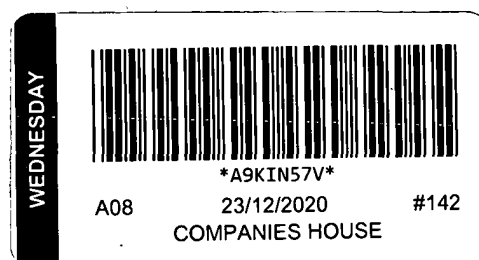


Company Registration Number: 07713512 (England & Wales)

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Mr K Hailwood
Blackburn Diocese Board of Education
Rev S Timmins
Dr E Gill
Parochial Church Council of Christ Church Parbold

Trustees

Dr E Gill, Chair of Governors^{1,2,3,5}
Mr K Hailwood, Foundation Governor & Chair of Resources Committee^{1,3,4,5}
Mrs K Baybut, Foundation Governor^{1,2,4}
Mr J. Baker, Foundation Governor & Chair of Premises, Health & Safety^{1,3}
Mrs S Rowland, Parent Governor (resigned 19 September 2019)
Mrs A Jones, Foundation Governor^{1,2}
Mrs J Santi, Foundation Governor^{2,3}
Mrs H C Collinson, Parent Governor (resigned 19 September 2019)
Mr G Carruthers, Foundation Governor, Vice of Governors & Chair of Standards Committee (appointed 19 September 2019)^{1,2,3,4,5}
Rev. S Timmins, Foundation Governor
Mrs N Watts, Head Teacher^{1,4}
Miss J Eccles, Staff Governor¹
Mrs H Wainwright, Staff Governor (appointed 19 September 2019)²
Mrs J MacRae, Parent Governor (appointed 26 September 2019)²
Dr C Britner, Parent Governor (appointed 26 September 2019)¹

- ¹ Resources Committee
- ² Standards Committee
- ³ Premises Committee
- ⁴ Remuneration Committee
- ⁵ Teaching School

Company registered number

07713512

Company name

Parbold Douglas Church of England Academy

Principal and registered office

Lancaster Lane
Parbold
Lancashire
WN8 7HS

Company secretary

Mrs Joanne Jarvis

Senior management team

Mrs Natalie Watts, Headteacher
Mr John Coxhead, Deputy Headteacher

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Independent auditor	Crowe U.K. LLP The Lexicon Mount Street Manchester M2 5NT
Bankers	Royal Bank of Scotland Drummond House (GZ) Branch 1 Redheughs Avenue Edinburgh EH12 9JN

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Governors' report and a directors' report under company law.

Structure, governance and management

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2019 to 31 August 2020. The Annual report serves the purposes of both a Governors' report, and a Directors' report under company law.

Since the academy and the group qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

a. Constitution

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

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

The Governors of Parbold Douglas Church of England Academy are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Parbold Douglas Church of England Academy.

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

b. Members' liability

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

c. Method of recruitment and appointment or election of Trustees

In accordance with the Articles of Association two Governors are ex officio (The Incumbent of Christ Church Parbold and the Headteacher). Three are appointed by Blackburn Diocese and four by the PCC of Christ Church Parbold. Two are elected by parents and two are staff elected by the academy staff.

Governors are appointed for a fixed term of 4 years but are eligible for re election at the end of the fixed term.

The Governing Body currently comprises of 13 Trust Board members (Board members are appointed as Directors under the Companies Act 2006) including the Headteacher and two staff Governors, both employed by the trust and two parent governors, elected by the parents.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

A new and more comprehensive induction plan for new governors has been developed. It includes an induction meeting with the Chair of Governors and an on-line pack of relevant information such as the Articles of Association. They arrange to attend a full day training course for new governors provided by LCC Governor Services. Ongoing training of trustees is brought in from Governor Services. This year this included an externally moderated Self Evaluation with the subsequent action plan now implemented. Three trustees have completed Safeguarding training, and one completed Safer Recruitment.

e. Pay policy for key management personnel

Performance management of the Headteacher is carried out by a panel of three trustees advised by the School Advisor. Three objectives are set for each school year. These are reviewed mid year by the panel and Advisor and again at the end of the year. On the basis of how well the objectives have been met the panel decides on any progression up the pay scale and this is ratified by the full Board.

Annual individual staff performance objectives are set by the Headteacher and reviewed at the end of the academic year. Recommendations are submitted by the Headteacher to a Remuneration committee of trustees who make the final decision on pay progression.

f. Organisational Structure

The Governing Body roles and responsibilities were reviewed in annually September.

