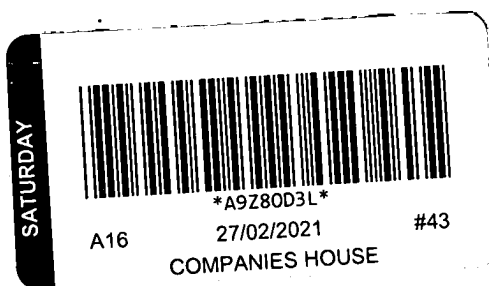


CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 15
Governance Statement	16 - 22
Statement on Regularity, Propriety and Compliance	23
Statement of Trustees' Responsibilities	24
Independent Auditors' Report on the Financial Statements	25 - 27
Independent Reporting Accountant's Assurance Report on Regularity	28 - 29
Statement of Financial Activities Incorporating Income and Expenditure Account	30
Balance Sheet	31
Statement of Cash Flows	32
Notes to the Financial Statements	33 - 54

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2020

Members

A R Johnson
R P Blamey
C M Cleaver
K Fraser
P R Hicks
V J Hindson (resigned 4 November 2019)
J Morrison (appointed 10 October 2019)
C S O'Hare
C S Oates
E A O Reed
M Richards
N P Robbins
L L Stoker
S G M Thomas
D Walklett
C J Wood
A Thomas (appointed 10 October 2019)

Trustees

A R Johnson, Chair of Governors^{1,2,3,4}
R P Blamey⁴
C M Cleaver³
K Fraser¹
P Hicks, Staff Trustee³
V J Hindson (resigned 4 November 2019)^{1,3}
J Morrison (appointed 10 October 2019)¹
C S Oates, Headteacher & Accounting Officer^{1,2,3,4}
C S O'Hare^{2,4}
E A O Reed^{2,3}
M Richards^{2,3}
N P Robbins²
L L Stoker⁴
S Thomas, Staff Trustee³
D Walklett³
C J Wood³
A Thomas (appointed 10 October 2019)¹

¹ Finance

² Staffing

³ Curriculum and Pastoral

⁴ Buildings and Health & Safety

Company registered number

07686390

Company name

Cirencester Kingshill School

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2020**

Advisers (continued)

Principal and registered office

Kingshill Lane
Cirencester
Gloucestershire
GL7 1HS

Company secretary

S Gardiner

Headteacher

C S Oates

Senior management team

C S Oates, Headteacher
D J Christopher, Senior Assistant Headteacher
S J Pritchard, Deputy Headteacher
S Gardiner, Business Manager
D R Stillman, Assistant Headteacher
J J Morland, Senior Assistant Headteacher
T Lee, Assistant Headteacher

Independent auditors

Randall & Payne LLP
Chargrove House
Shurdington Road
Shurdington
Cheltenham
Gloucestershire
GL51 4GA

Bankers

Lloyds Bank Plc
14 Castle Street
Cirencester
Gloucestershire
GL7 1QJ

Solicitors

Harrison Clark Rickerbys LLP
Ellenborough House
Wellington House
Cheltenham
Gloucestershire
GL50 1YD

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the audited financial statements and auditor's report of the charitable company, Cirencester Kingshill School (the Academy), for the period from 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report, including a strategic report, under company law.

The trust operates an academy for pupils aged 11 to 16 serving a catchment area in the South Cotswolds. It has a pupil capacity of 980, as approved by the Secretary of State in October 2019, and had a roll of 877 in the School Census on 16th January 2020.

Structure, governance and management

a. CONSTITUTION

The academy trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the academy trust. The Trustees of Cirencester Kingshill School are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Cirencester Kingshill School.

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

b. MEMBERS' LIABILITY

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

c. TRUSTEES' INDEMNITIES

Cirencester Kingshill School has not taken out any indemnity cover for work undertaken by the Trustees'/Governors' on a personal basis.

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

Regard is given to the qualifications and experience of the Trustees/Governors to ensure that the Trust/Governing Body has all the necessary skills required to contribute fully to the Academy's management and development.

In accordance with the Academy's Articles of Association, the Trust/Governing Body of Cirencester Kingshill School has resolved to have the following categories of Governor:

- General Governors (up to 9)
- Parent Governors (up to 4)
- Staff Governors (1 teaching staff; 1 support staff)
- Coopted Governors (up to a maximum of 3)
- Headteacher (ex officio)

The agreed term of office for all Governor categories is four years, save that this time limit shall not apply to the Headteacher. Subject to remaining eligible to be a particular type of Governor, any Governor may be reappointed or reelected. Governors are recruited and elected as follows:

General Governor: Candidates are nominated by a current Governor (Member). Nominations must be seconded by another serving member of the Governing Body. If the nomination is not contested (there is only one candidate), a vote is given by a show of hands. In the case where a vacancy is contested, voting is by secret ballot. Governors must be present at the meeting at which the voting takes place in order to cast their vote.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Parent Governor: Parent Governors shall be elected by parents/carers of registered pupils at the Academy. The Governing Body takes such steps as are reasonably practical to secure that every person who is known to them to be a parent/carer of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he/she is entitled to stand as a candidate, and vote at the election, and given the opportunity to do so.

A Parent Governor must be a parent/carer of a pupil at the Academy at the time when he/she is elected; parents/carers may selfnominate. If the nomination is not contested (there is only one candidate), the Clerk to Governors will send a letter to the parents/carers of all registered pupils confirming the name of the candidate and their appointment as Parent Governor. If there is more than one nominee ballot papers are sent to registered pupils' parents/carers outlining candidate credentials. Completed ballot papers are returned to the Clerk to Governors by midday on a set date (approximately 2 calendar weeks from the day ballot papers are distributed) and the nominee polling the majority of votes is duly elected. The Clerk to Governors publishes the results.

Staff Governor: Teaching Staff Governors are elected by staff employed as teachers by the Academy; Support Staff Governors are elected by nonteaching staff employed by the Academy. Only staff currently employed by the Academy may act as Staff Governors.

The Governing Body takes such steps as are reasonably practical to secure that every person who is known to them to be a current employee (as appropriate) of the Academy is informed of the vacancy and that it is required to be filled by election, informed that he/she is entitled to stand as a candidate, and vote at the election, and given the opportunity to do so. Staff may selfnominate. If the nomination is not contested (there is only one candidate), the Clerk to Governors will issue notice to the Academy employees confirming the name of the candidate and their appointment as Staff Governor. If there is more than one nominee, the outcome of the election is to be determined by secret ballot. The Clerk to Governors publishes the results.

Co-opted Governor: Current Governors who are themselves Co-opted Governors are not entitled to be part of the process to appoint additional Co-opted Governors. Candidates are nominated by a current Governor (Member). Nominations must be seconded by another serving member of the Governing Body. If the nomination is not contested (there is only one candidate), a vote is given by a show of hands. In the case where a vacancy is contested, voting is by secret ballot. Governors must be present at the meeting at which the voting takes place in order to cast their vote.

Election of the Chair and Vice Chair of Governors

The Governors elect a Chair and Vice Chair from among their number at the first full Governing Body meeting of each school year. A Governor who is employed by the Academy Trust is not eligible for the office of Chair or Vice Chair. The Company Secretary chairs the meeting for the item to elect the Chair of Governors. Once elected, the Chair takes over the meeting, including the item to elect the Vice Chair.

Governors may submit written nominations, prior to the meeting of the full Governing Body at which the election will take place, and verbal nominations at the meeting if no written nominations have been submitted. A Governor can nominate him/herself for office and does not need to be present at the meeting to be considered.

During an election, nominees may be asked to leave the room while the voting takes place. If the nomination is not contested (there is only one candidate), a vote is given by a show of hands. If there is more than one nominee, the remaining Governors will vote by secret ballot, with the nominee polling the majority of votes being duly elected.

If there is a tie, each candidate will be given the opportunity to speak to the Governors about their nomination and a further vote by secret ballot will be taken. If there is still a tie, Governors should discuss the strengths of the nominees further, and another vote will be taken. This process will repeat until a nominee polls a majority of the votes.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

One member of the Board of Trustees/Governing Body has been nominated as the Link Governor for Induction and Training.

Training and induction of new Trustees/Governors is tailored to the individual and arranged according to their qualifications and experience, with regard to educational, legal, charity and financial matters. Trustees/Governors are encouraged to attend training sessions provided by external providers, including the Academy's solicitors, auditors and Gloucestershire County Council Governor Services. As part of their induction, new Trustees/Governors have the opportunity to undertake a tour of the Academy and meet staff and pupils. All Trustees/Governors are provided with copies of policies, procedures, minutes, accounts, budgets, strategic plans and other documents that they will need to undertake their role as Trustees/Governors.

