</b>
Net movement in funds	<b>27,199</b>	<b>(310,264)</b>	<b>(31,240)</b>	<b>(314,305)</b>	<b>(36,720)</b>
<b>Total funds carried forward</b>	<b>85,662</b>	<b>(889,723)</b>	<b>2,359,117</b>	<b>1,555,056</b>	<b>1,869,361</b>

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

The notes on pages 35 to 60 form part of these financial statements.

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**THE FIRS LOWER SCHOOL****(A company limited by guarantee)**  
**REGISTERED NUMBER: 07851337**

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**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

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	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	2,359,117	2,369,064
<b>Current assets</b>			
Debtors	15	33,542	49,720
Cash at bank and in hand	21,22	255,112	255,009
		<u>288,654</u>	<u>304,729</u>
Creditors: amounts falling due within one year	16	(73,715)	(39,432)
<b>Net current assets</b>		<u>214,939</u>	<u>265,297</u>
<b>Total assets less current liabilities</b>		<u>2,574,056</u>	<u>2,634,361</u>
Defined benefit pension scheme liability	23	(1,019,000)	(765,000)
<b>Total net assets</b>		<u><u>1,555,056</u></u>	<u><u>1,869,361</u></u>
<b>Funds of the Academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	17	2,359,117	2,390,357
Restricted income funds	17	129,277	185,541
		<u>2,488,394</u>	<u>2,575,898</u>
Restricted funds excluding pension asset	17	2,488,394	2,575,898
Pension reserve	17	(1,019,000)	(765,000)
<b>Total restricted funds</b>	17	<u>1,469,394</u>	<u>1,810,898</u>
<b>Unrestricted income funds</b>	17	<u>85,662</u>	<u>58,463</u>
<b>Total funds</b>		<u><u>1,555,056</u></u>	<u><u>1,869,361</u></u>

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**THE FIRS LOWER SCHOOL**


**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07851337**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2021**

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The financial statements on pages 30 to 60 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



.....  
**Mr John Ashley**  
Chair of Trustees

Date: 14/12/21

The notes on pages 35 to 60 form part of these financial statements.

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**THE FIRS LOWER SCHOOL****(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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	<b>Note</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	65,188	2,214
<b>Cash flows from investing activities</b>	20	(65,085)	(89,402)
<b>Change in cash and cash equivalents in the year</b>		<b>103</b>	<b>(87,188)</b>
Cash and cash equivalents at the beginning of the year		255,009	342,197
<b>Cash and cash equivalents at the end of the year</b>	21, 22	<u><b>255,112</b></u>	<u><b>255,009</b></u>

The notes on pages 35 to 60 form part of these financial statements

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## THE FIRS LOWER SCHOOL

(A company limited by guarantee)

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

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#### 1. Accounting policies

The Firs Lower School is a private company limited by guarantee, incorporated in England. Its registered number and address of registered office are detailed on page 1. The nature of the academy trust's operations and principal activity are detailed in the Trustees' Report.

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.

The financial statements are prepared in £ sterling, rounded to the nearest £1.

##### 1.1 Basis of preparation of financial statements

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

##### 1.2 Going concern

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

##### 1.3 Income

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

- **Grants**

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

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

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

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## THE FIRS LOWER SCHOOL

(A company limited by guarantee)

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

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#### 1. Accounting policies (continued)

##### 1.3 Income (continued)

- **Donations**

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

- **Other income**

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

- **Donated goods, facilities and services**

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities incorporating Income and Expenditure Account, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's policies.

##### 1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT..

##### 1.5 Interest receivable

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

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## THE FIRS LOWER SCHOOL

(A company limited by guarantee)

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

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#### 1. Accounting policies (continued)

##### 1.6 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.

##### 1.7 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Leasehold land	- over the term of the 125 year lease
Leasehold buildings	- over 50 years on a straight line basis
Furniture and equipment	- 25% per annum on a straight line basis
Plant and machinery	- 25% per annum on a straight line basis
Building improvements	- 2-5% per annum on a straight line basis

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.

Land is depreciated as held under a long term lease.

##### 1.8 Debtors

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

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## THE FIRS LOWER SCHOOL

(A company limited by guarantee)

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

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#### 1. Accounting policies (continued)

##### 1.9 Cash at bank and in hand

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

##### 1.10 Liabilities

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

##### 1.11 Financial instruments

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

##### 1.12 Operating leases

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

##### 1.13 Pensions

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

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



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## THE FIRS LOWER SCHOOL

(A company limited by guarantee)

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

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#### 1. Accounting policies (continued)

##### 1.13 Pensions (continued)

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 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.

