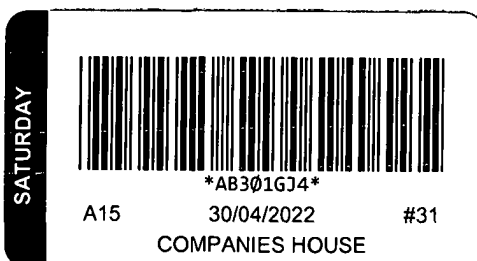


Company Registration Number: 07538386 (England & Wales)

AYLESBURY GRAMMAR SCHOOL
(A company limited by guarantee)

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



AYLESBURY GRAMMAR SCHOOL
(A company limited by guarantee)

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AYLESBURY GRAMMAR SCHOOL
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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021**

Members:	Mr K B Hardern Mr J Cragg Mrs G M M Miscampbell Mr M J Sturgeon (resigned 01.03.2021) Mr R D Williams The Aylesbury Grammar School Foundation Trust
Governors:	Mr R D Williams, Appointed Governor, Chair of Governors Mr K Amor, Parent Governor (resigned 24.01.2021) Mr P A Bown, Foundation Governor Mr M Brock, Co-opted Governor, Chair of Resources (including Finance) committee Wing Commander L Cobley, Foundation Governor Mr J R Collins, Foundation Governor, Chair of Learning & Teaching committee, Mrs J A Dennis, Appointed Governor Mr A Falls, Parent Governor, (appointed 07.05.2021) Mr N Gibbs, Staff Governor Mr A Hall, Parent Governor, (appointed 07.05.2021) Mr K B Hardern, Foundation Governor Mr P Jennings, Parent Governor, (appointed 07.05.2021) Mr C King, Staff Governor (resigned 31.07.2021) Ms J Moore, Appointed Governor Mr Y Odukoya, Parent Governor Mr M J Sturgeon, Headmaster; Staff Governor Mrs A Ward, Co-opted Governor from 04.12.2020, previously Parent Governor, Vice-Chair of Governors, Chair of Personnel & Pay Review Committee Mr S Winman, Co-opted Governor, Chair of Community & Development committee Mr E Walter, Appointed Governor (appointed 22.01.2021)
Company Secretary:	Mrs C Cobb
Senior Leadership Team:	Mr M J Sturgeon, Headmaster and Accounting Officer Mrs P A Venning, Deputy Head Dr K J Smith, Assistant Head Mr G Singh, Assistant Head Mr G Dallas, Assistant Head Mr I Digby, Resources Director and Chief Financial Officer Mrs V Beckley, Assistant Head
Company Name:	Aylesbury Grammar School
Registered Office:	Walton Road Aylesbury HP21 7RP
Company Registration Number:	07538386
Independent Auditor:	Landau Baker Limited Mountcliff House 154 Brent Street London NW4 2DR

AYLESBURY GRAMMAR SCHOOL
(A company limited by guarantee)

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

Bankers:

Lloyds Bank
Market Square
Aylesbury
HP20 2PN

Solicitors:

Veale Wasbrough Vizards
Barnards Inn
86 Fetter Lane
London
EC4A 1AD

AYLESBURY GRAMMAR SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Governors of Aylesbury Grammar School (who are also the Trustees) present their annual report together with the financial statements and auditor's report of the charitable company for the year 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.

Aylesbury Grammar School (the "School" or the "Academy Trust") is an academy for pupils aged 11 to 18 serving a catchment area of Aylesbury and surrounding towns and villages. It has a pupil capacity of 1,336 and had a roll of 1,329 in the school census in January 2021.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are its primary governing documents. The members of the Aylesbury Grammar School Governing Body (the "Governors") are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Aylesbury Grammar School.

Details of the Governors who served during the financial year are included in the Reference and Administrative details on page 1.

Members' Liability

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

Directors' Indemnities

The Articles of Association state that every Governor shall be indemnified out of the assets of the charitable company against any liability by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he or she is acquitted or in connection with any application in which relief is granted to him or her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of Aylesbury Grammar School.

Aylesbury Grammar School also has employers' liability insurance, public liability insurance and professional indemnity insurance. In accordance with normal commercial practice the School has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on School business. The insurance provides cover up to £2,000,000 on any one claim.

Organisational structure

The organisational structure consists of three levels: the Members of the Academy Trust, the Governors (who are also Directors and Trustees) and the School Senior Leadership Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

Members of the Academy Trust

The membership of the Academy Trust currently comprises the Chairman of Governors, the Chairman of the Aylesbury Grammar School Foundation Trust, a nominated representative elected from the trustees of the Foundation Trust, the original signatories of the charitable company's Memorandum and Articles of Association and two independent members. Any member can resign provided that at least three members remain in office. The members of the Academy Trust have an oversight responsibility over the operation of the Academy Trust but take no active part in this capacity in the governance or management of the School.

Method of Recruitment and Appointment or Election of Governors

Sections 45 to 93 of the charitable company's Articles of Association outline the constitution of the Governing Body and clarify the rules of the Governing Body. The membership of the Governing Body is appointed as follows:

- Up to four Foundation Governors appointed by the Trustees of the Aylesbury Grammar School Foundation Trust (the "Foundation")
- Up to four Parent Governors elected from the adults who are parents or carers of pupils at the School

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

Structure, Governance and Management (continued)

- Up to four Staff Governors; the Headmaster is considered an ex-officio Governor by right and up to three additional Staff Governors are elected by staff members employed at the School
- Up to four Appointed Governors appointed by the Governing Body to reflect the wider communities served by the School and to add to the experience available to the Governing Body
- Up to three Co-opted Governors appointed by the Governing Body to enhance the skills and experience of the body and to retain valuable expertise where necessary

The Governors' terms of office are four years in all cases. Should there be a need to consider changing the composition of the Governing Body, this should first be considered by the Members of the Academy Trust. If they agree, they propose such a change to the Governors for its final ratification.

Policies and Procedures Adopted for the Induction and Training of Governors

All new Governors attend an induction program run by the nominated Development Governor. New Governors are provided with an information pack which includes information on all School policies and their responsibilities under academy status. Governors have access to advice and on-line training via the National Governors Association. Safeguarding is a key part of the induction in all cases and given the highest priority. Governors are expected to undertake continuous and/or further training in their areas of specific interest or in relation to the committee or role in which they operate.

All Governors also complete a regular skills audit which identifies any areas of knowledge within the Governing Body as a whole that need to be improved.

