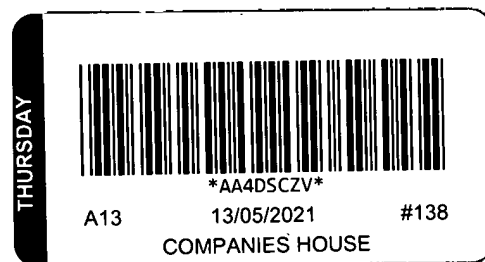


REGISTERED COMPANY NUMBER: 08170071 (England and Wales)

**Trustees' Report and
Financial Statements for the Year Ended 31st August 2020
for
Carmountside Primary Academy**



**Hardings
Chartered Accountants & Statutory Auditor
6 Marsh Parade
Newcastle-under-Lyme
Staffordshire
ST5 1DU**

**Contents of the Financial Statements
for the Year Ended 31st August 2020**

	Page
Reference and Administrative Details	1
Trustees' Report	2 to 7
Governance Statement	8 to 10
Statement on Regularity, Propriety and Compliance	11
Statement of Trustees' Responsibilities	12
Report of the Independent Auditors	13 to 14
Independent Accountant's Report on Regularity	15
Statement of Financial Activities	16
Balance Sheet	17
Cash Flow Statement	18
Notes to the Financial Statements	19 to 36

Carmountside Primary Academy

Reference and Administrative Details for the Year Ended 31st August 2020

Members	B Lorento R Palin N Williams	
Trustees	N Williams (Chairperson) B Lorento (Vice Chairperson) # R Palin (Governor) #	
Governors	L Challinor (Accounting Officer) # B Lorento # L Hall (resigned 29/06/2020) M Oldfield J Cowden R Palin # N Williams # E Dean A Fairgrieve J Belt (appointed 04/11/2019) J Wootley (appointed 04/11/2019)	
Associate Governor	K Edwards +# S Lynch + +Associate Governors # Members of Resources Committee	
Registered Office	Woodhead Road Abbey Hulton Stoke-on-Trent ST2 8DJ	
Senior Management Team	Headteacher Deputy Head Assistant Head/SENCO Assistant Head/Early Years Manager Senior Team Member Senior Team Member	L Challinor n/a J Cowden S Lynch D Guy R Redler
Company Registration Number	08170071	
Auditors	Hardings 6 Marsh Parade Newcastle-under-Lyme Staffordshire ST5 1DU	
Banker	Lloyds Bank plc The Strand Longton Stoke-on-Trent ST3 2RP	
Solicitors	Waldron & Scholfield 25 York Street Heywood Lancashire OL10 4NN	

**Trustees' Report
for the Year Ended 31st August 2020**

The trustees who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31st August 2020. The trustees have adopted the provisions of 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) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

Objectives and activities

Objectives and aims

Our 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 establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Through high expectations and honesty, we will nurture a climate of respect and responsibility, inspiring all learners to become resilient, confident and resourceful, believing in their potential to achieve and exceed all expectations so that they are well prepared to succeed in life.

We aim to develop:

- Successful, life-long learners, who enjoy learning and are prepared for the next stage of their journey.
- Confident individuals who are able to live safe, healthy and fulfilling lives.
- Responsible citizens who respect everyone's uniqueness and make a positive contribution to society.

Significant activities

Our priorities for 2020-21 academic year are:

- Re-establish our strengths following COVID-19 lockdown period; revisit and re-induct the vision, values and expectations of the Academy.
- Focus on wellbeing and a recovery curriculum, and continue to work in partnership with parents to improve levels of attendance.
- Develop a catch-up plan that will support an increase in the number of pupils achieving age related expectations.
- Support staff in ensuring the quality of teaching and learning ensures all pupils make good or better progress.

Public benefit

Carmountside Primary Academy's principal objective is to provide education for pupils of different abilities between the ages of 2 and 11.

**Trustees' Report
for the Year Ended 31st August 2020**

Strategic report

Achievement and performance

Achievements and performance

Our priority at Carmountside is to maintain the high standards of attainment in all subjects, without compromising on the broad and balanced curriculum that has largely come to characterise the education that we provide. The governing body supports and challenges school leaders effectively. Governors have an informed understanding of the difficulties faced by the school, and they are relentless in their actions to pursue improvements.

The school's arrangements to keep all pupils safe are effective and pupils are well cared for. Pupils embody the school's core values of 'respect', 'believe' and 'achieve'

Due to COVID-19, there is no statutory assessment data for 2020. The following information is based on data from 2019.

Pupils enter the school with significant communication, social and emotional delays. From a very low starting point, they make good progress throughout the Foundation Stage and there was an improvement in attainment at the end of Reception. In 2019, there was a significant improvement in the end of Year 1 phonics check which is now above the National level. This has also had an impact on attainment in reading at the end of Key Stage 1 which is now, despite still being below the National level, broadly in line with local levels. Improvements have also been made in the attainment of writing and maths at the end of Key Stage 1. At the end of Key Stage 2 there was an improvement in attainment in reading and writing, however this remains below national and local levels. Despite an improvement in progress measures, they also remain below the national average.