The Governors are organised into a number of committees who form policy to be agreed at main Governing Body meetings. The bodies comprise Health/Safety and Premises, Resources/Audit, (Staffing & Finance combined, Standards, remuneration and Teaching School.

The Governors are responsible for setting general policy, including the vision, aims and ethos of the Academy and the monitoring of academic standards, 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. During the period under review, Governors held 19 meetings. All Governors receive monthly newsletters and are kept up to date by regular e mail. Some Governors help in school accompanying visits and attending events. All Governors have access to all policies, procedures, minutes, accounts, budgets and plans that they need to discharge their Governing Body duties. The Internal Auditor has monitored the changes to processes and makes regular reports to the governing body. The Governing Body approves the Statutory Accounts. The levels of authorisation of budget spend are detailed in the finance manual.

The day to day management of the Academy is delegated by the Governing Body to the Headteacher who is the Accounting Officer. The Deputy Headteacher and the School Business Manager support the Headteacher.

The Board and each committee have Terms of Reference which are reviewed annually. Decisions such as approval of the annual budget and the Annual Report are reserved for the Board as are senior staff appointments such as Headteacher and Dept Headteacher. The Board also receives and adopts the annual Safeguarding report.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

Structure, governance and management (continued)

g. Connected organisations, including related party relationships

Connected Organisations including Related Party Relationships

There are no related parties, which either control or significantly influence the decisions or operations of Parbold Douglas Church of England Academy. There are no sponsors.

The Academy works closely with parents and our Foundation Parish to further the principal activities of the Academy.

The Academy works closely with Parbold Douglas Nursery Ltd. to provide pre school education for 2 - 4 year olds.

Objectives and activities

a. Objects and aims

The principal object and activity of the Charitable Company is the operation of Parbold Douglas Church of England Primary Academy.

In accordance with the Articles of Association, the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the Academy, the catchment area from which the pupils are drawn, and that the curriculum should comply with the substance of the National Curriculum.

The main objectives of the Academy during the period ended 31 August 2020 are to prepare children for living and learning responsibly in society through the school ethos statement or intent which is:

Through sharing the life-giving message of Jesus Christ, we are committed to delivering exciting and engaging learning opportunities to enable our children to develop a love of learning and achieve their best. We aim to provide an environment for learning where all are loved and valued, by themselves and each other and where all can live out our Christian values, at school, at home and in the community. We aim to help all recognise and appreciate their unique gifts and those of others.

Through sharing the life-giving message of Jesus Christ, we are committed to developing; a love of learning, a place where all are valued, where we all live together as a Christian family. We help all recognise, develop and appreciate their gifts so that they may let their light shine! Matthew 5:16

Our whole school priorities are:

- To improve the quality of writing for all pupils
- To enable all children to achieve their best through high quality responsive teaching
- To ensure all our children feel loved, valued and are supported in being able to manage their own well-being

Our Christian ethos underpins every aspect of day to day life within our school. To help achieve these aims, our school offers a happy, safe and welcoming atmosphere with strong and supportive relationships which nurture children and help them to learn, grow and flourish.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

Objectives and activities (continued)

Children are encouraged to learn through high quality teaching and the effective use of resources in a secure, safe and appropriately stimulating environment. Staff development is a priority and the school continually focusses on coaching, supporting and engaging staff in professional development tasks and activities to improve outcomes for pupils.

Children aim to be:

- kind and loving;
- *respectful to all*;
- focussed on their learning;
- the best that they can be

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

Objectives and activities (continued)

b. Objectives, strategies and activities

Parbold Douglas Church of England Primary Academy seeks to provide a well-rounded, broad and balanced education for all children to enable them to let their light shine! We have the highest expectations of pupil attainment, teacher performance and parental involvement and we encourage everyone to strive to be the best they can be in order to enjoy life in all its fullness. We seek challenge and embrace change in order to improve. To this end, the activities provided include:

- Coherent and thoughtful planned learning opportunities which build upon previous learning to support all pupils in achieving in line with or exceeding expectations in the EYFS, KS1 and KS2 statutory assessments,
- Focussed and supportive professional development opportunities for all staff,
- Annual performance management objectives for all staff
- Pupil engagement in leadership decisions through the use of pupil voice in a variety of ways,
- A broad, balanced and cohesive curriculum for all pupils which enables them to succeed,
- Opportunities for extended learning through the provision of extra curricular activities and enriching learning experiences,
- Opportunities for development for all staff to support succession planning in order to maintain consistent high standards in all aspects of the schools' work.
- Talent spotting of all pupils and staff and encouraging and fostering the areas identified to enable all to flourish,
- A fully inclusive education, available to all.
- Provision for Governor/Director training

The School Development Plan sets out clear priorities for improvement across the school with a focus on impact and outcomes for pupils.