Arrangements for setting Pay and Remuneration of Key Management Personnel

The Key Management Personnel of Aylesbury Grammar School comprise the Members of the Academy Trust, the Governors and the Senior Leadership Team. Neither Members nor Governors receive any remuneration for this role beyond the reimbursement of reasonable expenses incurred directly in connection with their role.

The remuneration of the SLT is set on appointment within a salary range agreed by Governors and detailed in their contract. Pay progression within this scale is subject to an annual performance review by a committee of Governors formed by the Personnel & Pay Review Committee (to include the Chair of Governors) for the Headmaster and by the Headmaster for all other members of the SLT.

Staff Governors are paid for their teaching or support staff roles in accordance with their contracts, with all staff subject to annual performance review.

Trade Union Facility Time

No time has been spent on facility time.

Related Parties and other Connected Charities and Organisations

Aylesbury Grammar School exists as a single entity and is not part of a wider federation of academies.

The Academy Trust has close links with the Aylesburian Annual Fund charity, formerly known as the Aylesbury Grammar School Support Fund charity, which has the following Mission Statement:

"At the discretion of the Aylesbury Annual Fund Trustees and by the provision of funds, services, facilities and training, to advance the education of the students of Aylesbury Grammar School and improve their moral development, so that they may grow to full maturity as responsible citizens."

The Aylesburian Annual Fund charity regularly donates funds to the School for a range of projects which are mainly capital-related in nature, using income generated by private fundraising, parental donations and grants. The Trustees of the Aylesburian Annual Fund are senior staff members of the Academy Trust and the Chairman of the Aylesbury Grammar School PTA, a separate registered charity which makes donations to the School from funds raised from events.

The Academy Trust is also closely linked to the Aylesbury Grammar School Foundation Trust, a separate registered charity which has the following objects:

- Providing such special benefits for the School as may from time to time be agreed by the Trustees;

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

Structure, Governance and Management (continued)

- Awarding to beneficiaries Scholarships, Bursaries or Maintenance Allowances tenable at any School, University, or other place of learning, approved by the Trustees;
- Providing financial assistance, outfits, clothing, tools, instruments or books to enable beneficiaries to prepare for, or to assist their entry into or advancement in, a profession, trade or calling;
- Awarding Scholarships and Maintenance Allowances to enable beneficiaries to travel abroad to pursue their education;
- Providing, or assisting the provision of, facilities for recreation and social and physical training including the provision of coaching for athletics, sports and games, for beneficiaries who are receiving primary, secondary or further education;
- The provision of financial assistance to enable beneficiaries to study music or other arts;
- The provision of accommodation for any one or more persons employed at the School as a residence for such member of staff and any member of his or her family during the period of his or her employment if in the Trustees opinion it would be for the benefit of the School to do so.

In the above, "beneficiaries" means persons who have not attained the age of 25 years who attend or have attended Aylesbury Grammar School and who, in the opinion of the Foundation Trustees, are in need of financial assistance.

The Foundation Trust has income and investments which are separately controlled, and can donate funds to the Academy Trust for the benefit of the students and the School at the discretion of the Foundation Trustees. The Headmaster can apply to the Foundation Trust for funds when there is an established need, but the granting of such requests remains at the discretion of the Foundation Trustees.

The Foundation Trust owns all the land and buildings used by the School, apart from a single rugby pitch which is on a forty-year licence from Buckinghamshire Council with a potential two years' notice period. The Foundation Trust has leased the land and buildings to the Academy Trust on a one hundred and twenty-five year lease at nil cost, which commenced on 1st July 2011.

Objectives and Activities

Objects and Aims

The Academy Trust's main object is to advance, for the public benefit, education in the United Kingdom, in particular (but without prejudice to the generality of the foregoing) by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. A further object is to promote, for the benefit of the inhabitants of Aylesbury and the surrounding areas, the provision of facilities for recreation or other leisure time occupation in the interests of social welfare and with the object of improving the condition of life of the inhabitants.

Objectives, strategies and activities

The strategic direction of the School is documented in 'Our Vision & Strategy 2019 -2024' publication and was further enhanced by Brand Strategy work during 2020 and 2021. The long-term objectives of the Academy Trust that were applicable during the year ended 31st August 2021 and which have now been redefined to apply in the year to 31st August 2022 are set out in the Academy's School Development Plans (SDP) 2020-21 and 2021-22.

Purpose: To inspire & enable all our students to flourish throughout their lives.

Vision: We will be true to our foundation as a 'free school for Aylesbury' giving every student irrespective of background and circumstance an opportunity to flourish. We will provide an education for all our students which is unparalleled in breadth and quality of opportunity, striving to become international leaders in academic and pastoral development. As a result, we will be the School of choice for local families, preparing our community to succeed.

Promise: We nurture character so our students can define for themselves their place in the world.

Values: RESPECT ourselves, our peers and our community. ASPIRE to achieve the best in our learning, in our relationships, in our community and wider life.

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

Objectives and Activities (continued)

Strategic plan

1. Enhance our current provision
2. Extend our influence and impact
3. Transform our School into a global leader in education

The Brand Strategy to deliver the Strategic Plan is summarised by our Brand Statement:
Nurturing Character since 1598

This is delivered through:

- The AGS Learner
- Curriculum
- Extra-curriculum
- Pastoral Care

All activities associated with the School are outlined in sections 5(a) to 5(r) of the Academy Trust's Articles of Association.

Public Benefit

In setting the objectives and planning the activities of the School, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit. Charity law gives a wide meaning to education and does not limit it to education by a teacher in a classroom, playground or sports field. Broadly, education in charity law means to give knowledge to, or develop the abilities of, somebody by teaching, training or instruction, or to bring up children or young people in particular manners, habits or ways of life. Similarly, education might commonly be taken to mean the systematic instruction, schooling or training of children and young people, or, by extension, the development of mental or physical powers and the moulding of some aspect of character.

The Governors are required to assess the activities undertaken at the School and to confirm whether the aims of the School are for the public benefit.

The Governors, through a framework of senior school leadership and regular committee meetings, discuss the curriculum, local community and school environment and have taken due regard of the Charity Commission guidance. The Governors are satisfied that they can demonstrate that the School's aims and activities are purely for the advancement of education, the development of the student cohort and the satisfaction of the parent body.

Strategic Report

Achievements and Performance

The School is in its eleventh year of operation as an academy trust and has a capacity of 1,336 students. Total students in the year ended 31st August 2021 numbered 1,329. The School had 1,338 students for the start of the new academic year in September 2021.