Our Ofsted inspection of September 2018 judged the school to be 'Requires Improvement'. Inspectors recognised that the progress of current pupils is improving, however, leaders should focus on continuing to effectively improve outcomes for pupils further.

All children, including those with special educational needs, believe that they can achieve. This is because pupils in the school see themselves as effective learners and have confidence in their ability to achieve their potential. They have opportunities to work both independently and collaboratively and lessons increasingly offer opportunities for making choices. All groups, including SEN, make good progress in all areas of the curriculum.

- Children enter our Pre School and Nursery significantly below national and local expected levels in all areas of learning and development.
- Results for the Year 1 Phonics Test are rapidly improving and they are significantly above national and local levels.
- End of Key Stage 1 results for Reading, writing and Maths are significantly improving but remain below national expectations. All pupils make good progress.
- There are improvements at the End of Key Stage 2 in Reading, Writing and Grammar, however these remain below National and local expectations.

The school's own internal assessment data up to March 2020, show significant improvements in levels of attainment and progress for children at the end of Foundation Stage, Key Stage 1 and Key Stage 2.

Key financial performance indicators

Our main expenditure is on staff salaries (70%). This is 6% below national average. 12% of our budget goes on 'buildings' (well above national average), including our PFI contribution. 18% of our budget is spent on 'resources' and 'other' expenditure - this is slightly higher than the national average.

Carmountside Primary Academy

Trustees' Report for the Year Ended 31st August 2020

Strategic report

Financial review

Principal funding sources

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31st August 2020 and the associated expenditure are shown in the statement of financial activities.

The Academy also received funding from the Local Authority for individually assigned resources for supporting pupils with Special Educational Needs with associated funding allocation. This also includes Early Years Funding grant.

In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income.

During the year ended 31st August 2020, incoming resources included amounted to £1,452,280. The majority of this funding was received from the ESFA and local authority in connection with the educational operations on the Trust. Notes 2-5 show a detailed breakdown of the incoming resources.

Resources expended for the period of £1,595,838, showed a deficit in year of £143,558. The reason for the in-year deficit was largely due to £92,000 cost attributed to the LGPS, along with depreciation on tangible fixed assets. The actuarial loss on the LGPS of £58,000 led to an ultimate decrease in overall funds for the year of £201,558. The trustees are concerned with the deficit on the LGPS following the year end valuation and will now be exploring measures to mitigate this situation.

At the balance sheet date the Academy held a positive balance of £143,533 of unrestricted funds, £88,626 of general restricted funds, £1,440 of specific restricted funds and £2,367,863 of restricted fixed asset funds, offset by a deficit on the LGPS of £886,000.

The Academy has a Risk Management Policy. The Governors are aware of the risks that the Academy may face in the short, medium and long term. The principle risks and uncertainties (other than the pension deficit and PFI charges) are:

- Pupil numbers
- Uncertainty over timeline for ending of pupil sector pay freeze
- New national funding agreements
- Public sector pensions
- Success/impact of capital building projects
- Changes to PFI charges

Investment policy and objectives

The Academy will only invest in risk free and easily accessible deposit accounts. Funds can be invested up to 12 months if appropriate.

The Academy's Investment Strategy is:

- Regularly monitor cash flow and current & fund accounts to ensure immediate financial commitments can be met (Payroll & payment runs) and that the accounts have adequate balances to meet forthcoming commitments.
- The school moved to Lloyds Bank when we converted to Academy status and set up accounts appropriate for an Academy

Reserves policy

The Academy holds reserves to ensure that it can continue to operate and meets its objectives throughout the year. The governors consider the level of reserves appropriate for this purpose and review them regularly. The Governors aim to set aside up to 8% of the budget to cover any unexpected costs with possibly higher reserves for any forward planned capital projects

Carmountside Primary Academy

Trustees' Report for the Year Ended 31st August 2020

Strategic report

Financial review

Going concern

After making appropriate enquiries, the governing body has a reasonable expectation that the academy 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 financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies note of the financial statements.

Fundraising

Our fundraising events include Table Top Sales and Raffles, namely at Christmas and Summer Fairs. Funds raised this year have been used to contribute towards school trips and to purchase classroom equipment. We have also participated in non-uniform days and donations raised have been forwarded to the relevant Charities. We do not work with professional fundraisers.

Principal risks and uncertainties

The Governors have implemented a number of systems to assess risk, especially in the operational areas (eg. in relation to teaching, health & safety, bullying, school trips) and in relation to control of finance. They have introduced systems, including operational procedures and financial controls in order to minimise risk. Where significant financial risk still remains, they have ensured that they have adequate insurance cover.

Through the Risk Management process established for the school, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Financial and risk management objectives and policies

Risk Management

The Governors are responsible for overseeing the risks faced by the school. Detailed considerations of risk are delegated to the Senior Leadership Team of the school. Risks are identified, assessed and controls established throughout the year. A Risk management Register is established and will be reviewed annually. Actions plans are put in place for any risk considered to be both likely and with severe consequences.

Future plans

The Governors intend to continue their current strategies of maintaining the Academy's position in a competitive market by providing outstanding education for all pupils. Achieving high standards of academic results is a constant aim whilst maintaining the breadth and depth of wider education to develop the whole child.

The Headteacher and senior staff continue to review the curriculum to ensure that it remains broad, balanced and relevant to the needs of our pupils.