Staff wellbeing remains strong and the wellbeing team continue to meet to ensure staff are well supported in their roles. We aim for high outcomes for all pupils and meet with staff to monitor the progress of pupils. Attendance and punctuality targets of 97% remain in place.

c. Public benefit

We have referred to guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the public benefit.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

Achievements and performance

a. Key performance indicators

The Academy is committed to observing the importance of performance indicators, to ensure that it continues to strive for both educational and financial excellence.

Analysis of pupil data and test results confirm that the governing body has utilised its financial resources, including the Pupil Premium Grant, to ensure that all children meet their full potential.

The Academy is also monitored through the completion and submission to the EFA of

- The annual abbreviated accounts record,
- The financial plan for the period 2020-2023
- The annual financial Management and Governance Evaluation

b. Going concern

The COVID-19 pandemic has had an impact on the running of the Academy and there are implications in terms of costs and spending with direct links to this. Implications have and may continue to include staffing and additional costings to ensure risk assessments are applied effectively. Despite the impact of this, the Board of Governors have made their usual enquiries, and additional considerations, with particular emphasis on the Nursery, and have a reasonable expectation that the Academy remains in a position of having adequate resources to continue in operational existence. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Financial review

a. Financial risk management, objectives and policy

The Academy's financial objectives are:

- To set and operate within an agreed and balanced budget,
- To generate extra income through our development of the Parbold Douglas Teaching School
- To apply at all times, best value principles in all purchases,
- To monitor and evaluate the value for money of all staff,
- To prevent all areas of wastage.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

Financial review (continued)

b. Principal risks and uncertainties

The Academy has undertaken work during the period to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the Academy's assets and reputation.

Based on its mission, the Resources Committee undertakes a comprehensive review of the risks to which the Academy is exposed. They identify systems and procedures, including specific, preventable actions which should mitigate any potential impact on the Academy. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the Resources Committee will also consider any risks which may arise as a result of a new area of work being undertaken by the Academy.

A risk register is maintained at the Academy level which is reviewed termly by the Resources Committee and more regularly when necessary. The risk register identifies key risks, the likelihood of these risks occurring, their potential impact on the Academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

The following principal risks were identified:

1. Failure to attract pupils to Reception Class. This is an ongoing priority. We promote a seamless transition process from our nursery to the infant section. We continue to market our school through developing our presence in the community and sharing the high standards of learning and achievement in our school. We have been successful to the extent that applications exceeded our admission number of 30 pupils, however this number decreased due to family moves and applications to more than one authority.

c. Reserves policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Governors have determined that the appropriate level of free reserves should be equivalent to three years planned deficit budgets plus £50k emergency contingencies. For year ending 31st August 2020 this equates to £283,078. The reason for this is to provide sufficient working capital to cover expected budget income received and expected planned expenditure for this given period, along with unexpected general maintenance.

d. Material investments policy

The Academy holds surplus cash balances on short fixed term deposits with Royal Bank of Scotland Bank. During the period the academy acquired 100% of the share capital of the company Parbold Douglas Nursery Limited, a company incorporated in the UK.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

Plans for future periods

a. Future developments

School Development Priorities 2020-2021

To ensure all our children feel loved, valued and are supported in being able to manage their well-being and learning

To enable all children to achieve their best through high quality responsive teaching

To enable children to communicate effectively by improving the quality of writing for all pupils

Funds held as custodian on behalf of others


There are no funds held as Custodian Trustee on behalf of others.

Disclosure of information to auditor

Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on 10/12/2020 and signed on its behalf by:


Mrs Natalie Watts
Headteacher, Accounting Officer, Ex Officio

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|

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

The board of trustees has delegated the day to day responsibility to the Head teacher, 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 Parbold Douglas Church of England Academy and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The board of Trustees has formally met 4 times during the year.