Examination results for 2021 once again met or exceeded the standards which the School expects. At A level there was a 100% pass rate, with 59.4% awarded A* - A grade. The average number of points per candidate based on A2 grades only was 155 on the QCA scale.

In terms of added value for A level as measured by ALIS, the School achieved an overall standardised residual of +0.5 (+0.4 last year). At GCSE level, 76% of all GCSEs taken were awarded a grade 7 or higher (2020, 74%), 87% of students achieved 5 grades 9 – 7 and 99.5% achieved 5 grades 9 – 4, including English and Maths. The total proportion of students achieving the English Baccalaureate was 81% (2020, 77%).

To ensure that standards are continually maintained, the School operates a programme of observation of lessons, and uses data assessment tools such as ALIS and YELLIS to predict grades and monitor student performance at all key stages and assess the added value. The School also participates in national programmes looking at added value through the key stages such as ASP and FFT.

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

Strategic Report (continued)

Achievements and Performance (continued)

Evidence for success in these areas includes:

- Analysis of achievement measures using national comparisons. Whilst standardised data for value added are not yet available on the DfE website (and will not be this year as results have been generated using Teacher Assessed Grades), preliminary data and FFT suggests that at GCSE students have exceeded the national measure of expected progress (+0.5%) and generally met the challenging targets set by YELLIS. At A level raw data suggests that, overall, students are making beyond expected progress following GCSEs.
- Other measures of progress. In the Sixth Form able students have been able to study additional courses beyond the standard three A levels, e.g. a fourth A level, AS Maths or an EPQ. At GCSE all students are able to study for GCSEs in the three separate sciences, with a high number of grades being grade 9.

In relation to staff performance, the School invested over £8,000 in Continuous Professional Development (CPD) – this is much lower than in previous years (less than half) as a result of the Covid situation and leadership programmes being undertaken through Challenge Partners. We funded 30 external courses (mostly online) in key areas linked to our priorities such as whole School development, research, subject knowledge enhancement, supporting the mental health of young people, safeguarding and support for newly qualified teachers.

In addition, there has been in-house training for Health & Safety, wellbeing for teachers, general first aid and subject specific safety training (e.g. for teaching swimming). The School has also invested in a national leadership programme for a member of staff as well as bespoke leadership training for five staff through leading the Aylesbury Vale Challenge Partners Hub – this has become a significant part of the CPD offer to our staff.

Our commitment of time and resources to groups such as the IBSC (International Boys School Coalition) and ACE (the Association for Character Education), in addition to Challenge Partners, has also resulted in important whole school (and individual staff) development, often through collaborative work with other leading schools.

Key Performance Indicators

The Academy Trust has established KPIs and for the financial year ended 31st August 2021 these included:

- Extend and implement the Digital Learning Strategy – for 2020/21 this was achieved by:
 - o Undertaking a review and developing the use of remote learning, including the successful delivery of live lessons remotely
 - o Successful introduction of the role of Digital Learning Leaders to provide support and guidance for all staff, leading to more effective teaching
 - o Uniform classroom set-ups to increase reliability. This includes the installation of a further 27 touchscreen TVs to enhance Learning & Teaching, following the positive feedback from a trial undertaken by the Digital Learning Leaders
 - o Trial of 1-2-1 devices (Chromebooks) undertaken with a view to roll out across student year groups in 2021/22.
- Maintaining the overall percentage of funds spent on staffing below 80% of income (excluding Fixed Assets) – for 2020/21 this has been achieved with staffing costs at 78% of income

In addition, in a normal year of meetings, the Governors would discuss financial data benchmarking. However, for the second year running due to Covid-19, there has been difficulty in compiling this information and the benchmarking discussion has not yet taken place. Once the relevant information is available this will be discussed as early as possible. The aim is to compare the School with the Boys Academic State Schools (BASS) and the Buckinghamshire Academies groups of schools to demonstrate that the Academy Trust's areas of expenditure are appropriate and in keeping with similar schools

A more detailed finance review of the in-year highlights is included later in this report.

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

Going Concern

Going concern is a fundamental accounting concept that underlies the preparation of financial statements of all UK companies. Under the going concern concept, it is assumed that a company will continue in operation and that there is neither the intention nor the need either to liquidate it or to cease trading. It is a requirement that Governors should make a rigorous assessment of whether the Academy Trust is a going concern when preparing annual financial statements.

To this end, the Governors have assessed and reviewed the Academy Trust's financial data for the year ended 31st August 2021. In addition, the SLT has prepared and evaluated, and Governors have discussed, the Academy Trust's 2021-22 financial plan at the Summer 2021 Resources (including Finance) Committee meeting. After making appropriate enquiries, the Governors have a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Strategic Report - Financial Review

Finance Review

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 specific purposes. The grants received from the ESFA during the period ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The School also receives private donations and grants for projects from the Aylesburian Annual Fund Charity, the Foundation Trust and the Aylesbury Grammar School PTA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such donations are shown in the Statement of Financial Activities as restricted income primarily in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31st August 2021, total expenditure of £8,689,452 (2020 - £8,304,950) was covered by GAG funding from the ESFA together with other incoming resources. Net expenditure for the year was £383,024 (2020 - £842,537). This figure includes non-cash items e.g. depreciation and Local Government Pension Scheme adjustments.

At 31st August 2021, the net book value of fixed assets was £9,712,129 (2020 - £9,749,575). The assets are used exclusively for providing education and the associated support services to the students of the School.

The net current assets of the Academy Trust at 31st August 2021 were £476,670 (2020 - £464,888) which included a cash balance of £708,598 (2020 - £447,318).

The School has received notification from Buckinghamshire Council that the Local Government pension scheme deficit as at 31st August 2021 was valued at £3,781,000 (2020 - £3,403,000). Details of this are provided in note 21. Under the Charities Statement of Recommended Practice, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the Academy Trust. As a result of the 2019 revaluation, the employer contributions have been set at 22.8% for 2020/21, 22.9% for 2021/22 and 23% for 2022/23.

Overall, the Academy Trust has a healthy balance sheet and cash flow and will be using the reserves to maintain the current assets and also to invest back into the School in the form of additional resources and facilities both in the long term and short term in conjunction with the School Development Plan and the aims of the School.