Our future plans are financed from income direct from the DfE, related to pupil numbers and other lump sum factors. Governors will ensure funding is invested appropriately for the next generation of pupils, as they have done in the past for current pupils.

Maintaining and, where necessary, developing the fabric of the facilities of the school are central to our strategy. Opportunities to develop our facilities to enhance pupils learning are key.

We have a planned programme of maintenance and investment. Each year we invest in computing equipment and infrastructure to ensure our pupils and staff have the very best technology we can provide.

Structure, governance and management

Governing document

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

The trustees of Carmountside Primary Academy are also the directors of the charitable company for the purposes of company law. The charitable company is known as Carmountside Primary Academy.

Details of the trustees who served during the year are included in the Reference and Administrative Details.

Carmountside Primary Academy

Trustees' Report for the Year Ended 31st August 2020

Structure, governance and management

Members' liability

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

Trustees' Indemnities

In accordance with normal practice the Academy has purchased insurance to protect the Trustees from claims arising from negligent acts, errors or omissions whilst on Academy business.

Principal activities

Our 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, carrying on, managing and developing a school offering a broad and balanced curriculum. We are an educational institution which is principally concerned with providing full-time education for children of compulsory school age.

Recruitment and appointment of new governors

The Governors of the Academy Trust shall comprise the signatories to the Memorandum of Association and up to 18 persons who may be appointed by a majority vote of members - These 18 are made up as follows:

- 2 staff representatives - through open election for all eligible members of staff working at Carmountside Primary Academy
- 4 parent representatives - through open election for all eligible parents or guardians of pupils at Carmountside Primary Academy
- 3 'co-opted' members - these are co-opted from the local community to the Governing Body. We would seek to appoint Governors with relevant background or experience to compliment the existing Governor qualifications. Co-opted Governors serve for a period of 3 years. They can be re-nominated after each 3 year period.
- Up to 9 'Community' members - These are co-opted from the wider community to the Governing Body. We would seek to appoint Governors with relevant background or experience to compliment the existing Governor qualifications. Community Governors serve for a period between 6 months and 3 years. They can be re-nominated after each period.
- The Head Teacher is an ex-officio governor.

Organisational structure

The Governors determine the general policy of the school. The day to day running of the school is delegated to the Headteacher, supported by Senior Leadership Team. The Headteacher undertakes the key leadership role, overseeing educational, pastoral and administrative functions in consultation with senior staff. The day to day administration is undertaken within the policies and procedures approved by the governors which provide for only significant expenditure decisions and major capital projects to be referred to the Governors for prior approval.

The Headteacher oversees the recruitment of all school staff. The Headteacher is an ex-officio governor, Principal Accounting Officer and attends all meetings. Members of the Senior Leadership Team are invited to attend meetings as appropriate.

Carmountside Primary Academy

Trustees' Report for the Year Ended 31st August 2020

Structure, governance and management

Induction and training of new governors

All Governors are expected to undertake training as appropriate to their work at the school. New Governors will be provided with an induction programme delivered partly in house and partly through external sources as required.

New Governors will:

- Be welcomed to the governing body by the Chair.
- Be invited by the Headteacher to visit the school to experience its atmosphere and understand its ethos.
- Have opportunity to tour the school and meet the children and staff.
- Receive informal briefing on the school from the Headteacher to explain the partnership between the Headteacher, school and governing body.
- Have the opportunity to meet informally with an existing governor who will then act as their mentor. They will explain how the governing body and its committees works.
- Be encouraged to join committee(s) of their choice.
- Be accompanied by their mentor to their first full governing body meeting (if required).
- Be given background information/material on the school & current issues.
- Be encouraged to ask questions about their role.
- Be encouraged to access training.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration of key management personnel is determined by a variety of contributory factors, such as the school group size, ISR, the pay scales for each role e.g. Headteacher, Deputy Headteacher, Assistant Headteacher, and the level of experience of the staff member. In addition to this, levels of pay may be effected by any nationally agreed pay awards, the ability to recruit key management personnel and retain them in post, which all coincides with the schools appointment and pay policies. All amendments to key management personnel's pay and remuneration is discussed and agreed by the governing body.

Related parties

There are no related parties which either control or significantly influence the decisions and operations of the Academy. There are no sponsors or formal Parent Teacher Association associated with the Academy.

Trade Union Facility Time

The Academy Trust has less than 49 full time equivalent employees, throughout 7 months within the reporting period, and therefore has not provided information included in Schedule 2 of the Regulations.

Funds held as custodian for others

The Academy does not hold such funds.

Auditors

The auditors, Hardings, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 11th December 2020 and signed on the board's behalf by:



N Williams - Trustee

Carmountside Primary Academy

Governance Statement for the Year Ended 31st August 2020

Scope of Responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the 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 Carmountside Primary Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 3 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Governor	Meetings Attended	Out of a possible
R Palin	0	3
N Williams (chair)	3	3
B Lorrento	3	3
L Challinor (accounting officer)	3	3
L Hall (resigned 29/06/2020)	0	3
M Oldfield	3	3
J Cowden	3	3
E Dean	3	3
S Lynch	3	3
A Fairgrieve	3	3
J Belt (appointed 04/11/2019)	3	3
J Wootley (appointed 04/11/2019)	3	3
K Edwards	3	3

The Resources/Finance Committee is a sub-committee of the main governing body. Its purpose is to oversee financial, staff, premises, IT and Health & Safety issues.