Training for the whole Board of Trustees/Governing Body is provided as necessary to address particular issues that have been identified.

f. ORGANISATIONAL STRUCTURE

The Board of Trustees/Governing Body meets once a term to receive reports from its committees and manage its strategic objectives. The Board of Trustees/Governing Body has established a number of subcommittees which review policies and performance of the School in all areas:

- Finance Committee (meets five times a year)
- Staffing Committee (meets four times a year)
- Buildings and Health & Safety Committee (meets four times a year)
- Curriculum and Pastoral Committee (meets four times a year)
- Chairs Committee (meets three times a year)

Additional meetings are held to address urgent issues. Every member of the Board of Trustees/Governing Body sits on at least one subcommittee. The Headteacher attends every subcommittee meeting along with other members of the School's senior leadership team (as appropriate). A report from each of the subcommittees is discussed at five out of the six meetings of the Board of Trustees/Governing Body.

The Trustees/Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

Day-to-day management of the Academy is delegated to the Headteacher. The Headteacher is the Accounting Officer. The Trustees/Governors have appointed a senior leadership team comprising the Headteacher, the Deputy Headteacher, two Senior Assistant Headteachers, two Assistant Headteachers and the School Business Manager. The senior leadership team manages the Academy at an executive level implementing the policies laid down by the Trustees/Governors and reporting back to them.

g. ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees/Governors of the academy receive no remuneration.

The Trustees/Governors are responsible for making major decisions about the senior staff appointments and remuneration. The setting of pay and remuneration of key management personnel is determined by the School's Pay Policy, which, for teaching staff, is reviewed annually based on the recommendations of the School Teachers' Review Body and the School Teachers' Pay and Conditions Document.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

h. TRADE UNION FACILITY TIME

Relevant union officials

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

Percentage of time spent on facility time
Percentage of time

Number of employees

0%	1
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

£

Total cost of facility time	-
Total pay bill	4,183,952
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. RELATED PARTY AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

Friends of Cirencester Kingshill School is a parent, staff and friends Association which raises funds to support Cirencester Kingshill School.

Powell's Educational Trust provides an annual grant together with a prize grant for the School to use for education purposes and to provide three annual awards to pupils, the Elliott Prize, Frank Miles Memorial Prize and the Powell's Educational Foundation Prize.

The Schools Games Organiser for the area is based at Cirencester Kingshill School running a "programme designed to keep competitive sport at the heart of schools and provide more young people with the opportunity to compete and achieve their personal best".

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report

Objectives and Activities

a. OBJECTS AND AIMS

Cirencester Kingshill School's object is specifically restricted to the following: to advance, for the public benefit, education in the United Kingdom, in particular but without prejudice, to the generality of the foregoing by establishing, maintaining, carrying on and developing a school offering a broad and balanced curriculum (Articles of Association, Article 4). Furthermore, Cirencester Kingshill School is defined by the characteristics set down in Section 1(6) of the Academies Act 2010 and quoted in the Academy's Funding Agreement, which are:

The School has a curriculum satisfying the requirements of section 78 of Education Act 2002 (balanced and broadly based curriculum).

In providing secondary education, the school curriculum has an emphasis on areas specified in the Funding Agreement: Science, Mathematics, English, and Sports.

The Academy provides education for pupils of different abilities. The Academy provides education for pupils who are wholly or mainly drawn from the area in which the Academy is situated

The Academy's aims are:

- To raise the standard of educational achievement for all pupils;
- To ensure that every child enjoys the same high quality education in terms of resources, tuition and care;
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- To provide a sustainable programme of extended curriculum activities for all pupils;
- To provide value for money for funds expended;
- To comply with all appropriate statutory and curriculum requirements and ensure Academy policies are in accordance with legislative requirements and good practice;
- To conduct the business of the Academy in accordance with the highest standards of integrity, probity and openness;
- To set realistic educational targets that maintain and develop the Academy's excellent academic progress, and ensure those targets are met; and
- To establish and maintain procedures for monitoring, evaluating and reviewing the quality of teaching, learning, pupil development and achievement.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

With specific reference to pupils, the aims of the School, as set out in the prospectus, are:

- To develop those skills which are necessary for life – in reading, writing, speaking, comprehension, computing, in physical and manual dexterity, and in study methods such as individual research and co-operating with others.
- To help pupils derive pleasure and fulfilment from work in its widest sense, and to enable them to obtain those formal qualifications, within the limits of their abilities, which are necessary for employment and further education.
- To develop an understanding of the world of work with all its implications.
- To enrich the lives of pupils by stimulating their interests, widening their horizons, and giving scope for creative activities in anticipation of increased leisure time.
- To help pupils understand themselves, those around them, and the natural and man-made environment in which they live.
- To help pupils grow into mature, moral people who are able to discuss what is good, true and of value, who will appreciate spiritual as well as material matters, and who will strive to make the world they inherit a better one.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

Each academic year, specific objectives and strategies are identified within the School Development Plan. For the academic year 2019/20 these were as follows:

Outcomes for Pupils:

- Achieve school examinations targets as agreed with the School Improvement Partner
- Track pupil progress towards appropriately challenging targets

Teaching, Learning and Assessment:

- Improve the Effectiveness of teaching
- Pupil Premium
- Special Educational Needs
- Homework
- Ensuring appropriate courses are offered taking account of pupil needs

Personal Development, Behaviour and Welfare including Attendance:

- Behaviour
- Welfare
- Attendance

Leadership and Management:

- Targeted Professional Development
- Monitoring of Teaching
- Accountability of Middle Management Team

Learning Beyond the Classroom:

- Careers Education
- Careers Advice and Guidance
- Extra-Curricular Provision

The Wider School:

- Refurbishment / Redecoration Programme
- Marketing of the School to Achieve Maximum Capacity
- ICT Development
- Budget Review
- General Data Protection Regulation (GDPR)

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

The School has seen some success in many of these areas, see the Achievements and Performance section.

c. PUBLIC BENEFIT

In setting out objectives and planning our activities the Trustees/Governors have considered the Charity Commissions general guidance on public benefit.

The Academy maintains links with the wider community, with many groups from the local community making use of the facilities at Cirencester Kingshill School.

The Trustees' confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties. The Board of Trustees/Governing Body acts to further the principal purpose of the Academy, as defined in its Articles of Association and Funding Agreement: to advance, for the public benefit, secondary education for pupils of different abilities that are wholly or mainly drawn from the area in which the Academy is situated, offering a balanced and broadly based curriculum.

Achievements and performance

a. KEY PERFORMANCE INDICATORS

The Ofsted Inspectors judged the school to be good at their inspection on 1st March 2017 with the leadership team maintaining the good quality of education in the school. The report included that pupils, parents and staff all agree that the school is welcoming and supportive and that pupils enjoy coming to school; they behave well and act responsibly around the school site and in lessons. The report also confirmed that the quality of teaching, learning and assessment is good across a broad range of subjects and year groups and that teachers are encouraged to develop and trial different feedback models in order to help pupils understand with confidence exactly what and how to improve. Safeguarding was identified as a real strength of the school.

The next steps for the school, identified at the inspection, were for leaders and those responsible for governance to ensure that:

- There is a wholeschool strategic approach to increasing the academic progress of pupils who have special educational needs and/or disabilities
- School improvement initiatives are implemented consistently across the school by all senior and middle leaders.

Financial Performance

The key financial performance indicator is the net revenue for the year compared to budget. The Academy aims to run a balanced budget each financial period unless there are operational reasons that impact on this. In 2019/20 96.1% of the Academy's income was funded by Government funds. Staffing costs accounted for 83.5% of expenditure. During the financial period there have been financial changes to funding of education. The Teachers' Pension Grant was introduced, in the sum of £171,613 to offset an element of the increase in the employers teachers' pension contribution from 16.48% to 23.68%, The Teachers' Pay Award Grant to support the teaching staff pay award continued in 2019/20 and the school received funding of £60,732. Further changes to funding came into effect in 2019/20 when the National Funding Formula amount was set at £4,800 per pupil.

The Academy continues to strategically plan to manage any changes in funding with the aim of setting a balanced budget. The Academy also continues to use the Gloucestershire Association of Secondary Headteachers' benchmarking data, together with benchmarking data provided by its auditors, to measure and assess its financial performance.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Academic Performance

In Summer 2020, 72% of pupils achieved 5 or more GCSE's at grades 9 - 4 including Mathematics and English. 22% of all grades awarded were at grades 9 - 7. 23% of pupils met the criteria for the English Baccalaureate (9 - 4 passes in English, Mathematics, two Sciences, a Humanity and a Foreign Language).