##### 1.14 Fund accounting

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

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

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

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**THE FIRS LOWER SCHOOL**

**(A company limited by guarantee)**

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

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**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

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

Critical areas of judgment:

The judgments that have had a significant effect on amounts recognised in the Financial Statements are those concerning the choice of depreciation policies and asset lives.

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**THE FIRS LOWER SCHOOL****(A company limited by guarantee)**

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

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**3. Income from donations and capital grants**

	<b>Restricted funds 2021 £</b>	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Donations	6,010	-	<b>6,010</b>	2,643
Capital Grants	-	10,435	<b>10,435</b>	247,835
Local Covid Grant	-	3,516	<b>3,516</b>	-
<b>Total 2021</b>	<b>6,010</b>	<b>13,951</b>	<b>19,961</b>	<b>250,478</b>

**4. Funding for Academy's Educational Operations**

	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	1,008,406	<b>1,008,406</b>	983,045
Other DfE/ESFA grants			
Pupil Premium	18,761	<b>18,761</b>	26,581
Teachers pension grant	39,924	<b>39,924</b>	40,611
Other government grants	153,817	<b>153,817</b>	110,522
Other DfE/ESFA grants	67,053	<b>67,053</b>	73,184
	<b>1,287,961</b>	<b>1,287,961</b>	<b>1,233,943</b>
<b>Other funding</b>	<b>12,546</b>	<b>12,546</b>	<b>8,138</b>
<b>COVID-19 additional funding (DfE/ESFA)</b>			
Catch-up Premium	20,230	<b>20,230</b>	-
	<b>20,230</b>	<b>20,230</b>	-
<b>Total 2021</b>	<b>1,320,737</b>	<b>1,320,737</b>	<b>1,242,081</b>

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**THE FIRS LOWER SCHOOL****(A company limited by guarantee)**

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

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**4. Funding for Academy's Educational Operations (continued)**

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 Teachers Pension Grant and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The academy received £20,230 of funding for catch-up premium and costs incurred in respect of this funding totalled £20,230, with no balance carried forward to be used in 2021/22.

**5. Income from other trading activities**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rental income	3,085	3,085	4,888
Pre School	26,042	26,042	21,483
School Clubs	71,108	71,108	58,064
Other income	1,374	1,374	200
<b>Total 2021</b>	<b>101,609</b>	<b>101,609</b>	<b>84,635</b>

**6. Investment income**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	29	29	444

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**THE FIRS LOWER SCHOOL****(A company limited by guarantee)**

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

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**7. Expenditure**

	<b>Staff Costs 2021 £</b>	<b>Premises 2021 £</b>	<b>Other 2021 £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Educational operations:					
Direct costs	921,214	-	47,633	<b>968,847</b>	802,378
Allocated support costs	290,143	109,363	178,387	<b>577,893</b>	488,740
Other expenditure	69,919	-	3,982	<b>73,901</b>	59,240
	<u>1,281,276</u>	<u>109,363</u>	<u>230,002</u>	<u><b>1,620,641</b></u>	<u>1,350,358</u>
Total 2020	<u>1,053,194</u>	<u>132,446</u>	<u>164,718</u>	<u><b>1,350,358</b></u>	

**8. Other expenditure**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
School clubs - costs	3,857	<b>3,857</b>	2,813
School shop - costs	125	<b>125</b>	630
School clubs - wages and salaries	55,420	<b>55,420</b>	44,288
School clubs - NI	3,084	<b>3,084</b>	2,209
School clubs - pension costs	11,415	<b>11,415</b>	9,300
	<u>73,901</u>	<u><b>73,901</b></u>	<u>59,240</u>

**9. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Charitable activities expenditure	968,847	577,893	<b>1,546,740</b>	1,291,118

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**THE FIRS LOWER SCHOOL****(A company limited by guarantee)**

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

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**9. Analysis of expenditure by activities (continued)****Analysis of support costs**

	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Pension cost	11,000	8,000
Staff costs	290,143	219,246
Depreciation	85,496	72,753
Bought in professional services	27,945	28,902
Educational trips and visits	-	3,321
Other costs	1,556	902
Maintenance of premises & equipment	23,867	30,142
Cleaning	2,025	10,081
Rates & water	14,618	5,985
Heat & light	14,194	13,485
Insurance	5,457	5,466
Catering	52,499	43,179
Security & transport	1,652	3,784
Other support costs	36,151	32,718
Governance costs	11,290	10,776
	<b>577,893</b>	<b>488,740</b>