The committee consists of R Palin, L Challinor, B Lorento, N Williams, K Edwards and L Hall who resigned on 29/06/2020.

Governor	Meetings Attended	Out of a possible
R Palin	0	2
B Lorrento	2	2
L Challinor (accounting officer)	2	2
N Williams	2	2
L Hall (resigned 29/06/2020)	0	2
K Edwards	2	2

Carmountside Primary Academy

Governance Statement for the Year Ended 31st August 2020

Review of Value for Money

As accounting officer the Head teacher 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 tax payer resources received.

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

- Funding
- Staffing
- Accommodation and the school site
- Material resources and equipment.

The Purpose of the System of Internal Control

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

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1st September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

Carmountside Primary Academy

Governance Statement for the Year Ended 31st August 2020

The Risk and Control Framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees have appointed a trustee to carry out a programme of internal checks. The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular, the checks carried out in the current period included:

- Testing of payroll systems
- Testing of purchase systems
- Testing of Income
- Testing of control accounts/bank reconciliations

On a quarterly basis, the reviewer reports to the board of trustees, through the Resources/Finance committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Review of Effectiveness

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

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

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

The interim 'Responsible Officer' is Mrs B Lorento.

Approved by order of the members of the board of trustees on 11th December 2020 and signed on its behalf by:



N Williams - Trustee



Mrs L Challinor - Accounting Officer

Carmountside Primary Academy

Statement on Regularity, Propriety and Compliance for the Year Ended 31st August 2020

As accounting officer of Carmountside Primary Academy I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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

Mrs L Challinor - Accounting Officer



11th December 2020

Carmountside Primary Academy

Statement of Trustees' Responsibilities for the Year Ended 31st August 2020

The trustees (who act as governors of Carmountside Primary Academy and 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 issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and estimates that are reasonable and prudent;
- 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 to 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 the ESFA/DfE have been applied for the purposes intended.

In so far as the trustees are aware:

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

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 board of trustees on 11th December 2020 and signed on its behalf by:



N Williams - Trustee

Report of the Independent Auditors to the Members of Carmountside Primary Academy

Opinion

We have audited the financial statements of Carmountside Primary Academy (the 'academy trust') for the year ended 31st August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Carmountside Primary Academy

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company 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 trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

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

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

Use of our report

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



Timothy McNeal FCA (Senior Statutory Auditor)
for and on behalf of Hardings
Chartered Accountants & Statutory Auditor
6 Marsh Parade
Newcastle-under-Lyme
Staffordshire
ST5 1DU

11th December 2020

Independent Reporting Accountant's Assurance Report on Regularity to Carmountside Primary Academy and the Education and Skills Funding Agency

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

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

Respective responsibilities of Carmountside Primary Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Carmountside Primary Academy's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1st September 2019 to 31st August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Hardings
Chartered Accountants
6 Marsh Parade
Newcastle-under-Lyme
Staffordshire
ST5 1DU

11th December 2020

Carmountside Primary Academy

**Statement of Financial Activities
for the Year Ended 31st August 2020**

					31/8/20	31/8/19
			Restricted fixed assets funds £	Restricted funds £	Total funds £	Total funds £
	Notes	Unrestricted funds £				
Income and endowments from						
Donations and capital grants	2	722	7,629	2,629	10,980	22,686
Charitable activities						
Funding for the academy's educational operations	3	-	-	1,403,533	1,403,533	1,337,397
Other trading activities	4	14,210	-	23,413	37,623	59,516
Investment income	5	144	-	-	144	168
Total		15,076	7,629	1,429,575	1,452,280	1,419,767
Expenditure on						
Raising funds	7	-	-	5,043	5,043	8,843
Charitable activities						
Academy's educational operations	8	-	82,355	1,508,440	1,590,795	1,529,562
Total	6	-	82,355	1,513,483	1,595,838	1,538,405
NET INCOME/(EXPENDITURE)		15,076	(74,726)	(83,908)	(143,558)	(118,638)
Transfers between funds	19	-	44,446	(44,446)	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		-	-	(58,000)	(58,000)	(247,000)
Net movement in funds		15,076	(30,280)	(186,354)	(201,558)	(365,638)
Reconciliation of funds						
Total funds brought forward		128,457	2,398,143	(609,580)	1,917,020	2,282,658
Total funds carried forward		<u>143,533</u>	<u>2,367,863</u>	<u>(795,934)</u>	<u>1,715,462</u>	<u>1,917,020</u>

The notes form part of these financial statements

Carmountside Primary Academy (Registered number: 08170071)