Attendance

Pupil attendance for 1st September 2019 – 31st May 2020 was **95.19%**. This is despite the very low attendance during March as the COVID situation began to develop. As a school we are encouraged by the data as it does demonstrate a continued improvement in our attendance. (1st September 2018 to 31st May 2019 was **95%**; 1st September 2017 to 31st May 2018 was **94.6 %**.)

A key area of focus in on engaging the whole school in taking a collective responsibility for attendance and recognising the direct link good attendance has with excellent exam results.

The plan is to include a range of strategies aimed at engaging pupils in school, a focus on Attendance Weeks and careful consideration given to narrowing the gap between disadvantaged pupils and their peers.

Further to this, we are working on early intervention strategies with the Year 7s.

Site Development

During 2019-20 the Academy made a number of improvements across the school to benefit our pupils. Section 106 funding was used to support the increase the number of computers it has across the school. The music room has been expanded to allow more pupils to choose Music as a GCSE subject. The number of toilets in school has been increased to reflect our increasing pupil numbers. Outside sinks have been installed in two areas of the school. All these projects were funded using Section 106 funds.

The school also successfully secured £469,028 Condition Improvement Funding from the Education and Skills Funding Agency to replace the roof on the expressive roof block in the main building and to upgrade the electrical systems in school. The electrical upgrade works were completed in the Summer 2020 and works to the roof started in September 2020.

Financial review

a. GOING CONCERN

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

b. FINANCIAL REVIEW

The majority of the Academy's funding came from the Department for Education (DfE), via the Education and Skills Funding Agency (ESFA). Specific pupil funding for special educational needs was received from the Local Authority. The grants received from the ESFA/Local Authority during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy was very grateful to receive donations in the year, totalling £20,065 as follows:

- Powell's Educational Trust donations of £9,000 to support the Academy's whole school development, £135 for exam prizes and £10,000 for developments across the Academy
- Royal Agricultural University donation of £180
- Mrs M Craske donation of £250 to the school's Eco Council
- Friends of Kingshill School £500 donation towards the Year 11 Leaver's Book

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

An amount of £76,200 was drawn down against Section 106 funds held by the Local Authority for the benefit of the Academy, to support the expansion of the music facilities, portable IT equipment, toilet facilities and the installation of outdoor sinks. This work was completed in August 2020. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such capital grants are shown in the Statement of Financial Activities as restricted income 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 under review, total expenditure of £5,292,317 (2019: £5,002,131) was covered by recurrent grant funding from the ESFA and local authority together with other incoming resources, with the excess of income over expenditure being covered from the School's reserves. The unrestricted and restricted fund excess of income over expenditure for the period (excluding restricted fixed asset funds) was £5,563 (2019: £86,436) after transfers.

At 31 August 2020 the net book value of fixed assets was £11,494,132 (2019: £11,646,859); movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for the provision of education to the pupils of the Academy and associated support services.

The Local Government Pension Scheme has a negative balance. Hymans Roberts LLP, the scheme's actuaries, has provided a valuation report which shows at 31 August 2020 the scheme has assets of £3,044,000 (2019: £2,818,000) and liabilities of £5,118,000 (2019: £4,500,000) with a pension deficit of £2,074,000 (2019: £1,682,000). The effect of this deficit position of the pension scheme means that the Academy Trust will be paying higher employers pension contributions over a period of years, met from the Academy's budgeted income. The deficit on the Local Government Pension Scheme, taken on at conversion to Academy, is shown within in the Statement of Financial Activity.

The Academy's Finance Policy and Procedure that lays out the framework for financial management was reviewed and adopted. This sets out the financial responsibilities of the Governing Body, the Headteacher, the School Business Manager, budget holders and other staff, including the delegated authority for spending. Other finance policies reviewed and adopted in the year included Charging and Remissions, Lettings, Anti-Fraud, Investment, Whistleblowing and Best Value.

c. RESERVES POLICY

The Governing Body reviews the level of reserves at each year end and as part of its mediumterm budget planning. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves held. The aim is to provide sufficient additional resources to ensure sustainability of the School, to meet any shortfall that cannot be met out of regular funding streams, and provide a cushion against unexpected emergencies such as urgent maintenance.

As part of its monitoring of in year financial performance, the Trustees/Governors review the forecast impact on reserves and consider this as part of its medium term financial planning. During 2019/20 the Governing Body continued to establish a relatively low level of restricted general reserves at year end and continue to maintain a high level of unrestricted reserves (largely brought in on conversion) to retain maximum flexibility in future use of reserves. The total amount of reserves held by the Academy at 31st August 2020 is £10,922,033 (2019: £10,805,690), with restricted reserves of £729,585 (2019: £544,067) and unrestricted reserves of £306,416 (2019: £289,371).

In addition, at 31 August 2020, the Academy held restricted Fixed Asset funds. These reflect the fixed assets brought forward from the prior year; funding received for capital investment; and the depreciation charge for the year. The balance, after allowing for future year depreciation charge, is available for future capital expenditure.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

In 2020/21 the school will be using reserves to support the following projects:

- Installation of two canopies to increase the outside spaces under cover for pupils to use as outdoor learning spaces and during break times and lunch times, whilst ensuring that, particularly during the COVID pandemic, they can remain within their year group bubble.
- In the current COVID pandemic, to fund the upgrade of the roof lights, which are being replaced as part of the Expressive Roof Replacement Programme that is being funded with Condition Improvement Funds, so that they are fully opening roof lights to increase natural ventilation in the school.

d. INVESTMENTS POLICY

The Academy adopts a conservative approach to investing cash surpluses. Monies are invested in bank treasury deposits in UK financial institutions that are registered and authorised by the Financial Conduct Authority for periods not exceeding 9 months duration. Careful review is undertaken to ensure that funds needed to service the regular needs of the Academy are not tied up in deposits of too long duration. Cash flow forecasts are used to identify and invest surplus cash balances for appropriate periods of time, to obtain more favourable rates of interest while ensuring that accessible balances are sufficient to cover running costs. All investments are authorised by the Finance Committee based on advice from the School Business Manager. During 2019/20 the academy had rolling investments totalling £225,000 made with Lloyds Bank.

e. RISK MANAGEMENT

The objectives for managing risk across the School are:

- To comply with risk management best practice
- To ensure risks facing the School are identified and appropriately documented
- To provide assurance to Trustees/Governors that risks are being adequately controlled and identify areas for improvement
- To ensure action is taken appropriately with regards to accepting, migrating, transferring and avoiding risk.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

f. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The Academy has developed a Risk Register that is regularly reviewed in which Trustees/Governors have identified the major risks to which the Academy is exposed. In 2019/20 the School bought into the DfE's Risk Protection Arrangement (RPA). Separate cover was put in place with regard to insurable risks and steps taken to mitigate those which cannot be covered by the RPA or for which the cost of cover would be uneconomic.

In the review and grading of potential risks faced by the Academy, the principal risks have been identified as follows:

Income Risk:

The vast majority of funding for the Academy comes from central government, through the ESFA. Although such government funding can be expected to continue, government policy can change and the quantum and structure of future funding is uncertain during a period when education funding nationally is being reformed. However, as a large portion of funding is directly linked to pupil numbers, the risk can be mitigated by ensuring that the Academy continues to attract high numbers of pupils. The Trustees/Governors monitor announcements concerning future government funding so that mitigating action can be taken if it appears that the Academy's income is likely to decrease. The School continues to look to mitigate the risk by increasing funding from other sources including lettings income, ensuring value for money is a factor on all purchasing decisions.

Long Term Demand/Competition Risk:

A decrease in pupil numbers would have a direct negative impact on the Academy's income. The number of secondary age pupils in Gloucestershire has fallen but local demographics indicate that this is now reversing. Additionally, the local area is well served with a number of Ofsted graded "Good" schools. There is also the risk of other local schools increasing their Planned Admission Number (PAN). The Academy's PAN increased with effect from September 2013 to accommodate an increased demand for places from local housing developments. As these developments are completed this has been reviewed and the PAN increased in 2018 to 189 and again in 2019 to 196. The Academy is a popular and highly regarded school, with strong academic performance, and attracts pupils from outside the catchment area. The Governors are aware that deterioration in academic performance could adversely affect the Academy's attractiveness to parents and pupils, and continue to closely monitor the actions taken within the Academy to fully support pupils and ensure that results meet expectations.