Reserves Policy

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- Permanent endowment funds
- Expendable endowment funds
- Restricted income funds
- Any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

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

Reserves Policy (continued)

Reserves are therefore the resources the Academy Trust has or can make available to spend for any or all of the Academy Trust's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy Trust and is to be spent at the Trustees' discretion in furtherance of any of the Academy Trust's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (i.e. is 'free')

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. The Trustees will keep this level of reserves under review at each board meeting and aim to build and maintain the reserves level by entering into cost effective agreements whilst in keeping with the principal object of the Academy Trust.

Total reserves at the end of the period amounted to £6,385,159. This balance includes unrestricted funds (free reserves) of £396,618, which are considered appropriate for the Academy Trust, and restricted funds of £5,988,541, including restricted fixed asset funds of £9,713,858 and a pension deficit of £3,781,000.

The Governing Body have determined that the appropriate level of free reserves should be approximately £250,000. The reason for this reserve is to provide sufficient working capital and to provide a cushion to deal with unexpected emergencies. This represents an average target level for the reserves from time to time, and the Governors accept that the actual outcome at any point in time may be higher or lower depending on circumstances.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Trust recognises a significant pension fund deficit totalling to £3,781,000 (2020: £3,403,000). This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Trust due to the recognition of the deficit.

Investment Policy

While the School still requires continual capital investment in its premises and infrastructure, there is unlikely to be any long-term build-up of capital. Surpluses are, therefore, only invested in bank deposit accounts and not in other financial instruments.

Principal Risks and Uncertainties

The Governors regularly assess the risks to which the School is exposed, in particular those relating specifically to the teaching, provision of facilities and other operational areas of the School, and its finances. The Governors have ensured that a number of systems and procedures are in place to manage the risks that the School faces, especially in respect of the key operational areas (teaching, health and safety, safeguarding and finances among others), seeking to eliminate the risk of single points of failure of services and dependence on key individuals, vetting of new staff and visitors, and maintenance and security of the School grounds. In addition, the Governors have ensured that strict internal financial controls (see the Governance Statement) are in place. Where significant financial or operational risk still remains, the Governors have ensured that the School has adequate insurance cover.

Given the nature of Aylesbury Grammar School as an academy, the 'financial instruments' that the School deals with are largely bank balances, cash and trade creditors, with limited trade (and other) debtors. Consequently, there are limited risks in the School's financial and business activities and they do not materially affect the assessment of the School's assets.

Liquidity risks are managed by maintaining sufficient cash reserves to deal with unexpected matters arising (see the Reserves Policy). Reserves are not invested in volatile instruments, but as cash in major banks through the use of deposit accounts. The Academy Trust currently has healthy levels of reserves and the liquidity risk, credit risk and cash flow risk to the School is very low.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and pupils.

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

Principal Risks and Uncertainties (continued)

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2021. 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.

Fundraising

The School has an on-going programme of development managed through its Development Office, which works with the Governors and Senior Leadership Team to plan and facilitate the raising of funds for short term needs and major capital projects. The primary fundraising tool is an Annual Fund which offers an opportunity for every parent, old boy, member of staff, governor and friend to support both current and future generations of students at Aylesbury Grammar School. The School's budget does not take the Annual Fund into account. There is a vibrant and growing community of Old Aylesburians spanning a number of generations and there is a programme of social events, sporting fixtures and an evolving careers development programme designed specifically for them.

The School is a member of the Independent Development Professionals In Education and follows their guidelines for school development activity and benchmarking against other local state grammar schools.

The School has not received any complaints regarding raising of funds but if any arise they will be dealt with by the Development Director and would be escalated should the need arise.

Plans for Future Periods

The School will continually strive to improve the levels of performance of the students at all levels and will continue its efforts to ensure all students achieve their potential. The School Development Plan and Self Evaluation set out the School's ambitions for the future in terms of teaching and learning.

The School has a Premises Development Plan (PDP) which outlines the main building projects and refurbishments planned for the coming years based on a comprehensive site condition survey.

Covid-19

During 2020/21 the Governors authorised a £40,000 contingency budget to cover additional Covid-19 related items. These included additional cleaning materials, including fogging devices and hiring of two marquees. The actual expenditure directly relating to these items totalled £33,000.

Funds Held as Custodian Trustee on Behalf of Others

The Academy Trust did not act as custodian trustee during the current or previous period.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating the Strategic Report, was approved by order of the board of Trustees, as the company directors, on 3 December 2021 and signed on the board's behalf by:



Mr R Williams
Chair of Trustees

AYLESBURY GRAMMAR SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Aylesbury Grammar 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 board of Trustees has delegated the day-to-day responsibility to the Headmaster, as Accounting Officer, for ensuring financial controls which conform with the requirements of both propriety and good financial management and which are in accordance with the requirements and responsibilities assigned to it in the funding agreement between Aylesbury Grammar School and the Secretary of State for Education. The Accounting Officer is 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 four times during the year. In addition, the Resources (including Finance) (RiF) committee met on a further four occasions times, enabling the board to maintain effective oversight of funds.

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

Trustee	Meetings attended	Out of a possible
Mr R Williams	4	4
Mr K Amor (resigned 24 January 2021)	3	3
Mr P Bown	3	4
Mr M Brock	4	4
Wing Commander L Cobley	1	4
Mr J Collins	4	4
Mrs J Dennis	0	4
Mr A Fails (appointed 7 May 2021)	1	1
Mr N Gibbs	4	4
Mr T Hall (appointed 7 May 2021)	1	1
Mr K Hardern	4	4
Mr P Jennings (appointed 7 May 2021)	1	1
Mr C King (resigned 31 July 2021)	4	4
Ms J Moore	2	4
Mr Y Odukoya	3	4
Mr M Sturgeon	4	4
Mrs A Ward	4	4
Mr E Walter (appointed 22 January 2021)	2	2
Mr S Winman	3	4

The Governors undertake a regular evaluation review to assess their impact and effectiveness as a board of Trustees. The next evaluation review will take place in November 2021.

The Resources (including Finance) Committee (RiF) is a sub-committee of the Governors. Its primary purpose is to monitor the financial controls and performance against pre-agreed budgets. In addition, this sub-committee has devolved authority to approve the School's budget and in year virement of funds and has taken on the responsibilities of an Audit Committee in receiving reports from the internal and external auditors. It also oversees the maintenance and development of the School's premises and operates as the Health and Safety Committee, in which role it has a representative on and receives reports from the internal Health and Safety Committee.