**Balance Sheet
31st August 2020**

				31/8/20	31/8/19
		Unrestricted funds	Restricted fixed assets funds	Total funds	Total funds
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13	-	2,367,863	2,367,863	2,398,143
Current assets					
Stocks	14	-	-	3,128	2,640
Debtors	15	-	-	81,228	67,735
Cash at bank and in hand		143,533	-	223,948	266,620
		<u>143,533</u>	<u>-</u>	<u>308,304</u>	<u>336,995</u>
Creditors					
Amounts falling due within one year	16	-	-	(74,705)	(82,118)
		<u>143,533</u>	<u>-</u>	<u>233,599</u>	<u>254,877</u>
Net current assets					
		<u>143,533</u>	<u>-</u>	<u>90,066</u>	<u>254,877</u>
Total assets less current liabilities		<u>143,533</u>	<u>2,367,863</u>	<u>2,601,462</u>	<u>2,653,020</u>
Pension liability	20	-	-	(886,000)	(736,000)
		<u>143,533</u>	<u>2,367,863</u>	<u>1,715,462</u>	<u>1,917,020</u>
NET ASSETS		<u>143,533</u>	<u>2,367,863</u>	<u>1,715,462</u>	<u>1,917,020</u>
Funds	19				
Unrestricted funds				143,533	128,457
Restricted funds				1,571,929	1,788,563
Total funds				<u>1,715,462</u>	<u>1,917,020</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 11th December 2020 and were signed on its behalf by:



N Williams - Trustee

Carmountside Primary Academy

**Cash Flow Statement
for the Year Ended 31st August 2020**

	Notes	31/8/20 £	31/8/19 £
Cash flows from operating activities			
Cash generated from operations	22	2,475	32,841
Net cash provided by operating activities		2,475	32,841
Cash flows from investing activities			
Purchase of tangible fixed assets		(52,075)	(19,650)
Capital grants from DfE/EFA		6,784	17,109
Interest received		144	168
Net cash used in investing activities		(45,147)	(2,373)
Change in cash and cash equivalents in the reporting period		(42,672)	30,468
Cash and cash equivalents at the beginning of the reporting period		266,620	236,152
Cash and cash equivalents at the end of the reporting period		223,948	266,620

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31st August 2020**

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2019 to 2020 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Carmountside Primary Academy meets the definition of a public benefit entity under FRS 102.

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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received 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 period is deducted from income and recognised as a liability.

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

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

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2020**

1. Accounting policies - continued

Donated goods, facilities and services

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the academy trust to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

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

Charitable activities

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

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Freehold property	- over the expected useful economic life
Leasehold land & buildings	- over the expected useful economic life
Improv's to leasehold property	- over the expected useful economic life
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on cost

*Note that no depreciation is charged on any land included above.

Assets costing £50 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2020**

1. Accounting policies - continued

Tangible fixed assets

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.

Financial instruments

The academy trust only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

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

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

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

Stocks

Unsold uniforms are valued at the lower of cost or net realisable value.

Taxation

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

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2020**

1. Accounting policies - continued

Fund accounting

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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in the note 20, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

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

Liabilities

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

Provisions

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

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

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

2. Donations and capital grants

	Unrestricted funds £	Restricted funds £	31/8/20 Total funds £	31/8/19 Total funds £
Donations	722	543	1,265	857
Donated fixed assets	-	845	845	-
Grants	-	6,784	6,784	17,109
Educational visits	-	2,086	2,086	4,720
	<u>722</u>	<u>10,258</u>	<u>10,980</u>	<u>22,686</u>

Grants received, included in the above, are as follows:

	31/8/20 £	31/8/19 £
Capital grants	<u>6,784</u>	<u>17,109</u>

3. Funding for the academy's educational operations

	Unrestricted funds £	Restricted funds £	31/8/20 Total funds £	31/8/19 Total funds £
DfE/ESFA revenue grant				
General Annual Grant(GAG)	-	1,007,141	1,007,141	945,802
Other DfE / ESFA grant	-	218,747	218,747	192,871
	<u>-</u>	<u>1,225,888</u>	<u>1,225,888</u>	<u>1,138,673</u>
Other government grant				
Local Authority grants	-	176,995	176,995	198,724
Other grant				
Other grant	-	650	650	-
	<u>-</u>	<u>1,403,533</u>	<u>1,403,533</u>	<u>1,337,397</u>

4. Other trading activities

	Unrestricted funds £	Restricted funds £	31/8/20 Total funds £	31/8/19 Total funds £
Fundraising events	884	-	884	2,183
Catering income	-	9,018	9,018	18,116
Other activities for generating funds income	13,326	9,584	22,910	34,513
Miscellaneous income	-	1,011	1,011	180
Receipts from supply teacher insurance claims	-	3,800	3,800	4,524
	<u>14,210</u>	<u>23,413</u>	<u>37,623</u>	<u>59,516</u>

Carmountside Primary Academy

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2020**

5. Investment income

	Unrestricted funds £	Restricted funds £	31/8/20 Total funds £	31/8/19 Total funds £
Deposit account interest	144	-	144	168

6. Expenditure

	Non-pay expenditure			31/8/20	31/8/19
	Staff costs £	Premises £	Other costs £	Total £	Total £
Raising funds					
Costs of fundraising					
Direct costs	-	-	5,043	5,043	8,843
Charitable activities					
Academy's educational operations					
Direct costs	978,281	-	75,692	1,053,973	1,013,427
Allocated support costs	133,005	305,390	98,427	536,822	516,135
	<u>1,111,286</u>	<u>305,390</u>	<u>179,162</u>	<u>1,595,838</u>	<u>1,538,405</u>