**10. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2021 £</b>	<b>2020 £</b>
Operating lease rentals	1,725	986
Depreciation of tangible fixed assets	85,496	72,753
Fees paid to auditors for:		
- audit	8,700	7,340
- other services	2,500	3,485

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**NOTES TO THE FINANCIAL STATEMENTS  
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**11. Staff****a. Staff costs**

Staff costs during the year were as follows::

	2021 £	2020 £
Wages and salaries	898,245	760,987
Social security costs	66,590	54,682
Pension costs	314,745	235,517
	<hr/>	<hr/>
	1,279,580	1,051,186
Agency staff costs	1,696	2,008
	<hr/>	<hr/>
	1,281,276	1,053,194
	<hr/>	<hr/>

**b. Staff numbers**

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

	2021 No.	2020 No.
Teachers	11	11
Administration and support	36	40
Management	2	2
	<hr/>	<hr/>
	49	53
	<hr/>	<hr/>

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**THE FIRS LOWER SCHOOL****(A company limited by guarantee)**

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

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**11. Staff (continued)****c. Higher paid staff**

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	1	1

The above employee participated in the Teacher's Pension Scheme. During the year ended 31 August 2021 pension contributions for this staff member amounted to £16,185 (2020: £15,681):

**d. Key management personnel**

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £294,372 (2020 - £280,141).

**12. 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 £
Mr Adam Campbell, Headteacher and Accounting Officer	Remuneration	65,000 - 70,000	65,000 - 70,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000
Mrs Fran Sherry, Staff Trustee	Remuneration	15,000 - 20,000	15,000 - 20,000
	Pension contributions paid	0 - 5,000	0 - 5,000

During the year ended 31 August 2021, expenses totalling £NIL were reimbursed or paid directly to no Trustees (2020 - £NIL). The expenses reimbursed during the year related to the purchase of school goods.

**13. Trustees' and Officers' insurance**

The Academy has opted into the Department for 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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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**14. Tangible fixed assets**

	Leasehold Land and Buildings £	Furniture and Equipment £	Plant and Machinery £	Total £
<b>Cost or valuation</b>				
At 1 September 2020	2,691,610	13,982	60,067	2,765,659
Additions	36,113	24,542	15,434	76,089
Disposals	-	-	(10,196)	(10,196)
At 31 August 2021	2,727,723	38,524	65,305	2,831,552
<b>Depreciation</b>				
At 1 September 2020	350,064	4,785	41,746	396,595
Charge for the year	70,107	11,252	4,137	85,496
On disposals	-	-	(9,656)	(9,656)
At 31 August 2021	420,171	16,037	36,227	472,435
<b>Net book value</b>				
At 31 August 2021	2,307,552	22,487	29,078	2,359,117
At 31 August 2020	2,341,546	9,197	18,321	2,369,064

The leasehold property is held under a 125 year lease from Central Bedfordshire Council ending 31 December 2136. No rent is payable under the terms of the lease.

Included in the leasehold land and buildings are improvements to leasehold with a net book value of £386,777 and land with a net book value of £299,698.

The acquisition of the freehold on which was purchased by the academy trust at a value of £36,113. All additions related to the refurbishment of existing buildings.

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

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**15. Debtors**

	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	-	908
VAT recoverable	6,583	40,222
Prepayments and accrued income	26,959	8,590
	<u>33,542</u>	<u>49,720</u>

**16. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Trade creditors	-	763
Other creditors	32	32
Accruals and deferred income	73,683	38,637
	<u>73,715</u>	<u>39,432</u>

	2021 £	2020 £
<b>Deferred income</b>		
Deferred income at 1 September	28,305	62,834
Resources deferred during the year	30,517	28,305
Amounts released from previous years	(28,305)	(62,834)
<b>Deferred income at 31 August</b>	<u>30,517</u>	<u>28,305</u>

At the balance sheet date the Academy was holding funds received in advance for the following purposes: Universal Free School Meals funding of £26,195 (2020: £28,305), CBC Capital income re the Preschool of £981 (2020: £nil), BC Capital income re the Kids Club £448 (2020: £nil) and Kids Club income £2,893 (2020: £nil).