AYLESBURY GRAMMAR SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr M Brock (Chairman)	4	4
Mr K Amor (resigned 24 January 2021)	2	2
Mr P Bown	2	4
Mr J Collins	3	4
Mrs J Dennis	0	4
Mr N Gibbs	1	3
Mr K Hardem	4	4
Mr M Sturgeon	4	4
Mr E Walter (appointed 22 January 2021)	2	2
Mrs A Ward	3	4
Mr R Williams	4	4

The Learning and Teaching Committee considers all aspects of learning and teaching, delivery and progress. The scope includes the definition and delivery of curriculum, analysis of relevant data and reviewing the outcomes and performance.

The Community and Development Committee oversees all aspects of people engagement and development. Its scope includes pastoral issues, wellbeing, continuous professional development and management development. Staff, Students, Parents/Carers, Governors, and the Community at large are all separate stakeholders with their own views of which the committee is conscious of.

The Personnel and Pay Review Committee oversees HR matters, including an annual review of the remuneration of all staff, receives and has responsibility for approving pay recommendations, reviews appraisal procedure reports, and the Headmaster's appraisal.

Review of Value for Money

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

The Accounting Officer considers how the School's use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate.

Sustaining High Quality Educational Results

Examination results and the progress of all groups of pupils remain strong within the context of efficient use of School resources. The School offers a broader and more challenging curriculum across all school years than many schools and this is achieved through close monitoring of teaching group sizes and staffing costs.

Financial Governance and Oversight

The Governors appoint individuals or entities with relevant expertise to review specified matters related to the suitability of, and adherence to, systems and procedures, and to present reports to the Governors on their findings. Three such reviews are carried out in a calendar year.

The Governors receive monthly management accounts and the RiF Committee receives and considers termly budget monitoring reports.

AYLESBURY GRAMMAR SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of Value for Money (continued)

Ensuring the operation of the School demonstrates good value for money and efficient and effective use of resources

The School uses competitive tendering as a process for ensuring value for money on a regular basis. Any one item purchased with a value between £3,000 and £10,000 requires two quotes, between £10,000 and £40,000 requires three written quotations and any item or service level agreement over £40,000 requires three tender quotations.

During the academic year 2020-21 a number of major projects were planned and delivered. These projects followed the School's financial procedures in terms of tendering and on-going monitoring of spend. For the major capital projects (the new School Entrance and the DT/Art refurbishment) fortnightly meetings were conducted with a Trustee sub-committee, ensuring that all costs were controlled and contingency allowances allocated accordingly.

Reviewing controls and managing risks

Monthly budget monitoring reports, including balance sheet and forecast cashflow, are produced by the Resources Director which results in action being taken to address any significant variances that may have arisen and that are likely to have a negative impact on the budget. The School ensures that surplus cash balances are invested in interest bearing accounts to maximise interest earning potential.

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 Aylesbury Grammar School for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of Trustees has reviewed the key risks to which the Academy 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 appropriate formal ongoing processes for identifying, evaluating and managing the School's significant risks have 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 board of Trustees.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- Regular reviews by the RiF 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
- Identification and management of risks

The board of Trustees has considered the need for a specific internal audit function and has concluded that such a function is to be carried out via the review process referred to above. In addition, the board of Trustees has

AYLESBURY GRAMMAR SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

The Risk and Control Framework (continued)

decided to buy-in an internal audit service from Azets.

Within the reviews a range of checks on the School's financial systems are carried out. In particular the checks carried out in the current period included:

- Payroll procedures
- Payroll system testing

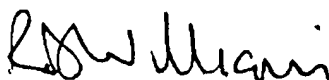
Review of Effectiveness

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

- The work of the internal auditor;
- The work of the external auditor;
- The financial management and governance self-assessment process;
- The work of executive managers within the School 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 RiF Committee. A plan to address matters identified and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 3 December 2021 and signed on their behalf by:



Mr R D Williams
Chair of Trustees



Mr M J Sturgeon
Accounting Officer

AYLESBURY GRAMMAR SCHOOL
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

I confirm that 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.



Mr M J Sturgeon
Accounting Officer
Date: 3 December 2021

AYLESBURY GRAMMAR SCHOOL
(A company limited by guarantee)

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

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

Company law requires the Trustees to prepare financial statements for each financial 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 on 3 December 2021 and signed on its behalf by:



Mr R Williams
Chair of Trustees

AYLESBURY GRAMMAR SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
AYLESBURY GRAMMAR SCHOOL**

Opinion

We have audited the financial statements of Aylesbury Grammar 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.

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

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.

AYLESBURY GRAMMAR SCHOOL
(A company limited by guarantee)

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

Auditors' responsibilities for the audit of the financial statements

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

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

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the academy operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

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

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

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.

M Durst for Landau Baker Limited

Michael Durst (Senior statutory auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

3 December 2021

AYLESBURY GRAMMAR SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO AYLESBURY GRAMMAR SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 23 March 2016 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 Aylesbury Grammar 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 Aylesbury Grammar School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Aylesbury Grammar 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 Aylesbury Grammar School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Aylesbury Grammar School's accounting officer and the reporting accountant

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

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

Approach

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

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

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

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

AYLESBURY GRAMMAR SCHOOL
(A company limited by guarantee)

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

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.

Landau Baker Limited

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 3 December 2021

AYLESBURY GRAMMAR SCHOOL
(A company limited by guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	18,566	4,000	514,132	536,698	56,211
Other trading activities	5	516,180	-	-	516,180	796,666
Investments	6	201	-	-	201	1,506
Charitable activities	4	-	7,253,349	-	7,253,349	6,608,030
Total income		534,947	7,257,349	514,132	8,306,428	7,462,413
Expenditure on:						
Charitable activities	8	489,099	7,535,112	665,241	8,689,452	8,304,950
Total expenditure		489,099	7,535,112	665,241	8,689,452	8,304,950
Net income/(expenditure)		45,848	(277,763)	(151,109)	(383,024)	(842,537)
Transfers between funds	19	-	(110,150)	110,150	-	-
Net movement in funds before other recognised gains/(losses)		45,848	(387,913)	(40,959)	(383,024)	(842,537)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	21	-	2,000	-	2,000	(422,000)
Net movement in funds		45,848	(385,913)	(40,959)	(381,024)	(1,264,537)
Reconciliation of funds:						
Total funds brought forward		350,770	(3,339,404)	9,754,817	6,766,183	8,030,720
Net movement in funds		45,848	(385,913)	(40,959)	(381,024)	(1,264,537)
Total funds carried forward		396,618	(3,725,317)	9,713,858	6,385,159	6,766,183

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

The notes on pages 26 to 49 form part of these financial statements.