Net income / (expenditure) for the period includes:

	31/8/20 £	31/8/19 £
Auditor's remuneration	3,600	3,600
Depreciation - owned assets	26,443	23,925
Depreciation - leasehold assets	55,814	55,328
Loss on disposal of fixed assets	98	-
Other operating leases	1,336	1,337

7. Raising funds

Costs of fundraising

	Unrestricted funds £	Restricted funds £	31/8/20 Total funds £	31/8/19 Total funds £
Educational visits	-	5,043	5,043	8,843

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2020**

8. Charitable activities - academy's educational operations

	Unrestricted funds £	Restricted funds £	31/8/20 Total funds £	31/8/19 Total funds £
Direct costs	-	1,053,973	1,053,973	1,013,427
Support costs	-	536,822	536,822	516,135
	-	1,590,795	1,590,795	1,529,562

	31/8/20 Total £	31/8/19 Total £
Analysis of support costs		
Support staff costs	133,005	132,503
Depreciation	16,990	16,291
Technology costs	17,365	16,764
Premises costs	193,411	195,000
Other support costs	57,472	66,815
Governance costs	118,579	88,762
Total support costs	536,822	516,135

9. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31st August 2020 nor for the year ended 31st August 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st August 2020 nor for the year ended 31st August 2019.

10. Staff costs

	31/8/20 £	31/8/19 £
Wages and salaries	833,782	810,926
Social security costs	65,216	62,947
Operating costs of defined benefit pension schemes	197,138	158,451
	1,096,136	1,032,324
Supply teacher costs	15,150	25,523
	1,111,286	1,057,847

The average number of persons (including senior management team) employed by the academy trust during the year was as follows:

	31/8/20	31/8/19
Teachers	9	9
Administration and support	31	32
Management	5	5
	45	46

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

10. Staff costs - continued

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

	31/8/20	31/8/19
£60,001 - £70,000	<u>1</u>	<u>-</u>

The key management personnel of the academy trust comprise of the trustees and the senior management team as listed on page 1. The amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £320,399 (2019: £295,286).

11. Trustees' and officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

12. Comparatives for the statement of financial activities

	Unrestricted funds £	Restricted fixed assets funds £	Restricted funds £	Total funds £
Income and endowments from				
Donations and capital grants	322	17,109	5,255	22,686
Charitable activities				
Funding for the academy's educational operations	-	-	1,337,397	1,337,397
Other trading activities	21,107	-	38,409	59,516
Investment income	168	-	-	168
Total	<u>21,597</u>	<u>17,109</u>	<u>1,381,061</u>	<u>1,419,767</u>
Expenditure on				
Raising funds	-	-	8,843	8,843
Charitable activities				
Academy's educational operations	2,499	79,253	1,447,810	1,529,562
Total	<u>2,499</u>	<u>79,253</u>	<u>1,456,653</u>	<u>1,538,405</u>
NET INCOME/(EXPENDITURE)	<u>19,098</u>	<u>(62,144)</u>	<u>(75,592)</u>	<u>(118,638)</u>
Transfers between funds	<u>-</u>	<u>2,541</u>	<u>(2,541)</u>	<u>-</u>
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes	-	-	(247,000)	(247,000)
Net movement in funds	<u>19,098</u>	<u>(59,603)</u>	<u>(325,133)</u>	<u>(365,638)</u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

12. Comparatives for the statement of financial activities - continued

	Unrestricted funds £	Restricted fixed assets funds £	Restricted funds £	Total funds £
Reconciliation of funds				
Total funds brought forward	109,359	2,457,746	(284,447)	2,282,658
Total funds carried forward	<u>128,457</u>	<u>2,398,143</u>	<u>(609,580)</u>	<u>1,917,020</u>

13. Tangible fixed assets

	Freehold property £	Leasehold land & buildings £	Improv's to leasehold property £
Cost			
At 1st September 2019	200,030	2,385,000	48,027
Additions	-	-	34,780
Disposals	-	-	-
At 31st August 2020	<u>200,030</u>	<u>2,385,000</u>	<u>82,807</u>
Depreciation			
At 1st September 2019	13,335	302,886	15,397
Charge for year	3,334	50,481	5,333
Eliminated on disposal	-	-	-
At 31st August 2020	<u>16,669</u>	<u>353,367</u>	<u>20,730</u>
Net book value			
At 31st August 2020	<u>183,361</u>	<u>2,031,633</u>	<u>62,077</u>
At 31st August 2019	<u>186,695</u>	<u>2,082,114</u>	<u>32,630</u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

13. Tangible fixed assets - continued

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
Cost				
At 1st September 2019	150,371	5,782	109,446	2,898,656
Additions	4,205	-	13,090	52,075
Disposals	(180)	-	(147)	(327)
	<u>154,396</u>	<u>5,782</u>	<u>122,389</u>	<u>2,950,404</u>
Depreciation				
At 1st September 2019	76,664	4,796	87,435	500,513
Charge for year	11,313	246	11,550	82,257
Eliminated on disposal	(121)	-	(108)	(229)
	<u>87,856</u>	<u>5,042</u>	<u>98,877</u>	<u>582,541</u>
Net book value				
At 31st August 2020	<u>66,540</u>	<u>740</u>	<u>23,512</u>	<u>2,367,863</u>
At 31st August 2019	<u>73,707</u>	<u>986</u>	<u>22,011</u>	<u>2,398,143</u>

Included in cost of leasehold land and property is a valuation of leasehold land of £710,000 which is not depreciated.