Safeguarding and Child Protection Risk:

The Governors continue to ensure that the highest standards are maintained in areas of recruitment, selection and monitoring of staff through its rigorous safeguarding policies and procedures. The School has an appointed Designated Safeguarding Lead and Deputy Designated Safeguarding Lead with a nominated Trustee/Governor for Safeguarding. Included in the operational procedures, the School has a programme of safer recruitment training and whole staff safeguarding training in place.

Staffing Risk:

The success of the School is reliant on the quality of staff and so the Governors monitor and review the policies and procedures to ensure safer recruitment and selection, continued professional development and training for all staff and succession planning to attract high quality staff.

Pension Deficit Risk:

On conversion, the Academy Trust assumed liability for the element of the LGPS pertaining to its employees who are members of the scheme. The Academy's share of the pension scheme deficit is reported in the balance sheet in line with FRS102. Actuarial assessment of the Academy's share of the LGPS shows a deficit of £2,074,000 at 31 August 2020. It should be noted, however, that this does not present the Academy with a current liquidity problem and employer contribution rates have been set to reduce the deficit over time.

Pandemic Risk:

In March 2020, when the government enforced a lockdown as a result of the risks of COVID-19, the Trustees and leadership team have ensured that there has been a comprehensive and constant review of the risks resulting from the pandemic to mitigate the risks in line with government guidance. This will continue for the foreseeable future.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Fundraising

The Friends of the School currently undertake fundraising activities at events held by the Academy, mainly through the sale of refreshments, to help raise funds to support the activities of the Academy. The funds are used to support the education and development of our pupils.

Plans for future periods

a. FUTURE DEVELOPMENTS

Priority objectives for the academic year 2019/20, as identified within the School Development Plan, are as follows:

Outcomes for Pupils:

- Achieve school examinations targets as agreed with the School Improvement Partner
- Track pupil progress towards appropriately challenging targets

Teaching, Learning and Assessment:

- Improve the Effectiveness of teaching
- Pupil Premium
- Special Educational Needs
- Homework
- Ensuring appropriate courses are offered taking account of pupil needs

Personal Development, Behaviour and Welfare including Attendance:

- Behaviour
- Welfare
- Attendance

Leadership and Management:

- Targeted Professional Development
- Monitoring of Teaching
- Accountability of Middle Management Team

Learning Beyond the Classroom:

- Careers Education
- Careers Advice and Guidance
- Extra-Curricular Provision

The Wider School:

- Refurbishment / Redecoration Programme
- Marketing of the School to Achieve Maximum Capacity
- ICT Development
- Budget Review
- General Data Protection Regulation (GDPR)

Funds Held As Custodian Trustee on Behalf of Others

Cirencester Kingshill School holds funds on behalf of the Stroud & Cotswold Association for PE (SCAPE). SCAPE exists to promote, support and develop all aspects of teaching and learning in PE in each secondary school and to share good practice across all schools.

The funds are included within deferred income and amount to £737.03 at 31st August 2020 (2019: £303.53).

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees/Governing Body, as the company directors, on 25/11/2020 and signed on its behalf by:



A R Johnson
Chair of Trustees

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees/Governors, we acknowledge we have overall responsibility for ensuring that Cirencester Kingshill 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/Governing Body has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Cirencester Kingshill School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees/Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. As a result of the COVID pandemic the Board of Trustees/Governing Body has formally met 5 times during the year, rather than 6. Attendance during the year at meetings of the Board of Trustees/Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
A R Johnson, Chairman	4	5
R P Blamey	5	5
C M Cleaver	4	5
K Fraser	3	5
P Hicks (Staff Trustee)	4	5
V J Hindson (resigned 4/1/19)	1	1
J Morrison	4	5
C S Oates, Headteacher and Accounting Officer	5	5
C S O'Hare	5	5
E A O Reed	5	5
M Richards	4	5
N P Robbins	2	5
L L Stoker	3	5
S Thomas (Staff Trustee)	4	5
D Walklett	4	5
C J Wood	3	5
A Thomas	4	5

Josh Morrison was appointed as a General Governor on 10th October 2019. Adrian Thomas was appointed as a Co-opted Governor on 10th October 2019. Valerie Hindson resigned as a General Governor on 4th November 2019. Adrian Thomas was appointed as General Governor effective from 5th December 2019 (previously a Co-opted Governor).

The Governing Body undertakes an annual self-review of effectiveness with the last review taking place in September 2020, together with a bi annual skills audit. The review is carried out on an annual basis. Areas identified are addressed by the sub committees to ensure the effectiveness of the Governing Body. The Governing Body also undertakes regular reviews of skills to ensure a spread of appropriate skills across the Governing Body and its sub committees.

N P. Robbins was unable to attend two meetings due to personal reasons and as a result of an emergency council meeting of which Mr Robbins is the chair.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

The Finance Committee is a sub-committee of the main Board of Trustees/Governing Body. Its purpose is:

- To approve the draft budget plan for the financial year and recommend its adoption by the Full Governing Body;
- To make decisions on expenditure following recommendations from other committees in line with the Finance Policy;
- To consider the management accounts and report significant anomalies from the anticipated position to the Governing Body;
- To ensure the Academy operates within the financial regulations of the ESFA;
- To prepare the financial statement to form part of the annual report of the Governing Body to parents and for filing in accordance with Companies Act and Charity Commission requirements;
- To receive auditors' and Responsible Officer's reports and make recommendations to the Governing Body on their findings; and
- To recommend to the full Governing Body the appointment or reappointment of the auditors of the Academy.
- To undertake the duties of an Audit Committee.

During the year C S O'Hare was appointed Chair of the Finance Committee (1st September 2019 to 22nd April 2020). Adrian Thomas was appointed Chair of the Finance Committee from 23rd April 2020. Adrian Thomas was appointed Vice Chair of the Finance Committee (1st September 2019 to 22nd April 2020). Josh Morrison was appointed Vice Chair of the Finance Committee from 23rd April 2020.

The information on governance included here supplements that described in the Governors' Report and in the Governors' Responsibilities Statement. The Governors' Finance Committee normally meets 5 times during the year. Due to the COVID-19 pandemic the committee met 3 times in 2019-2020.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
K Fraser	2	3
Valerie Hindson (resigned 4/11/19)	1	1
A R Johnson (Chair of Governors)	3	3
C S Oates (Headteacher)	3	3
C S O'Hare (Chair of Finance Committee 1/9/19 to 22/4/20)	3	3
Adrian Thomas (Chair of Finance Committee from 23/4/20)	2	3
Josh Morrison (Vice Chair of Finance Committee from 23/4/20)	2	3

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

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

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

Improving Educational Outcomes

Cirencester Kingshill School's diverse curriculum ensures all pupils have the opportunity to raise their individual levels of attainment. Although our curriculum is predominantly GCSE based at Key Stage 4, we operate an 'open' options system within which pupils select four subjects from over twentyfive courses ranging from Triple Science and three choices of Modern Foreign Languages to GSCE Photography and BTECs in Art & Design; Children's Play, Learning and Development; and Sport. Where appropriate, pupils are encouraged to follow the English Baccalaureate suite of subjects, with near to 30% now following this route.

Results at the end of Key Stage 4 are consistently in the region of 75 - 80% of pupils gaining 5 grades 9 - 4 (A* C), with around 70% doing so in 5 grades 9 - 4 (A* C) including English and Maths. Most recently, excellent progress has been made by pupils in Science, Humanities, Drama and Physical Education placing the School in or near the top 30% of all schools in all four curriculum areas.

To continue to ensure staff are efficiently deployed and are appropriately qualified to meet the needs of the curriculum, the academy continues to regularly review the staffing structure. As a result virtually all classes at KS3, and all classes at KS4 continue to be taught by graduate subject specialists. Specialist qualified Teaching Assistants are also employed within the English, Mathematics and Science faculties. We allocate additional staff to targeted key curriculum areas and pupil groupings, such as providing extra staffing in English and Mathematics where all pupils in the lowest set receive in class support. We also provide targeted support for students as appropriate through a range of after school classes, homework support and an extensive clubs programme covering all curriculum areas. In Year 7 we identify each year a small group of students who are behind their expected levels in literacy and/or numeracy and provide tailored, small group sessions for them regularly in lieu of studying a foreign language. The academy continues to run a programme of Year 11 revision classes after school and during the Easter holidays to improve pupil performance.