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

Trustee	Meetings attended	Out of a possible	
Dr E Gill, Chair of Governors	4	4	
Mr K Hailwood, Foundation Governor & Chair of Resources Committee	4	4	
Mrs K Baybut, Foundation Governor	4	4	
Mr J. Baker, Foundation Governor & Chair of Premises, Health & Safety	3	4	
Mrs A Jones, Foundation Governor	4	4	
Mrs J Santi, Foundation Governor	4	4	
Mr G Carruthers, Foundation Governor, Vice of Governors & Chair of Standards Committee (appointed 19 September 2019)	4	4	
Rev. S Timmins, Foundation Governor	3	4	
Mrs N Watts, Head Teacher	4	4	
Miss J Eccles, Staff Governor	4	4	
Mrs H Wainwright, Staff Governor	1	4	
Mrs J MacRae, Parent Governor	3	4	
Dr C Britner, Parent Governor	3	4	

The full Governing body has determined that it is able to convene on a termly basis and maintain effective oversight, particularly as the Chair of Governors meets regularly with the Headteacher to monitor progress and is kept informed of any pressing matters which may arise from time to time. In addition the Governing sub committees meet termly. Governors receive monthly reports relating to the financial position and, from time to time, are provided with other relevant reports relating to matters at the School. Email communications have continued to prove to be an effective way in which to keep Governors informed between meetings, and when necessary the Governors hold additional meetings outside of its planned schedule. This practice will be repeated in future, if required. Governors are also encouraged to visit the school to meet with Headteacher or other staff, to observe classes, or simply to observe aspects of the normal school day.

The Audit Committee is also a sub-committee of the main board of Trustees.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible	
Mr K Hailwood	2	2	
Mr J Baker	0	2	
Mrs K Baybut	2	2	
Mrs A Jones	2	2	
Dr E Gill	2	2	
Mrs N Watts	2	2	
Dr C Britner	2	2	
Miss J Eccles	2	2	
Mr G Carruthers	2	2	

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(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 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:

- Obtaining a grant to make improvement to the flood defences. The contract is following a tendering process, which will continue across the end of the financial year.
- Quotations for ICT updates.

The purpose of the system of internal control

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

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal 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.

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
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint Mrs Julie McDonald as internal auditor.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

Mrs Julie McDonnald, Douglass Grange Internal Auditor 2019/20.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a termly basis, the internal auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

All internal audit reports were received by the Governor's at the appropriate times.

The internal auditor has delivered the schedule of work as planned, checked details of any material control issues. No such issues were identified.

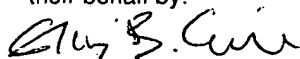
Review of effectiveness

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 internal auditor;
- the work of the external auditor;
- 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 committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 10 December 2020
their behalf by:



Dr Ellis Gill
Chair of Governors

and signed on



Mrs Natalie Watts
Accounting Officer

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Parbold Douglas Church of England Academy I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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



Mrs Natalie Watts
Accounting Officer

Date: 10 December 2020

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

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

Company law requires the Governors to prepare financial statements for each financial year. Under company law, the Governors 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 Group and the charitable company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 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 group will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for ensuring that in their conduct and operation the Group and the charitable company apply 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 Governors are responsible for the maintenance and integrity of the corporate and financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 10/12/20 and signed on its behalf by:

Dr Ellis Gill
Chair of Governors



PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY**

Opinion

We have audited the financial statements of Parbold Douglas Church of England Academy (the 'parent academy') and its subsidiaries (the 'Group') for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated balance sheet, the Academy balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent academy's affairs as at 31 August 2020 and of the Group's 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 and the Charities Act 2011, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 Group's or the parent 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.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY (CONTINUED)**

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 Auditor's report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has 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 Group and the parent academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- the parent academy has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent academy 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.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY (CONTINUED)**

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent 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 Group or the parent academy or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 Auditor's 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 Auditor's report.

Use of our report

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY (CONTINUED)**

Vicky Szulist

Vicky Szulist (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

The Lexicon

Mount Street

Manchester

M2 5NT

Date: 21st December 2020

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 21 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Parbold Douglas Church of England Academy 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 Parbold Douglas Church of England Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Parbold Douglas Church of England Academy and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Parbold Douglas Church of England Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Parbold Douglas Church of England Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Parbold Douglas Church of England Academy's funding agreement with the Secretary of State for Education dated 1 August 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 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.