14. Stocks

	31/8/20 £	31/8/19 £
Stocks	<u>3,128</u>	<u>2,640</u>

15. Debtors: amounts falling due within one year

	31/8/20 £	31/8/19 £
VAT	17,683	6,094
Prepayments and accrued income	<u>63,545</u>	<u>61,641</u>
	<u>81,228</u>	<u>67,735</u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

16. Creditors: amounts falling due within one year

	31/8/20	31/8/19
	£	£
Trade creditors	-	4,862
Social security and other taxes	14,588	16,206
Other creditors	21,680	18,785
Accruals and deferred income	26,909	29,136
Deferred government grants	11,528	13,129
	<u>74,705</u>	<u>82,118</u>

Deferred government grants

	31/8/20	31/8/19
	£	£
Deferred income as at 1st September 2019	13,129	15,933
Resources deferred in the year	11,528	13,129
Amounts released from previous years	(13,129)	(15,933)
	<u>11,528</u>	<u>13,129</u>

At the balance sheet date, the academy was holding funds received in advance from the ESFA in respect of the Universal Infant Free School Meals commencing in September 2020.

17. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31/8/20	31/8/19
	£	£
Within one year	<u>58</u>	<u>1,336</u>

18. 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.

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

19. Movement in funds

	At 1/9/19 £	Net movement in funds £	Transfers between funds £	At 31/8/20 £
Unrestricted funds				
Unrestricted funds	128,457	15,076	-	143,533
Restricted funds				
General Annual Grant (GAG)	102,000	10,621	(44,446)	68,175
Other DfE / ESFA grants	22,980	(2,529)	-	20,451
Pension deficit	(736,000)	(150,000)	-	(886,000)
Restricted fixed assets funds	2,398,143	(74,726)	44,446	2,367,863
Minibus	1,440	-	-	1,440
	<u>1,788,563</u>	<u>(216,634)</u>	<u>-</u>	<u>1,571,929</u>
TOTAL FUNDS	<u>1,917,020</u>	<u>(201,558)</u>	<u>-</u>	<u>1,715,462</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted funds	15,076	-	-	15,076
Restricted funds				
General Annual Grant (GAG)	1,007,141	(996,520)	-	10,621
Other DfE / ESFA grants	218,747	(221,276)	-	(2,529)
Local Authority grants	176,995	(176,995)	-	-
Other	26,692	(26,692)	-	-
Pension deficit	-	(92,000)	(58,000)	(150,000)
Restricted fixed assets funds	7,629	(82,355)	-	(74,726)
	<u>1,437,204</u>	<u>(1,595,838)</u>	<u>(58,000)</u>	<u>(216,634)</u>
TOTAL FUNDS	<u>1,452,280</u>	<u>(1,595,838)</u>	<u>(58,000)</u>	<u>(201,558)</u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

19. Movement in funds - continued

Comparatives for movement in funds

	At 1/9/18 £	Net movement in funds £	Transfers between funds £	At 31/8/19 £
Unrestricted funds				
Unrestricted funds	109,359	19,098	-	128,457
Restricted funds				
General Annual Grant (GAG)	99,141	5,400	(2,541)	102,000
Other DfE / ESFA grants	32,492	(9,512)	-	22,980
Other	9,480	(9,480)	-	-
Pension deficit	(427,000)	(309,000)	-	(736,000)
Restricted fixed assets funds	2,457,746	(62,144)	2,541	2,398,143
Minibus	1,440	-	-	1,440
	<u>2,173,299</u>	<u>(384,736)</u>	<u>-</u>	<u>1,788,563</u>
TOTAL FUNDS	<u>2,282,658</u>	<u>(365,638)</u>	<u>-</u>	<u>1,917,020</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted funds	21,597	(2,499)	-	19,098
Restricted funds				
General Annual Grant (GAG)	945,802	(940,402)	-	5,400
Other DfE / ESFA grants	192,871	(202,383)	-	(9,512)
Local Authority grants	198,724	(198,724)	-	-
Other	43,664	(53,144)	-	(9,480)
Pension deficit	-	(62,000)	(247,000)	(309,000)
Restricted fixed assets funds	17,109	(79,253)	-	(62,144)
	<u>1,398,170</u>	<u>(1,535,906)</u>	<u>(247,000)</u>	<u>(384,736)</u>
TOTAL FUNDS	<u>1,419,767</u>	<u>(1,538,405)</u>	<u>(247,000)</u>	<u>(365,638)</u>

Purposes of unrestricted funds

Included in unrestricted funds is income generated from the before and after club and other small donations etc. which carry no specific restrictions. These funds are available for the Academy to use as deemed appropriate.

Purposes of restricted funds

The General Annual Grant represents the grant funding received from the ESFA in order to cover the on-going costs of the academy trust. Under the funding agreement with the Secretary of State, the academy trust was not subject to any limit on the amount of GAG that it could carry forward as at 31st August 2020.