AYLESBURY GRAMMAR SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07538386

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	9,712,129	9,749,575
		<u>9,712,129</u>	<u>9,749,575</u>
Current assets			
Stocks	15	50,531	32,647
Debtors	16	361,560	275,788
Cash at bank and in hand		708,598	447,318
		<u>1,120,689</u>	<u>755,753</u>
Creditors: amounts falling due within one year	17	(644,019)	(290,865)
Net current assets		<u>476,670</u>	<u>464,888</u>
Total assets less current liabilities		<u>10,188,799</u>	<u>10,214,463</u>
Creditors: amounts falling due after more than one year	18	(22,640)	(45,280)
Net assets excluding pension liability		<u>10,166,159</u>	<u>10,169,183</u>
Defined benefit pension scheme liability	21	(3,781,000)	(3,403,000)
Total net assets		<u><u>6,385,159</u></u>	<u><u>6,766,183</u></u>
Funds of the academy			
Restricted funds:			
Fixed asset funds	19	9,713,858	9,754,817
Restricted income funds	19	55,683	63,596
		<u>9,769,541</u>	<u>9,818,413</u>
Restricted funds excluding pension asset	19	9,769,541	9,818,413
Pension reserve	19	(3,781,000)	(3,403,000)
Total restricted funds	19	<u>5,988,541</u>	<u>6,415,413</u>
Unrestricted income funds	19	<u>396,618</u>	<u>350,770</u>
Total funds		<u><u>6,385,159</u></u>	<u><u>6,766,183</u></u>

The financial statements on pages 23 to 49 were approved by the Trustees, and authorised for issue on 03 December 2021 and are signed on their behalf, by:

Mr R Williams
Chair of Trustees



The notes on pages 26 to 49 form part of these financial statements.

AYLESBURY GRAMMAR SCHOOL
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities		397,382	(381,712)
Cash flows from investing activities		(113,462)	(95,141)
Cash flows from financing activities		(22,640)	(22,640)
Change in cash and cash equivalents in the year		261,280	(499,493)
Cash and cash equivalents at the beginning of the year		447,318	946,811
Cash and cash equivalents at the end of the year		708,598	447,318

The notes on pages 26 to 49 form part of these financial statements

AYLESBURY GRAMMAR SCHOOL
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

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.

- **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the academy has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the academy, can be reliably measured.

- **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.

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.

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

1. Accounting policies (continued)

1.4 Expenditure (continued)

• **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 Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding 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	- 125 years
Leasehold buildings	- 27-50 years
Furniture and equipment	- 10 years
Motor vehicles	- 10 years
Computer equipment	- 5 years

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

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 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.

1.8 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.

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

1. Accounting policies (continued)

1.9 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.

1.10 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 16. 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.

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 notes 17 and 18. 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.

1.11 Operating leases

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

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

1. Accounting policies (continued)

1.12 Pensions

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

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

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

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

1.13 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.

Investment income, gains and losses are allocated to the appropriate fund.

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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.

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	18,566	4,000	150,000	172,566	27,978
Capital Grants	-	-	364,132	364,132	28,233
	<u>18,566</u>	<u>4,000</u>	<u>514,132</u>	<u>536,698</u>	<u>56,211</u>
<i>Total 2020</i>	<u>27,978</u>	<u>-</u>	<u>28,233</u>	<u>56,211</u>	

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

4. Funding for the academy's educational activities

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DfE/ESFA grants			
General Annual Grant	6,693,509	6,693,509	6,150,927
Other DfE/ESFA grants			
Pupil premium	42,864	42,864	45,135
Other grants	358,993	358,993	352,326
	<hr/>	<hr/>	<hr/>
	-	7,095,366	6,548,388
Other Government grants			
Local Authority Grants	2,804	2,804	8,644
	<hr/>	<hr/>	<hr/>
	2,804	2,804	8,644
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	74,720	74,720	-
Other DfE/ESFA COVID-19 funding	66,003	66,003	-
	<hr/>	<hr/>	<hr/>
	140,723	140,723	-
COVID-19 additional funding (non-DfE/ESFA)			
Coronavirus Job Retention Scheme grant	14,456	14,456	50,998
	<hr/>	<hr/>	<hr/>
	14,456	14,456	50,998
	<hr/>	<hr/>	<hr/>
	7,253,349	7,253,349	6,608,030
	<hr/>	<hr/>	<hr/>
Total 2020	<hr/> 6,608,030 <hr/>	<hr/> 6,608,030 <hr/>	

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

The academy trust received £74,720 of funding for catch-up premium and costs incurred in respect of this funding totalled £74,720.

The academy furloughed its catering staff under the government's CJRS. The funding received of £14k (2020- £51k) relates to staff costs in respect of these staff which are included within support costs, as appropriate.

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

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Catering Income	293,866	293,866	310,052
Other Income	63,999	63,999	161,675
Hire of Facilities	30,916	30,916	69,016
Uniform Sales	52,518	52,518	56,675
Trip Income	74,881	74,881	199,248
	<u>516,180</u>	<u>516,180</u>	<u>796,666</u>
<i>Total 2020</i>	<u>796,666</u>	<u>796,666</u>	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	201	201	1,506
	<u>1,506</u>	<u>1,506</u>	
<i>Total 2020</i>	<u>1,506</u>	<u>1,506</u>	

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

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Educational Activities:					
Direct costs	4,641,008	665,241	555,117	5,861,366	5,545,969
Allocated support costs	1,798,873	471,536	557,677	2,828,086	2,758,981
	<u>6,439,881</u>	<u>1,136,777</u>	<u>1,112,794</u>	<u>8,689,452</u>	<u>8,304,950</u>
<i>Total 2020</i>	<u>5,941,775</u>	<u>1,128,113</u>	<u>1,235,062</u>	<u>8,304,950</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Educational Activities	489,099	8,200,353	8,689,452	8,304,950
	<u>489,099</u>	<u>8,200,353</u>	<u>8,689,452</u>	<u>8,304,950</u>
<i>Total 2020</i>	<u>670,459</u>	<u>7,634,491</u>	<u>8,304,950</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational Activities	5,861,366	2,828,086	8,689,452	8,304,950
<i>Total 2020</i>	<u>5,545,969</u>	<u>2,758,981</u>	<u>8,304,950</u>	