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

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**17. Statement of funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
Unrestricted funds	58,463	101,638	(74,439)	-	-	85,662
<b>Restricted general funds</b>						
General Annual Grant (GAG)	113,231	1,008,406	(1,083,279)	-	-	38,358
Other restricted funds	72,310	279,350	(220,034)	(40,707)	-	90,919
Catch-up premium	-	20,230	(20,230)	-	-	-
Pupil premium	-	18,761	(19,163)	402	-	-
Pension reserve	(765,000)	-	(118,000)	-	(136,000)	(1,019,000)
	(579,459)	1,326,747	(1,460,706)	(40,305)	(136,000)	(889,723)

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

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**17. Statement of funds (continued)****Restricted  
fixed asset  
funds**

Fixed asset funds	<u>2,390,357</u>	<u>13,951</u>	<u>(85,496)</u>	<u>40,305</u>	<u>-</u>	<u>2,359,117</u>
<b>Total Restricted funds</b>	<u>1,810,898</u>	<u>1,340,698</u>	<u>(1,546,202)</u>	<u>-</u>	<u>(136,000)</u>	<u>1,469,394</u>
<b>Total funds</b>	<u>1,869,361</u>	<u>1,442,336</u>	<u>(1,620,641)</u>	<u>-</u>	<u>(136,000)</u>	<u>1,555,056</u>

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

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

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant. This includes items such as school trips for which income received is used to cover costs in association with these activities. Unrestricted funds are used for charitable purposes at the discretion of the Trustees.

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme. The fund is in deficit, but given the nature of the liability this is not payable immediately.

The restricted fixed asset fund was funded predominantly by the funds inherited on conversion from the Central Bedfordshire local authority following the transfer of the land and buildings. The fund represents the net book value of capitalised fixed assets and unspent capital funds of £nil (2020: £21,293).

The transfers from restricted funds to restricted fixed asset funds of £43,821 is in respect of amounts capitalised during the year.

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  
FOR THE YEAR ENDED 31 AUGUST 2021**

**17. 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 £
<b>Unrestricted funds</b>						
Unrestricted funds	76,071	85,079	(59,240)	(43,447)	-	58,463
<b>Restricted general funds</b>						
General Annual Grant (GAG)	37,326	983,045	(955,940)	48,800	-	113,231
Other restricted funds	84,168	261,679	(187,425)	(86,112)	-	72,310
Pension reserve	(426,000)	-	(75,000)	-	(264,000)	(765,000)
	<u>(304,506)</u>	<u>1,244,724</u>	<u>(1,218,365)</u>	<u>(37,312)</u>	<u>(264,000)</u>	<u>(579,459)</u>
<b>Restricted fixed asset funds</b>						
Fixed asset funds	2,134,516	247,835	(72,753)	80,759	-	2,390,357
<b>Total Restricted funds</b>	<u>1,830,010</u>	<u>1,492,559</u>	<u>(1,291,118)</u>	<u>43,447</u>	<u>(264,000)</u>	<u>1,810,898</u>
<b>Total funds</b>	<u>1,906,081</u>	<u>1,577,638</u>	<u>(1,350,358)</u>	<u>-</u>	<u>(264,000)</u>	<u>1,869,361</u>

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**THE FIRS LOWER SCHOOL****(A company limited by guarantee)**

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

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**18. 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	-	-	2,359,117	2,359,117
Current assets	85,662	202,992	-	288,654
Creditors due within one year	-	(73,715)	-	(73,715)
Pension scheme liability	-	(1,019,000)	-	(1,019,000)
<b>Total</b>	<b>85,662</b>	<b>(889,723)</b>	<b>2,359,117</b>	<b>1,555,056</b>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	2,369,064	2,369,064
Current assets	58,463	224,973	21,293	304,729
Creditors due within one year	-	(39,432)	-	(39,432)
Pension scheme liability	-	(765,000)	-	(765,000)
<b>Total</b>	<b>58,463</b>	<b>(579,459)</b>	<b>2,390,357</b>	<b>1,869,361</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. Reconciliation of net (expenditure)/income to net cash flow from operating activities**

	2021 £	2020 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(178,305)	227,280
<b>Adjustments for:</b>		
Depreciation	85,496	72,753
Capital grants from DfE and other capital income	(10,435)	(251,865)
Interest receivable	(29)	(444)
Defined benefit pension scheme cost less contributions payable	106,000	66,000
Defined benefit pension scheme finance cost	11,000	8,000
Decrease in debtors	16,178	1,115
Increase/(decrease) in creditors	34,283	(121,625)
Defined benefit pension scheme administration cost	1,000	1,000
<b>Net cash provided by operating activities</b>	<b>65,188</b>	<b>2,214</b>

**20. Cash flows from investing activities**

	2021 £	2020 £
Interest receivable	29	444
Purchase of tangible fixed assets	(76,089)	(341,711)
Proceeds from the sale of tangible fixed assets	540	-
Capital grants from DfE Group	10,435	251,865
<b>Net cash used in investing activities</b>	<b>(65,085)</b>	<b>(89,402)</b>

**21. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand and at bank	255,112	255,009
<b>Total cash and cash equivalents</b>	<b>255,112</b>	<b>255,009</b>

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**THE FIRS LOWER SCHOOL****(A company limited by guarantee)**

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

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**22. Analysis of changes in net debt**

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	255,009	103	255,112
	<u>255,009</u>	<u>103</u>	<u>255,112</u>

**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 Central Bedfordshire 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.