We have well established tracking systems to record all aspects of student data, including academic progress throughout Years 7 to 11, and to ensure that interventions and support are targeted to achieve Value for Money. Progress is measured using a pathways system throughout Key Stage 3 whilst a fine grading system is introduced in Key Stage 4 to ensure mentoring is offered to those pupils where maximum impact is likely. Progress is reported to parents on three occasions each year supported by at least two parents' consultation evenings for each year group.

During the past 3 years, our use of Pupil Premium funding has been significantly revised. On a pupil level, this has been centred around increasing the range of trips and visits within our 'Aspirations Programme', including a focus in KS3. A range of other opportunities have also been provided to pupils eligible for Pupil Premium funding, including visits to local colleges the University of Gloucester, the Ernest Cooke Trust and the Royal International Air Tattoo. Our Pupil Premium pupils highly value the 1:1 and small group intervention and mentoring work we undertake with our Learning Mentors.

We have also maintained an ongoing scrutiny of staffing costs with particular focus on ensuring that for those staff most directly involved in mentoring Pupil Premium pupils, appropriate proportions of their salaries are directly financed from the Pupil Premium budget.

Following increased growth of students eligible for Pupil Premium funding, there has also been increased deployment of finance towards bursaries, both for uniforms and trips, as well as on a discretionary basis for curriculum areas to use on providing text books, revision books and materials and calculators for Pupil Premium pupils.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

Based on analysis of both GCSE results and our internal tracking of pupil performance, it is pleasing to note that we are able to evidence that the attainment gap between Pupil Premium and non-Pupil Premium pupils continued to decrease into 2019. However, the 2020 results were based on teacher assessment and not on actual GCSE exams and this saw an increase in the gap between Pupil Premium pupils and their peers. The 2020 results were based on the DfE guidance of 3rd April 2020 which stipulated that grades had to be based on teacher assessment and also on prior performance of subjects at the school. They are therefore not necessarily what the pupils would have actually achieved had they sat the exam.

Based on the concept of average points score and FFT50 targets, our results in the summer of 2019 indicate a closing of the gap (please see the supporting table) and an increase in achievement of Pupil Premium pupils against their FFT50 estimates across the board compared to the previous year. Pupil Premium pupils in 2020 obtained an average GCSE grade of 4.2 against 5.0 for their peers. This gap is not statistically significant. The average GCSE value added for Pupil Premium pupils was -0.2 compared to 0 for their peers. Again, according to Fischer Family Trust Provisional analysis this is also not a statistically significant gap. For the purposes of reporting Pupil Premium progress it is better to consult the 2019 results as these were based on GCSE (and equivalents) actually taken.

	PP			Non PP			PP vs Non-PP
	Average Points	FFT50	Difference	Average Points	FFT50	Difference	
English Lang	4.44	4.5	-0.06	4.81	4.87	-0.06	0.00
Maths	3.97	4.25	-0.28	4.73	4.76	-0.03	-0.25
Combined Science	3.75	3.79	-0.04	4.46	3.98	0.48	-0.52
All (not Combined Science)	4.19	4.43	-0.25	5.1	4.99	0.11	-0.36

The academy continues to develop relationships with educational providers to offer expert support in a range of both curriculum and pastoral support.

Financial Governance and Oversight

The academy has robust systems of financial control; financial policies are reviewed and updated on a regular basis and procedures are monitored to ensure they conform to sound practice. Systems are reviewed by the External Auditor, who also undertake Responsible Officer work. Any potential weaknesses or suggestions for improvement are addressed and implemented.

The principles of Value for Money are inherent in the preparation of the annual budget. The monitoring of the School Development Plan links with the progress of the annual budget plan, and best value principles are applied to help determine how we are securing continuous improvement.

The annual budget is recommended for approval, reviewed, discussed and challenged by the Finance Committee and approved by the Governing Body. Management accounts (budget monitoring reports) are produced monthly and reviewed, discussed and challenged by the Headteacher and the Finance Committee. Variances are investigated and any cause for concern addressed appropriately.

Monthly statements are produced for budget holders to help monitor use of funds and prevent overspending.

Spending of ringfenced funding is closely monitored to ensure it is used appropriately and to maximum effect.

The academy participates in benchmarking exercises to compare ourselves with similar schools both locally and nationally, and identify areas of spending where we might make improvements.

The academy maximises opportunities that arise to work collaboratively with others to help reduce costs, for example, cluster training events to share the cost of staff training.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

Purchasing

There are clearly defined procedures for purchasing goods and services. Comparative pricing is obtained to ensure best value; this does not necessarily mean taking the cheapest quote. Tender procedures are followed for procurement of major items/services.

Service contracts are reviewed annually to ensure they meet the needs of the Academy, represent best value and are fit for purpose. Consideration is given to bringing services in house where this would provide better value than external procurement. During 2019/20 contracts for the broadband, some of the photocopiers, the franking machine, the hand dryers and the gas and electric supplies were reviewed. We explore opportunities to work collaboratively with other schools and purchasing consortia to achieve economies of scale in procurement and share purchasing experiences and therefore for both contracts a joint procurement process, working collaboratively with other local schools, was implemented to ensure economies of scale and ensure good practice. In house skills continue to be drawn upon to achieve best value.

Income Generation

The Academy makes its sports, drama and other facilities available for hire to a wide range of local community clubs. The charges for such lettings are set at a level which ensures that income received covers associated costs, with a small surplus contributing towards wear and tear, for the benefit of the local community. During 2019-20 the Academy's facilities for use by community users generated income of £14,589, slightly down on the previous year. In 2019-20 the school had to stop letting its facilities to the local community due to the COVID-19 pandemic.

Cash flow forecasts are used to identify and invest surplus cash balances for appropriate periods of time, to obtain more favourable rates of interest while ensuring that accessible balances are sufficient to cover running costs.

Reviewing Controls and Managing Risk

Segregation of duties is incorporated into financial processes to support prudent management. The risk register is reviewed, updated and approved by the Finance Committee annually.

In 2019/20 the School bought into the DfE's Risk Protection Arrangement (RPA), as well as purchasing appropriate levels of insurance cover for risk not covered under the RPA, against risks that represent potential material financial exposure.

Lessons Learned/Future Objectives

In a sustained period of falling real term income, staffing cost increases and a time lag in receiving additional funding, careful staff planning continues to be a priority to ensure curriculum needs are met within the tight budgetary constraints that Academy continues to face, whilst retaining high standards and pupil outcomes. To support this the Academy is investing in and using Integrated Curriculum Financial Planning to support decision making.

The Board of Trustees/Governing Body has determined that an appropriate level of free reserves should be maintained, sufficient to provide working capital where needed to cover short term revenue and expenditure mismatches; finance unforeseen urgent expenditure; and support potential future capital projects.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Cirencester Kingshill School for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

The Board of Trustees/Governing Body 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/Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees/Governing Body.

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees/Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Randall & Payne LLP, the external auditors, to perform additional checks.

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

- Testing of budget checks
- Testing of payroll systems
- Testing of purchase systems
- Testing of bank reconciliations.

On an annual basis, the external auditors report to the Board of Trustees/Governing Body through the Finance Committee on the operation of the systems of control and on the discharge of the Board of Trustees/Governing Body's financial responsibilities.

The Board of Trustees confirms that Randall & Payne LLP has delivered their schedule of work as planned and that no material issues arose as a result of their work.

Due to changes in the FRC Ethical Standard for Auditors, from September 2020 the school's auditors Randall & Payne, will no longer be able to carry out internal assurance. The school will develop a collaborative approach and work with a local school from September 2020 on internal assurance and scrutiny arrangements.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

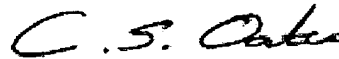
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees/Governing Body on 25/11/2020 and signed on their behalf, by:



A R Johnson,
Chair of Trustees



C S Oates,
Accounting Officer

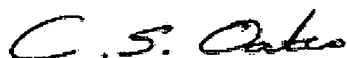
CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Cirencester Kingshill School I have considered my responsibility to notify the academy trust 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 trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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



C S Oates
Accounting Officer

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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 Annual Accounts Direction issued by the Education & 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 2015 and the Academies Accounts Direction 2019 to 2020;
- 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/Governing Body on 25/11/2020 and signed on its behalf by:



A R Johnson
Chair of Governors

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CIRENCESTER KINGSHILL SCHOOL**

OPINION

We have audited the financial statements of Cirencester Kingshill School (the 'Academy') for the year ended 31 August 2020 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, 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 2015 and the Academies Accounts Direction 2019 to 2020 issued by the Education & 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 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2019 to 2020 issued by the Education & 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

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

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

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CIRENCESTER KINGSHILL SCHOOL**

OTHER INFORMATION

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

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

We have nothing to report in this regard.