Conclusion

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

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PARBOLD
DOUGLAS CHURCH OF ENGLAND ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

Crowe UK LLP

Reporting Accountant
Crowe U.K. LLP

Statutory Auditor

The Lexicon
Mount Street
Manchester
M2 5NT

Date: 21st December 2020

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

**CONSOLIDATED 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	3	5,000	-	6,273	11,273	16,280
Charitable activities		81,275	855,872	-	937,147	881,162
Teaching schools		-	90,575	-	90,575	55,431
Other trading activities		276,830	-	-	276,830	371,674
Investments	6	1,241	-	-	1,241	1,800
Total income		364,346	946,447	6,273	1,317,066	1,326,347
Expenditure on:						
Parbold Douglas Nursery Limited		181,554	-	-	181,554	230,201
Charitable activities	8	162,602	864,538	76,350	1,103,490	1,070,574
Teaching schools		-	104,275	-	104,275	73,819
Total expenditure		344,156	968,813	76,350	1,389,319	1,374,594
Net movement in funds before other recognised gains/(losses)		20,190	(22,366)	(70,077)	(72,253)	(48,247)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	27	-	(87,000)	-	(87,000)	(171,000)
Net movement in funds		20,190	(109,366)	(70,077)	(159,253)	(219,247)
Reconciliation of funds:						
Total funds brought forward		488,516	(195,923)	3,002,872	3,295,465	3,514,712
Net movement in funds		20,190	(109,366)	(70,077)	(159,253)	(219,247)
Total funds carried forward		508,706	(305,289)	2,932,795	3,136,212	3,295,465

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 30 to 60 form part of these financial statements.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 07713512

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	2,997,554	2,951,870
		<u>2,997,554</u>	<u>2,951,870</u>
Current assets			
Debtors	17	61,042	60,421
Cash at bank and in hand		929,050	950,572
		<u>990,092</u>	<u>1,010,993</u>
Creditors: amounts falling due within one year	18	(129,079)	(86,429)
Net current assets		<u>861,013</u>	<u>924,564</u>
Total assets less current liabilities		<u>3,858,567</u>	<u>3,876,434</u>
Creditors: amounts falling due after more than one year	19	(14,355)	(18,969)
Net assets excluding pension liability		<u>3,844,212</u>	<u>3,857,465</u>
Defined benefit pension scheme liability	27	(708,000)	(562,000)
Total net assets		<u><u>3,136,212</u></u>	<u><u>3,295,465</u></u>
Funds of the academy			
Restricted funds:			
Fixed asset funds	21	2,932,795	3,002,872
Restricted income funds	21	402,711	366,077
		<u>3,335,506</u>	<u>3,368,949</u>
Restricted funds excluding pension asset	21	3,335,506	3,368,949
Pension reserve	21	(708,000)	(562,000)
Total restricted funds	21	<u>2,627,506</u>	<u>2,806,949</u>
Unrestricted income funds	21	<u>508,706</u>	<u>488,516</u>
Total funds		<u><u>3,136,212</u></u>	<u><u>3,295,465</u></u>


PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 07713512

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 23 to 60 were approved by the Trustees, and authorised for issue on 10/12/20 and are signed on their behalf, by:

Dr Ellis Gill
Chair of Trustees

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The notes on pages 30 to 60 form part of these financial statements.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY

(A company limited by guarantee)

REGISTERED NUMBER: 07713512

**ACADEMY BALANCE SHEET
AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	2,997,554	2,951,870
Investments	16	12,000	12,000
		<u>3,009,554</u>	<u>2,963,870</u>
Current assets			
Debtors	17	109,643	165,829
Cash at bank and in hand		832,009	825,391
		<u>941,652</u>	<u>991,220</u>
Creditors: amounts falling due within one year	18	(92,565)	(78,581)
Net current assets		<u>849,087</u>	<u>912,639</u>
Total assets less current liabilities		<u>3,858,641</u>	<u>3,876,509</u>
Creditors: amounts falling due after more than one year	19	(14,355)	(18,969)
Net assets excluding pension liability		<u>3,844,286</u>	<u>3,857,540</u>
Defined benefit pension scheme liability	27	(708,000)	(562,000)
Total net assets		<u><u>3,136,286</u></u>	<u><u>3,295,540</u></u>
Funds of the academy			
Restricted funds:			
Fixed asset funds	21	2,932,795	3,002,872
Restricted income funds	21	384,554	366,077
		<u>3,317,349</u>	<u>3,368,949</u>
Restricted funds excluding pension liability	21	<u>3,317,349</u>	<u>3,368,949</u>
Pension reserve	21	(708,000)	(562,000)
Total restricted funds	21	<u>2,609,349</u>	<u>2,806,949</u>
Unrestricted income funds	21	<u>526,937</u>	<u>488,591</u>
Total funds		<u><u>3,136,286</u></u>	<u><u>3,295,540</u></u>