Analysis of direct costs

	Educational Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	4,635,383	4,635,383	4,353,855
Depreciation	665,241	665,241	682,279
Educational Supplies & Services	118,115	118,115	107,777
Examination Fees	86,386	86,386	160,019
Technology Costs	293,990	293,990	119,156
Recruitment & Support	8,118	8,118	2,210
Educational Consultancy	24,286	24,286	29,241
Supply Teaching Costs	5,625	5,625	15,935
Other Direct Costs	24,222	24,222	75,497
	<u>5,861,366</u>	<u>5,861,366</u>	<u>5,545,969</u>
<i>Total 2020</i>	<u>5,545,969</u>	<u>5,545,969</u>	

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

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Pension Finance Cost	52,000	52,000	48,000
Staff Costs	1,470,873	1,470,873	1,348,985
Non Cash Pension Costs	328,000	328,000	223,000
Other Occupancy Costs	5,800	5,800	5,822
Maintenance of Premises	255,402	255,402	264,969
Water & Energy Costs	134,185	134,185	154,527
Insurance	31,499	31,499	29,274
Catering	197,591	197,591	222,197
Other Support Costs	175,604	175,604	173,866
Trip Costs	74,137	74,137	198,653
Cleaning	8,042	8,042	7,211
Rent & Rates	36,608	36,608	36,274
Governance	58,345	58,345	46,203
	<u>2,828,086</u>	<u>2,828,086</u>	<u>2,758,981</u>
<i>Total 2020</i>	<u>2,758,981</u>	<u>2,758,981</u>	

In the current year, the non-cash pension costs have been re-allocated to a separate line within the support costs note 9. This cost used to be included within the staff costs line within this note. In turn, the expenditure note 7 and the staff costs note 11a have both been updated to reflect this change. The prior year figures have also been updated for comparison. This is a better reflection of the actual staff costs incurred by the Academy Trust and enhances the user's understanding of the financial statements.

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	5,715	8,267
Depreciation of tangible fixed assets	665,241	682,279
Fees paid to auditors for:		
- audit	6,000	6,000
- other services	2,000	2,000
	<u>6,715</u>	<u>16,279</u>

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

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	4,617,840	4,323,440
Social security costs	454,157	425,947
Pension costs	1,034,259	953,453
	<u>6,106,256</u>	<u>5,702,840</u>
Agency staff costs	5,625	15,935
Non cash pension costs	328,000	223,000
	<u><u>6,439,881</u></u>	<u><u>5,941,775</u></u>

In the current year, the non-cash pension costs have been re-allocated to a separate line within the support costs note 9. This cost used to be included within the staff costs line within this note. In turn, the expenditure note 7 and the staff costs note 11a have both been updated to reflect this change. The prior year figures have also been updated for comparison. This is a better reflection of the actual staff costs incurred by the Academy Trust and enhances the user's understanding of the financial statements.

b. Staff numbers

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

	2021 No.	2020 No.
Teachers	79	78
Administration and support	70	63
Management	7	7
	<u><u>156</u></u>	<u><u>148</u></u>

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

11. Staff (continued)

b. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	69	66
Administration and support	51	48
Management	7	7
	<u>127</u>	<u>121</u>

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	3	3
In the band £70,001 - £80,000	2	2
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-
	<u>1</u>	<u>-</u>

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 £798,913 (2020 £765,880).

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**NOTES TO THE FINANCIAL STATEMENTS
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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 M J Sturgeon, Headmaster	Remuneration	120,000 -	115,000 -
		125,000	120,000
	Pension contributions paid	25,000 -	25,000 -
		30,000	30,000
Mr K B Hardern	Remuneration	NIL	0 - 5,000
	Pension contributions paid	NIL	0 - 5,000
Mr C King	Remuneration	25,000 -	25,000 -
		30,000	30,000
	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000
N Gibbs	Remuneration	40,000 -	40,000 -
		45,000	45,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

13. 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 and the cost for the year ended 2021 was included in the total insurance cost for the Academy.

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

14. Tangible fixed assets

	Long-term leasehold property £	Assets under construction £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2020	11,400,945	11,289	2,495,436	237,364	96,227	14,241,261
Additions	397,979	201,155	23,161	-	5,500	627,795
Disposals	-	-	-	(16,562)	-	(16,562)
At 31 August 2021	<u>11,798,924</u>	<u>212,444</u>	<u>2,518,597</u>	<u>220,802</u>	<u>101,727</u>	<u>14,852,494</u>
Depreciation						
At 1 September 2020	3,078,695	-	1,199,037	168,396	45,558	4,491,686
Charge for the year	377,223	-	254,498	25,640	7,880	665,241
On disposals	-	-	-	(16,562)	-	(16,562)
At 31 August 2021	<u>3,455,918</u>	<u>-</u>	<u>1,453,535</u>	<u>177,474</u>	<u>53,438</u>	<u>5,140,365</u>
Net book value						
At 31 August 2021	<u>8,343,006</u>	<u>212,444</u>	<u>1,065,062</u>	<u>43,328</u>	<u>48,289</u>	<u>9,712,129</u>
At 31 August 2020	<u>8,322,250</u>	<u>11,289</u>	<u>1,296,399</u>	<u>68,968</u>	<u>50,669</u>	<u>9,749,575</u>

15. Stocks

	2021 £	2020 £
Uniforms	<u>50,531</u>	<u>32,647</u>

16. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	24,011	5,428
Other debtors	123,345	63,318
Prepayments and accrued income	214,204	207,042
	<u>361,560</u>	<u>275,788</u>

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

17. Creditors: Amounts falling due within one year

	2021 £	2020 £
Salix loan	22,640	22,640
Trade creditors	195,386	27,392
Other taxation and social security	116,420	2,039
Other creditors	141,133	30,423
Accruals and deferred income	168,440	208,371
	<u>644,019</u>	<u>290,865</u>
	2021 £	2020 £
Deferred income at 1 September 2020	156,617	329,195
Resources deferred during the year	115,923	156,617
Amounts released from previous periods	(156,617)	(329,195)
	<u>115,923</u>	<u>156,617</u>

At the balance sheet date, the academy was holding funds received in advance of ESFA grant income of £nil (2020: £21,355), trip income of £98,193 (2020: £123,362) and other income of £17,759 (2020: £11,900).

18. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Other loans	<u>22,640</u>	<u>45,280</u>

The Salix loan is repayable by March 2023 in annual increments of £22,640.