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.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CIRENCESTER KINGSHILL SCHOOL**

RESPONSIBILITIES OF TRUSTEES

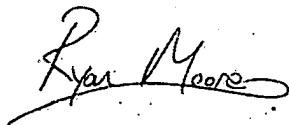
As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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.



Ryan Moore CA (Senior Statutory Auditor)

for and on behalf of

Randall & Payne LLP

Chargrove House
Shurdington Road
Shurdington
Cheltenham
Gloucestershire
GL51 4GA

Date: 18 December 2020

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
CIRENCESTER KINGSHILL SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 13 September 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Cirencester Kingshill School during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF CIRENCESTER KINGSHILL SCHOOL'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Cirencester Kingshill School's funding agreement with the Secretary of State for Education dated 25 May 2011, and the Academies Financial Handbook extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

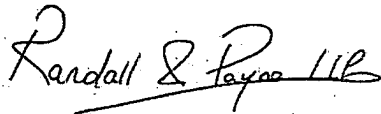
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
CIRENCESTER KINGSHILL SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)**

CONCLUSION

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



Randall & Payne LLP

Chargrove House
Shurdington Road
Shurdington
Cheltenham
Gloucestershire
GL51 4GA

Date: 18 December 2020

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:						
Donations and capital grants	2	-	27,554	637,007	664,561	134,149
Charitable activities	3	-	4,919,754	-	4,919,754	4,743,695
Other trading activities	4	-	-	-	-	116
Investments	5	17,045	-	-	17,045	18,625
Other income	6	-	2,300	-	2,300	4,000
TOTAL INCOME		17,045	4,949,608	637,007	5,603,660	4,900,585
EXPENDITURE ON:						
Charitable activities		-	4,938,698	353,619	5,292,317	5,002,131
TOTAL EXPENDITURE	9	-	4,938,698	353,619	5,292,317	5,002,131
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	19	17,045	10,910	283,388	311,343	(101,546)
		-	(22,392)	22,392	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		17,045	(11,482)	305,780	311,343	(101,546)
Actuarial losses on defined benefit pension schemes	24	-	(195,000)	-	(195,000)	(612,000)
NET MOVEMENT IN FUNDS		17,045	(206,482)	305,780	116,343	(713,546)
RECONCILIATION OF FUNDS:						
Total funds brought forward		289,371	(1,137,933)	11,654,252	10,805,690	11,519,236
TOTAL FUNDS CARRIED FORWARD		306,416	(1,344,415)	11,960,032	10,922,033	10,805,690

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07686390

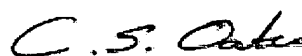
BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	£	2020 £	£	2019 £
FIXED ASSETS					
Tangible assets	15		11,494,132		11,646,859
CURRENT ASSETS					
Stocks	16	3,444		3,683	
Debtors	17	633,585		119,786	
Cash at bank and in hand		1,243,097		1,018,446	
		<u>1,880,126</u>		<u>1,141,915</u>	
CREDITORS: amounts falling due within one year	18	(378,225)		(301,084)	
NET CURRENT ASSETS			1,501,901		840,831
TOTAL ASSETS LESS CURRENT LIABILITIES			12,996,033		12,487,690
Defined benefit pension scheme liability	24		(2,074,000)		(1,682,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>10,922,033</u>		<u>10,805,690</u>
FUNDS OF THE ACADEMY					
Restricted fixed asset fund:					
Restricted income funds	19	729,585		544,067	
Restricted fixed asset funds	19	11,960,032		11,654,252	
Restricted income funds excluding pension liability		12,689,617		12,198,319	
Pension reserve		(2,074,000)		(1,682,000)	
Total restricted fixed asset fund			10,615,617		10,516,319
Unrestricted income funds	19		306,416		289,371
TOTAL FUNDS			<u>10,922,033</u>		<u>10,805,690</u>

The financial statements on pages 30 to 54 were approved by the Trustees, and authorised for issue, on 25/11/2020 and are signed on their behalf, by:



A R Johnson
Chair of Trustees



C S Oates
Accounting Officer

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(322,649)	161,791
Cash flows from investing activities:			
Dividends, interest and rents from investments		2,203	1,656
Purchase of tangible fixed assets		(91,910)	(58,025)
Capital grants from DfE Group & LA S106 funding		637,007	98,511
Net cash provided by investing activities		547,300	42,142
Change in cash and cash equivalents in the year		224,651	203,933
Cash and cash equivalents brought forward		1,018,446	814,513
Cash and cash equivalents carried forward	22	1,243,097	1,018,446

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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 trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Cirencester Kingshill School constitutes a public benefit entity as defined by FRS 102.

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 trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements

1.3 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 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.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

1.4 Income

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities incorporating Income and Expenditure Account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities incorporating Income and Expenditure Account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.5 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

Non-consumable ICT equipment costing £250 and other assets costing more than £1,000 are capitalised.

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 incorporating Income and Expenditure Account 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 incorporating Income and Expenditure Account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% Straight-line
Furniture and fixtures	-	25% Straight-line
Plant and equipment	-	15% Straight-line
Computer equipment	-	33.3% Straight-line

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 incorporating Income and Expenditure Account.

1.7 Interest receivable

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

1.8 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

1.9 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.

1.10 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.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

1.11 Cash at Bank and in hand

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

1.12 Liabilities and provisions

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

1.13 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 basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 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 instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

1.14 Taxation

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

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

1.15 Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments 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. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 incorporating Income and Expenditure Account 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.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

1.16 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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 2017 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

Fixed asset valuations have been included at their estimated fair value at the date of conversion, and depreciated over their useful life since. With no formal valuations occurring since this date, the judgment is to assess whether this valuation is still appropriate in the accounts.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	-	27,554	-	27,554	35,638
Capital Grants	-	-	637,007	637,007	98,511
	-	27,554	637,007	664,561	134,149
Total 2019	350	35,288	98,512	134,150	

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant	4,204,448	4,204,448	4,166,070
Rates Reclaim	25,620	25,620	25,128
Pupil Premium and Service Premium	140,688	140,688	132,490
Free School Meals Supplementary Grant	8,800	8,800	6,160
Year 7 Catch Up Grant	14,228	14,228	13,924
Other DfE and ESFA	232,345	232,345	39,727
Local Authority - Special Educational Needs (SEN)	92,095	92,095	84,155
Primary PE Liaison Funding Contributions	6,000	6,000	5,400
Other Government - Revenue Grants*	50,626	50,626	28,570
Non-Government - Revenue Grants	-	-	400
Other Income	144,904	144,904	241,671
	<u>4,919,754</u>	<u>4,919,754</u>	<u>4,743,695</u>
Total 2019	<u>4,743,695</u>	<u>4,743,695</u>	

*Included within the other government - revenue grants above is:
£8,000 claimed and received in relation to the Coronavirus Job Retention Scheme
£11,030 claimed and received in relation to exceptional costs incurred as a result of C19

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Sale of Equipment	-	-	-	116
Total 2019	<u>116</u>	<u>-</u>	<u>116</u>	

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

5. INVESTMENT INCOME

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Rental Income	14,588	-	14,588	16,101
Interest Received	2,203	-	2,203	1,656
Sales to Public & Minibus	254	-	254	868
	<u>17,045</u>	<u>-</u>	<u>17,045</u>	<u>18,625</u>
Total 2019	<u>18,625</u>	<u>-</u>	<u>18,625</u>	

6. OTHER INCOMING RESOURCES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
ITT Income	-	2,300	2,300	4,000
Total 2019	<u>-</u>	<u>4,000</u>	<u>4,000</u>	

7. DIRECT COSTS

	Educational Operations £	Total 2020 £	Total 2019 £
Staff Expenses	3,366	3,366	3,377
Educational Supplies	68,543	68,543	84,668
Examination Fees	54,216	54,216	64,963
Educational Consultancy	17,223	17,223	21,651
Other Staff Costs	7,669	7,669	8,694
Technology Costs	4,339	4,339	3,526
Other	114,625	114,625	189,873
Wages and Salaries	2,480,055	2,480,055	2,389,177
National Insurance	249,681	249,681	236,306
Pension Cost	584,837	584,837	406,003
	<u>3,584,554</u>	<u>3,584,554</u>	<u>3,408,238</u>
Total 2019	<u>3,408,238</u>	<u>3,408,238</u>	

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

8. SUPPORT COSTS

	Educational Operations £	Total 2020 £	Total 2019 £
Pension Income	33,000	33,000	28,000
Insurance	24,226	24,226	31,128
Technology Costs	14,747	14,747	15,281
Other	75,591	75,591	79,841
Maintenance of Premises	123,017	123,017	83,676
Cleaning and Caretaking	72,976	72,976	76,364
Operating Lease Rentals - Other	20,435	20,435	19,608
Rates	31,151	31,151	36,398
Energy	82,348	82,348	82,191
Security	6,154	6,154	7,299
Transport	6,622	6,622	18,948
Catering	33,515	33,515	19,494
Other Premises Costs	25,014	25,014	26,723
Legal & Professional	35,124	35,124	518
Auditor Costs	9,828	9,828	10,177
Wages and Salaries	540,409	540,409	546,776
National Insurance	36,868	36,868	38,880
Pension Cost	292,102	292,102	228,076
Depreciation	244,636	244,636	244,515
	<u>1,707,763</u>	<u>1,707,763</u>	<u>1,593,893</u>
Total 2019	<u>1,593,893</u>	<u>1,593,893</u>	

During the year ended 31 August 2020, the Academy incurred the following Governance costs:
£9,828 (2019 - £10,177) included within the table above.