Other DfE/ESFA grants received predominantly include pupil premium, universal infant free school meals along with PE, phonics and moderation.

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2020**

19. Movement in funds - continued

Local Authority grants include early years funding as well as funding to support children with special education needs.

The minibus fund relates to donations received to finance a new minibus.

Purposes of restricted fixed assets funds

The restricted fixed asset fund reflects resources received by the academy to acquire assets for continuing use and furtherance of the academy's aim and objectives. Resources expended reflect the associated depreciation charges as set out in the accounting policies.

20. Pension and similar obligations

The academy trust'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 Staffordshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £21,680 were payable to the schemes at 31 August 2020 (2019: £18,785) and are included within creditors.

Teachers' pension scheme

Introduction

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

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

Valuation of the teachers' pension scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every four 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 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. 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% employer administration charge
- 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 1st April 2023.

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2020**

20. Pension and similar obligations - continued

The employer's pension costs paid to TPS in the period amounted to £112,138 (2019: £74,451).

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

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £105,000 (2019: £105,000), of which employer's contributions totalled £85,000 (2019: £84,000) and employees' contributions totalled £20,000 (2019: £21,000). The agreed contribution rates for future years are 24.9% for employers and the contribution for employees is dependant upon salary banding.

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

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Present value of funded obligations	(1,932,000)	(1,681,000)
Fair value of plan assets	1,046,000	945,000
	<u>(886,000)</u>	<u>(736,000)</u>
Present value of unfunded obligations	-	-
Deficit	<u>(886,000)</u>	<u>(736,000)</u>
Net liability	<u><u>(886,000)</u></u>	<u><u>(736,000)</u></u>

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Current service cost	163,000	125,000
Net interest from net defined benefit asset/liability	32,000	36,000
Past service cost	-	9,000
	<u>195,000</u>	<u>170,000</u>
Actual return on plan assets	<u><u>7,000</u></u>	<u><u>29,000</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31st August 2020

20. Pension and similar obligations - continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Opening defined benefit obligation	1,681,000	1,232,000
Current service cost	163,000	125,000
Past service cost	-	9,000
Contributions by scheme participants	20,000	21,000
Interest cost	32,000	36,000
Benefits paid	(29,000)	(18,000)
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	(32,000)	(93,000)
Actuarial (gains)/losses from changes in financial assumptions	(1,000)	369,000
Oblig other experience	98,000	-
	<u>1,932,000</u>	<u>1,681,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Opening fair value of scheme assets	945,000	805,000
Contributions by employer	85,000	84,000
Contributions by scheme participants	20,000	21,000
Interest income on plan assets	18,000	24,000
Benefits paid	(29,000)	(18,000)
Return on plan assets (excluding interest income)	7,000	29,000
	<u>1,046,000</u>	<u>945,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	32,000	93,000
Actuarial (gains)/losses from changes in financial assumptions	1,000	(369,000)
Oblig other experience	(98,000)	-
Return on plan assets (excluding interest income)	7,000	29,000
	<u>(58,000)</u>	<u>(247,000)</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2020**

20. Pension and similar obligations - continued

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	31/8/20	31/8/19
	£	£
Equities	711,280	642,600
Bonds	209,200	207,900
Property	83,680	75,600
Cash	41,840	18,900
	<u>1,046,000</u>	<u>945,000</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	31/8/20	31/8/19
Discount rate	1.70%	1.80%
Future salary increases	2.60%	2.70%
Future pension increases	2.20%	2.30%
Inflation assumption (CPI)	2.90%	2.30%
Commutation of pensions to lump sums	50.00%	50.00%

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

	At 31/8/20	At 31/8/19
Retiring today		
Males	21.2	22.1
Females	23.6	23.5
Retiring in 20 years		
Males	22.1	22.2
Females	25.0	24.8

Sensitivity Analysis

	Approx monetary amount	
Change in assumption as at :	31/08/20	31/08/19
	£	£
0.5% decrease in Real Discount Rate	289,000	237,000
0.5% increase in Salary Increase Rate	23,000	22,000
0.5% increase in Pension Increase Rate	262,000	210,000

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2020**

21. Related party disclosures

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

No related party transactions took place during the year.

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

	31/8/20 £	31/8/19 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(143,558)	(118,638)
Adjustments for:		
Depreciation charges	82,257	79,253
Capital grants from DfE/ESFA	(6,784)	(17,109)
Loss on disposal of fixed assets	98	-
Interest received	(144)	(168)
Increase in stocks	(488)	(476)
(Increase)/decrease in debtors	(13,493)	3,122
(Decrease)/increase in creditors	(7,413)	24,857
Difference between pension charge and cash contributions	<u>92,000</u>	<u>62,000</u>
Net cash provided by operations	<u>2,475</u>	<u>32,841</u>

23. Analysis of changes in net funds

	At 1/9/19 £	Cash flow £	At 31/8/20 £
Net cash			
Cash at bank and in hand	<u>266,620</u>	<u>(42,672)</u>	<u>223,948</u>
	<u>266,620</u>	<u>(42,672)</u>	<u>223,948</u>
Total	<u>266,620</u>	<u>(42,672)</u>	<u>223,948</u>