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds - all funds	350,770	534,947	(489,099)	-	-	396,618
Restricted general funds						
GAG	63,596	6,697,509	(6,595,272)	(110,150)	-	55,683
Pupil premium	-	42,864	(42,864)	-	-	-
Other ESFA funding	-	373,993	(373,993)	-	-	-
Local authority grants	-	2,804	(2,804)	-	-	-
Coronavirus Job Retention Scheme Grant	-	14,456	(14,456)	-	-	-
Catch-up premium	-	74,720	(74,720)	-	-	-
Other DfE/ESFA COVID-19 funding	-	51,003	(51,003)	-	-	-
Pension reserve	(3,403,000)	-	(380,000)	-	2,000	(3,781,000)
	(3,339,404)	7,257,349	(7,535,112)	(110,150)	2,000	(3,725,317)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	9,754,817	485,539	(665,241)	110,150	-	9,685,265
Devolved Formula Capital	-	28,593	-	-	-	28,593
	<u>9,754,817</u>	<u>514,132</u>	<u>(665,241)</u>	<u>110,150</u>	<u>-</u>	<u>9,713,858</u>
Total Restricted funds	<u>6,415,413</u>	<u>7,771,481</u>	<u>(8,200,353)</u>	<u>-</u>	<u>2,000</u>	<u>5,988,541</u>
Total funds	<u>6,766,183</u>	<u>8,306,428</u>	<u>(8,689,452)</u>	<u>-</u>	<u>2,000</u>	<u>6,385,159</u>

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

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.

Restricted general funds are resources for educational purposes.

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.

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds - all funds	649,079	826,150	(1,124,459)	-	-	350,770

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Restricted general funds						
GAG	(296,045)	6,150,927	(5,770,109)	(21,177)	-	63,596
Pupil premium	-	45,135	(45,135)	-	-	-
Other ESFA funding	-	352,326	(352,326)	-	-	-
Local authority grants	-	8,644	(8,644)	-	-	-
Coronavirus Job Retention Scheme Grant	-	50,998	(50,998)	-	-	-
Pension reserve	(2,710,000)	-	(271,000)	-	(422,000)	(3,403,000)
	<u>(3,006,045)</u>	<u>6,608,030</u>	<u>(6,498,212)</u>	<u>(21,177)</u>	<u>(422,000)</u>	<u>(3,339,404)</u>
	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	10,387,686	-	(682,279)	21,177	-	9,726,584
Devolved Formula Capital	-	28,233	-	-	-	28,233
	<u>10,387,686</u>	<u>28,233</u>	<u>(682,279)</u>	<u>21,177</u>	<u>-</u>	<u>9,754,817</u>
Total Restricted funds	<u>7,381,641</u>	<u>6,636,263</u>	<u>(7,180,491)</u>	<u>-</u>	<u>(422,000)</u>	<u>6,415,413</u>
Total funds	<u><u>8,030,720</u></u>	<u><u>7,462,413</u></u>	<u><u>(8,304,950)</u></u>	<u><u>-</u></u>	<u><u>(422,000)</u></u>	<u><u>6,766,183</u></u>

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20. 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	-	-	9,712,129	9,712,129
Current assets	396,618	722,342	1,729	1,120,689
Creditors due within one year	-	(644,019)	-	(644,019)
Creditors due in more than one year	-	(22,640)	-	(22,640)
Provisions for liabilities and charges	-	(3,781,000)	-	(3,781,000)
Total	396,618	(3,725,317)	9,713,858	6,385,159

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	-	-	9,749,575	9,749,575
Current assets	352,809	397,702	5,242	755,753
Creditors due within one year	(2,039)	(288,826)	-	(290,865)
Creditors due in more than one year	-	(45,280)	-	(45,280)
Provisions for liabilities and charges	-	(3,403,000)	-	(3,403,000)
Total	350,770	(3,339,404)	9,754,817	6,766,183

21. 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 Barnett Waddingham. 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 August 2021

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

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21. Pension commitments (continued)

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.

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 £763,735 (2020 - £718,695).

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.

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21. Pension commitments (continued)

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 £346,000 (2020 - £299,000), of which employer's contributions totalled £271,000 (2020 - £234,000) and employees' contributions totalled £ 75,000 (2020 - £65,000). The agreed contribution rates for future years are 2020/21 22.8%, 2021/22 22.9% and 2022/23 23 per cent for employers and 5.5% to 12.5 per cent for employees.

As described in note 1.12 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.

Principal actuarial assumptions

Buckinghamshire Pension Fund

	2021	2020
	%	%
Rate of increase in salaries	3.90	3.30
Rate of increase for pensions in payment/inflation	2.90	2.30
Discount rate for scheme liabilities	1.65	1.60

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	21.6	21.8
Females	25.0	25.1
<i>Retiring in 20 years</i>		
Males	22.9	23.2
Females	26.4	26.6

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21. Pension commitments (continued)

Share of scheme assets

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

	2021 £	2020 £
Equities	2,530,000	2,023,000
Gilts	1,088,000	966,000
Property	271,000	231,000
Cash and other liquid assets	63,000	97,000
Other	705,000	372,000
Total market value of assets	4,657,000	3,689,000

The actual return on scheme assets was £742,000 (2020 - £100,000).

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

	2021 £	2020 £
Current service cost	(596,000)	(454,000)
Interest income	61,000	60,000
Interest cost	(113,000)	(108,000)
Administrative expenses	(3,000)	(3,000)
Total amount recognised in the Statement of financial activities	(651,000)	(505,000)

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

	2021 £	2020 £
At 1 September	7,092,000	5,822,000
Current service cost	596,000	454,000
Interest cost	113,000	108,000
Employee contributions	75,000	65,000
Actuarial losses	679,000	712,000
Benefits paid	(117,000)	(69,000)
At 31 August	8,438,000	7,092,000

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21. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	3,689,000	3,112,000
Interest income	61,000	60,000
Actuarial gains	681,000	290,000
Employer contributions	271,000	234,000
Employee contributions	75,000	65,000
Benefits paid	(117,000)	(69,000)
Administration expenses	(3,000)	(3,000)
At 31 August	4,657,000	3,689,000

22. 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	2,214	4,133

23. 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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24. 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.

During the current year one of the trustees Simon Winman, who owns a company called Ithika Ltd, entered into a contract with the academy on 1 September 2019 relating to the Challenge Hub Personal Development Programme. Through this contract, Simon Winman received a consultancy fee of £6,000 for the delivery of this development programme for middle management.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

25. Agency arrangements

The academy trust distributes 16 -19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2021 the trust received £11,048 (2020: £14,731) and disbursed £10,496 (2020: £17,437) from the fund. An amount of £1,088 (2020: £7,489) is included in other creditors relating to undistributed funds that is repayable to the ESFA.