9. EXPENDITURE

	Staff costs 2020 £	Premises 2020 £	Other costs 2020 £	Total 2020 £	Total 2019 £
Educational Operations:					
Direct costs	3,314,573	-	269,981	3,584,554	3,408,238
Support costs	869,379	148,031	690,353	1,707,763	1,593,893
	<u>4,183,952</u>	<u>148,031</u>	<u>960,334</u>	<u>5,292,317</u>	<u>5,002,131</u>
Total 2019	<u>3,845,216</u>	<u>512,239</u>	<u>644,676</u>	<u>5,002,131</u>	

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2020	2019
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	244,636	244,514
Auditors' remuneration - audit	7,140	6,790
Auditors' remuneration - other services	2,688	3,387
Legal and professional costs	35,124	518
Operating lease rentals	20,435	19,608
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CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2020 £	2019 £
Wages and salaries	3,020,464	2,931,404
Social security costs	286,549	275,185
Operating costs of defined benefit pension schemes	876,939	634,078
	<u>4,183,952</u>	<u>3,840,667</u>
Agency staff costs	-	4,549
	<u>4,183,952</u>	<u>3,845,216</u>

b. Staff numbers

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

	2020 No.	2019 No.
Teachers & Educational Support	86	83
Administration	19	19
Management	7	7
	<u>112</u>	<u>109</u>

Average headcount expressed as a full time equivalent:

	2020 No.	2019 No.
Teachers & Educational Support	64	63
Administration	14	14
Management	7	7
	<u>85</u>	<u>84</u>

c. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	2	4
In the band £70,001 - £80,000	5	1
In the band £100,001 - £110,000	0	1
In the band £110,001 - £120,000	1	0

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. STAFF COSTS (continued)

The above employees had employer pension contributions totalling £116,713 (2019: £62,784) in the year.

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employers national insurance) received by key management personnel for their services to the academy trust was £597,818 (2019: £559,555).

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 other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2020 £	2019 £
C S Oates, Headteacher	Remuneration	90,000-95,000	90,000-95,000
	Pension contributions paid	20,000-25,000	15,000-20,000
S Thomas	Remuneration	40,000-45,000	40,000-45,000
	Pension contributions paid	10,000-15,000	5,000-10,000
P Hicks	Remuneration	20,000-25,000	15,000-20,000
	Pension contributions paid	5,000-10,000	0-5,000
A Thomas (appointed 10 October 2019)	Remuneration	0-5,000	
	Pension contributions paid	0-5,000	

During the year ended 31 August 2020, no Trustees received any reimbursement of expenses (2019 - £NIL to no Trustees).

13. TRUSTEES' AND OFFICERS' INSURANCE

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

14. OTHER FINANCE INCOME

	2020 £	2019 £
Interest income on pension scheme assets	56,000	71,000
Interest on pension scheme liabilities	(89,000)	(99,000)
	<u>(33,000)</u>	<u>(28,000)</u>

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

15. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Furniture and fixtures £	Computer equipment £	Total £
Cost					
At 1 September 2019	13,123,285	123,447	151,810	306,877	13,705,419
Additions	36,379	2,458	10,680	42,393	91,910
At 31 August 2020	13,159,664	125,905	162,490	349,270	13,797,329
Depreciation					
At 1 September 2019	1,525,433	103,088	148,758	281,281	2,058,560
Charge for the year	203,694	5,130	4,418	31,395	244,637
At 31 August 2020	1,729,127	108,218	153,176	312,676	2,303,197
Net book value					
At 31 August 2020	11,430,537	17,687	9,314	36,594	11,494,132
At 31 August 2019	11,597,852	20,359	3,052	25,596	11,646,859

Included in land and buildings is freehold land at valuation of cost £2,948,113 (2019: £2,948,113) which is not depreciated.

The Secretary of State has placed a restrictive covenant on the land and buildings of the academy; these assets are not allowed to be sold without the Secretary's permission.

16. STOCKS

	2020 £	2019 £
Finished goods and goods for resale	3,444	3,683

17. DEBTORS

	2020 £	2019 £
Trade debtors	14,100	243
VAT repayable	11,911	8,597
Other debtors	-	490
Prepayments and accrued income	607,574	110,456
	633,585	119,786

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

18. CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	-	(477)
Other taxation and social security	153,424	64,109
Other creditors	-	35,490
Accruals and deferred income	224,801	201,962
	<u>378,225</u>	<u>301,084</u>
	2020 £	2019 £
Deferred income		
Deferred income at 1 September 2019	124,038	110,952
Resources deferred during the year	92,769	124,038
Amounts released from previous years	(124,038)	(110,952)
Deferred income at 31 August 2020	<u>92,769</u>	<u>124,038</u>

The above deferred resources comprises of the following, trips £33,848 (2019: £61,384), rates relief £15,083 (2019: £14,847), balances held for 3rd parties £1,058 (2019: £3,115), SGO funding £13,883 (2019: £13,883) and other deferred items totaling £28,897 (2019: £30,809).

19. STATEMENT OF FUNDS

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds - all funds	207,818	2,456	-	-	-	210,274
Rental Income	81,553	14,589	-	-	-	96,142
	<u>289,371</u>	<u>17,045</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>306,416</u>
Restricted funds						
General Annual Grant	466,307	4,204,448	(3,986,008)	(22,392)	-	662,355
Other DFE	-	280,993	(280,993)	-	-	-
SEN	-	92,095	(92,095)	-	-	-
Music Tuition	15,169	26,000	(41,169)	-	-	-
Private Trips Fund	37,212	105,923	(115,823)	-	-	27,312
Pupil Premium	8,144	140,688	(131,144)	-	-	17,688
Other Funds	15,766	71,907	(87,673)	-	-	-
Donations	1,469	27,554	(6,793)	-	-	22,230
Pension reserve	(1,682,000)	-	(197,000)	-	(195,000)	(2,074,000)
	<u>(1,137,933)</u>	<u>4,949,608</u>	<u>(4,938,698)</u>	<u>(22,392)</u>	<u>(195,000)</u>	<u>(1,344,415)</u>

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

19. STATEMENT OF FUNDS (continued)

Restricted fixed assets funds

Restricted Fixed Asset Funds - all funds	11,646,859	-	(244,637)	91,910	-	11,494,132
Devolved formula capital	-	21,778	-	(21,778)	-	-
S106 - Dining Room Expansion	7,393	-	(7,393)	-	-	-
S106 - Laptops	-	14,100	-	(14,100)	-	-
S106 - Sinks, Toilets, Music Block	-	62,100	(25,352)	(36,379)	-	369
CIF - Roofing Project	-	493,637	(28,106)	-	-	465,531
CIF - Electrics Project	-	45,392	(48,131)	2,739	-	-
	<u>11,654,252</u>	<u>637,007</u>	<u>(353,619)</u>	<u>22,392</u>	<u>-</u>	<u>11,960,032</u>
Total restricted funds	<u>10,516,319</u>	<u>5,586,615</u>	<u>(5,292,317)</u>	<u>-</u>	<u>(195,000)</u>	<u>10,615,617</u>
Total of funds	<u>10,805,690</u>	<u>5,603,660</u>	<u>(5,292,317)</u>	<u>-</u>	<u>(195,000)</u>	<u>10,922,033</u>

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

Restricted Funds:

ESFA Grants are for the purpose of providing education in accordance with the requirements of the Education and Skills Funding Authority and in line with the national curriculum. Funds received from the local authority are both for the provision of educational support for students with special educational needs and alternative educational provision for excluded pupils. Donations bearing any covenants or restriction form the on the donor are to be spent in accordance with these restrictions.