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

**Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

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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 £117,745 (2020 - £99,517).

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 £113,000 (2020 - £89,000), of which employer's contributions totalled £91,000 (2020 - £70,000) and employees' contributions totalled £ 22,000 (2020 - £19,000). The agreed contribution rates for future years are 19.6 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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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**23. Pension commitments (continued)****Principal actuarial assumptions**

	2021 %	2020 %
Rate of increase in salaries	3.90	3.25
Rate of increase for pensions in payment/inflation	2.90	2.25
Discount rate for scheme liabilities	1.65	1.60
Commutation of pensions to lump sums	50	50

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
Retiring today		
Males	21.9	22.2
Females	24.3	24.3
Retiring in 20 years		
Males	22.9	23.4
Females	26.0	26.1

**Sensitivity analysis**

	2021 £	2020 £
Discount rate +0.1%	60,000	49,000
Discount rate -0.1%	(61,000)	(50,000)
Mortality assumption - 1 year increase	102,000	65,000
Mortality assumption - 1 year decrease	(98,000)	(63,000)
CPI rate +0.1%	56,000	45,000
CPI rate -0.1%	(55,000)	(44,000)

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

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**23. Pension commitments (continued)****Share of scheme assets**

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

	2021 £	2020 £
Equities	984,000	830,000
Corporate bonds	263,000	196,000
Property	131,000	115,000
Cash and other liquid assets	31,000	73,000
<b>Total market value of assets</b>	<b>1,409,000</b>	<b>1,214,000</b>

The actual return on scheme assets was £143,000 (2020 - £129,000).

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

	2021 £	2020 £
Current service cost	(197,000)	(136,000)
Interest income	20,000	19,000
Interest cost	(31,000)	(27,000)
<b>Total amount recognised in the Statement of financial activities</b>	<b>(208,000)</b>	<b>(144,000)</b>

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

	2021 £	2020 £
<b>At 1 September</b>	<b>1,979,000</b>	<b>1,430,000</b>
Current service cost	197,000	136,000
Interest cost	31,000	27,000
Employee contributions	22,000	19,000
Actuarial losses	259,000	374,000
Benefits paid	(60,000)	(7,000)
<b>At 31 August</b>	<b>2,428,000</b>	<b>1,979,000</b>

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

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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 £
<b>At 1 September</b>	<b>1,214,000</b>	<b>1,004,000</b>
Actuarial gains	123,000	110,000
Employer contributions	91,000	70,000
Employee contributions	22,000	19,000
Benefits paid	(60,000)	(7,000)
Interest income	20,000	19,000
Administration expenses	(1,000)	(1,000)
<b>At 31 August</b>	<b>1,409,000</b>	<b>1,214,000</b>

	2021 £	2020 £
<b>The amounts recognised in the Balance Sheet are as follows:</b>		
Closing defined benefit obligation	(2,428,000)	(1,979,000)
Closing fair value of scheme assets	1,409,000	1,214,000
	<b>(1,019,000)</b>	<b>(765,000)</b>

**Total remeasurements recognised in Other Comprehensive Income:**

	2021 £	2020 £
Changes in financial assumptions	(319,000)	(170,000)
Changes in demographic assumptions	23,000	(119,000)
Other remeasurements	160,000	25,000
	<b>(136,000)</b>	<b>(264,000)</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**Other finance income**

	2021 £	2020 £
Interest income on pension scheme assets	20,000	19,000
Interest on pension scheme liabilities	(31,000)	(27,000)
	<u>(11,000)</u>	<u>(8,000)</u>

**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	247	986
Later than 1 year and not later than 5 years		986
	<u>247</u>	<u>1,972</u>

All commitments above relate to assets other than land and buildings.

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

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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.

The wives of the Trustee Jonathan Wilson and Trustee John Ashley are employed by the Academy as Teaching Assistant's:

As a member of staff, these individuals are remunerated by the Academy and their remuneration is in line with all other members of staff of a similar grade. The remuneration of all staff is discussed by the Trustees as a body but Mr J Wilson is not involved in the discussions relating to the remuneration of his wife, neither is Mr J Ashley involved in the discussions relating to the remuneration for his wife.

No further related party transactions took place in the period other than certain Trustees' remuneration and expenses already disclosed in note 12.