Unrestricted funds may be applied for any purpose within the charitable objectives of the academy.

Restricted fixed asset funds predominantly represent the net book value of the assets held by the academy. The residual balance of funds is applied against capital expenditure, and capital maintenance costs in accordance with the requirements of the ESFA for devolved formula capital grants.

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

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
General funds						
General Funds - all funds	207,818	2,639	(2,639)	-	-	207,818
Rental Income	65,451	16,102	-	-	-	81,553
Donations	-	350	(350)	-	-	-
	<u>273,269</u>	<u>19,091</u>	<u>(2,989)</u>	<u>-</u>	<u>-</u>	<u>289,371</u>

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

19. STATEMENT OF FUNDS (continued)

Restricted funds

General Annual Grant	259,165	4,205,797	(4,002,201)	3,546	-	466,307
Other DFE	-	45,212	(45,212)	-	-	-
SEN	-	84,155	(84,155)	-	-	-
Music Tuition	15,246	30,909	(30,986)	-	-	15,169
Private Trips Fund	44,164	209,621	(216,573)	-	-	37,212
Pupil Premium	16,375	132,490	(140,721)	-	-	8,144
Other Funds	-	39,511	(23,745)	-	-	15,766
Donations	7,783	35,288	(41,602)	-	-	1,469
Pension reserve	(939,000)	-	(131,000)	-	(612,000)	(1,682,000)
	<u>(596,267)</u>	<u>4,782,983</u>	<u>(4,716,195)</u>	<u>3,546</u>	<u>(612,000)</u>	<u>(1,137,933)</u>

Restricted fixed assets funds

Restricted Fixed Asset Funds - all funds	11,833,348	-	(244,514)	58,025	-	11,646,859
Devolved formula capital S106 - Dining Room	-	61,571	-	(61,571)	-	-
Expansion	-	36,940	(29,547)	-	-	7,393
CIF	8,886	-	(8,886)	-	-	-
	<u>11,842,234</u>	<u>98,511</u>	<u>(282,947)</u>	<u>(3,546)</u>	<u>-</u>	<u>11,654,252</u>
Total restricted funds	<u>11,245,967</u>	<u>4,881,494</u>	<u>(4,999,142)</u>	<u>-</u>	<u>(612,000)</u>	<u>10,516,319</u>
Total of funds	<u>11,519,236</u>	<u>4,900,585</u>	<u>(5,002,131)</u>	<u>-</u>	<u>(612,000)</u>	<u>10,805,690</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed assets funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	11,494,132	11,494,132
Current assets	306,416	1,107,808	465,900	1,880,124
Creditors due within one year	-	(378,223)	-	(378,223)
Provisions for liabilities and charges	-	(2,074,000)	-	(2,074,000)
	<u>306,416</u>	<u>(1,344,415)</u>	<u>11,960,032</u>	<u>10,922,033</u>

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	2019 £	2019 £	2019 £	2019 £
Tangible fixed assets	-	-	11,646,859	11,646,859
Current assets	289,371	845,151	7,393	1,141,916
Creditors due within one year	-	(301,084)	-	(301,085)
Provisions for liabilities and charges	-	(1,682,000)	-	(1,682,000)
	<u>289,371</u>	<u>(1,137,933)</u>	<u>11,654,252</u>	<u>10,805,690</u>

21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	311,343	(101,546)
Adjustment for:		
Depreciation charges	244,637	244,515
Dividends, interest and rents from investments	(2,203)	(1,656)
Decrease/(increase) in stocks	239	(454)
Increase in debtors	(513,798)	(25,932)
Increase in creditors	77,140	14,375
Capital grants from DfE Group & LA S106 funding	(637,007)	(98,511)
Defined benefit pension scheme cost less contributions payable	197,000	131,000
Net cash (used in)/provided by operating activities	<u>(322,649)</u>	<u>161,791</u>

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash in hand	1,243,097	1,018,446
Total	<u>1,243,097</u>	<u>1,018,446</u>

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

23. CAPITAL COMMITMENTS

At 31 August 2020 the Academy had capital commitments as follows:

	2020 £	2019 £
Contracted for but not provided in these financial statements	<u>465,531</u>	<u>7,394</u>

Capital commitments as at 31 August 2020 were in relation to the roofing works which were in progress at the year-end funded by a CIF grant (2019: dining room expansion project funded by the S106 grant funding).

24. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Gloucestershire County Council Pension Fund. Both are Multi-Employer Defined Benefit Pension Schemes.

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

Contributions amounting to £84,664 were payable to the schemes at 31 August 2020 (2019 - nil) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers 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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay, including a 0.08% employer administration charge.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

24. PENSION COMMITMENTS (continued)

- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2018 determined an employer rate of 23.68%, which was payable from September 2019. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £508,711 (2019 - £341,783).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £246,000 (2019 - £229,000), of which employer's contributions totalled £201,000 (2019 - £185,000) and employees' contributions totalled £45,000 (2019 - £44,000). The agreed contribution rates for future years are 26.3% for employers and 6% for employees.

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:

	2020	2019
Discount rate for scheme liabilities	1.70 %	1.90 %
Rate of increase in salaries	2.50 %	2.60 %
Rate of increase for pensions in payment / inflation	2.20 %	2.30 %

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

	2020	2019
Retiring today		
Males	21.7	21.5
Females	23.9	23.7
Retiring in 20 years		
Males	22.4	22.3
Females	25.3	25.0

	At 31 August 2020 £	At 31 August 2019 £
Sensitivity analysis		
Discount rate -0.5%	629,000	604,000
Salary increase rate +0.5%	73,000	85,000
Pension increase rate +0.5%	545,000	509,000

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

24. PENSION COMMITMENTS (continued)

The sensitivity analysis shows the effect on the liabilities within the scheme should the above events occur.

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

	Fair value at 31 August 2020 £	Fair value at 31 August 2019 £
Equities	2,009,040	1,831,700
Bonds	700,120	704,500
Corporate bonds	243,520	225,440
Cash and other liquid assets	91,320	56,360
Total market value of assets	<u>3,044,000</u>	<u>2,818,000</u>

The actual return on scheme assets was £-64,000 (2019 - £94,000).

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2020 £	2019 £
Current service cost	(365,000)	(288,000)
Interest income	56,000	71,000
Interest cost	(89,000)	(99,000)
Total	<u>(398,000)</u>	<u>(316,000)</u>
Actual return on scheme assets	<u>(64,000)</u>	<u>94,000</u>

Movements in the present value of the defined benefit obligation were as follows:

	2020 £	2019 £
Opening defined benefit obligation	4,500,000	3,384,000
Current service cost	365,000	288,000
Interest cost	89,000	99,000
Employee contributions	45,000	44,000
Actuarial losses	131,000	706,000
Benefits paid	(12,000)	(21,000)
Closing defined benefit obligation	<u>5,118,000</u>	<u>4,500,000</u>

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

24. PENSION COMMITMENTS (continued)

Movements in the fair value of the Academy's share of scheme assets:

	2020 £	2019 £
Opening fair value of scheme assets	2,818,000	2,445,000
Interest income	56,000	71,000
Actuarial gains/(losses)	(64,000)	94,000
Employer contributions	201,000	185,000
Employee contributions	45,000	44,000
Benefits paid	(12,000)	(21,000)
	<u>3,044,000</u>	<u>2,818,000</u>
Closing fair value of scheme assets	<u>3,044,000</u>	<u>2,818,000</u>

25. OPERATING LEASE COMMITMENTS

At 31 August 2020 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £	2019 £
Amounts payable:		
Within 1 year	10,964	16,582
Between 1 and 5 years	19,137	4,542
Total	<u>30,101</u>	<u>21,124</u>

26. 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.

CIRENCESTER KINGSHILL SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

27. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Friends of the School - connected charity. A donation was made from The Friends of the School for £500 to help support the leavers books. The donation was at an arm's length basis and in entering into the transaction, the academy complied with the requirements of the Academies Financial Handbook.

Powells Educational Trust - of which Andy Johnson is a trustee. A donation was made from Powell's Educational Trust for £19,135 in relation to exams prizes and a variety of approved projects to benefit all pupils around the School. The donations were made at an arm's length basis and in entering into the transaction, the academy complied with the requirements of the Academies Financial Handbook.

In entering into the above transactions the academy has complied with the requirements of the Academies Financial Handbook 2019 and the transactions were on a commercial arms length basis.