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 07713512

ACADEMY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 23 to 60 were approved by the Trustees, and authorised for issue on 10/12/20 and are signed on their behalf, by:

Dr Ellis Gill
Chair of Trustees

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The notes on pages 30 to 60 form part of these financial statements.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	23	99,271	149,368
Cash flows from investing activities	24	(120,793)	(179,648)
Change in cash and cash equivalents in the year		(21,522)	(30,280)
Cash and cash equivalents at the beginning of the year		950,572	980,852
Cash and cash equivalents at the end of the year	25, 26	<u>929,050</u>	<u>950,572</u>

The notes on pages 30 to 60 form part of these financial statements

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(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, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Parbold Douglas Church of England Academy meets the definition of a public benefit entity under FRS 102.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The academy has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

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.

The COVID-19 pandemic has had an impact on the running of the Academy and there are implications in terms of costs and spending with direct links to this. Implications have and may continue to include staffing and additional costings to ensure risk assessments are applied effectively. Despite the impact of this, the board of governors have made their usual enquiries, and additional considerations, with particular emphasis on the Nursery, and have a reasonable expectation that the academy remains in a position of having adequate resources to continue in operational existence.

In preparing the financial statements the going concern basis of accounting has therefore been adopted.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(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

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

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 50 years
Leasehold improvements	- Between 3 and 8 years
Furniture and equipment	-
Boiler inc. in leasehold improvements	- 25 years

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

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.10 Liabilities

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

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 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.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.12 Pensions

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Group 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 Consolidated statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.13 Fund accounting

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

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

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

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

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Grants and donations	5,000	6,273	11,273

	<i>Restricted fixed asset funds 2019 £</i>	<i>Total funds 2019 £</i>
Grants and donations	16,280	16,280

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
(A company limited by guarantee)

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

4. Funding for the academy's funding for educational operations

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	726,328	726,328
LACSEG SEN Funding	-	17,591	17,591
Pupil Premium	-	21,157	21,157
School Meal Income	742	33,554	34,296
School Trip Income	11,763	-	11,763
Supply Teacher Insurance Claim	9,360	-	9,360
Other School Income	59,410	(50)	59,360
Other government grants	-	57,292	57,292
	<u>81,275</u>	<u>855,872</u>	<u>937,147</u>
	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	730,209	730,209
LACSEG SEN Funding	-	7,415	7,415
Pupil Premium	-	19,778	19,778
School Meal Income	577	33,296	33,873
School Trip Income	27,626	-	27,626
Supply Teacher Insurance Claim	12,150	-	12,150
Other School Income	22,533	2,110	24,643
	-	25,468	25,468
Other government grants			
	<u>62,886</u>	<u>818,276</u>	<u>881,162</u>

PARBOLD DOUGLAS CHURCH OF ENGLAND ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

5. Activities for generating income

	Unrestricted funds 2020 £	Total funds 2020 £
Fundraising Income	1,574	1,574
Lettings Income	1,530	1,530
Parbold Douglas Nursery Limited	273,726	273,726
	<u>276,830</u>	<u>276,830</u>

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Fundraising income	2,787	2,787
Lettings Income	2,900	2,900
Parbold Douglas Nursery Limited	365,987	365,987
	<u>371,674</u>	<u>371,674</u>

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Investment income	<u>1,241</u>	<u>1,241</u>

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Investment income	<u>1,800</u>	<u>1,800</u>

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7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	181,554	181,554
Funding for educational operations:				
Direct costs	678,993	-	18,791	697,784
Allocated support costs	100,589	135,000	170,117	405,706
Teaching school	25,752	-	78,523	104,275
	<u>805,334</u>	<u>135,000</u>	<u>448,985</u>	<u>1,389,319</u>
	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	230,201	230,201
Funding for educational operations:				
Direct costs	528,744	-	85,809	614,553
Allocated support costs	180,222	144,147	131,652	456,021
Teaching school	33,601	-	40,218	73,819
	<u>742,567</u>	<u>144,147</u>	<u>487,880</u>	<u>1,374,594</u>

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Funding for educational operations	<u>162,602</u>	<u>940,888</u>	<u>1,103,490</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Funding for educational operations	<u>41,062</u>	<u>1,029,512</u>	<u>1,070,574</u>

9. Analysis of expenditure by activities

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Funding for educational operations	<u>697,784</u>	<u>405,706</u>	<u>1,103,490</u>

	<i>Activities undertaken directly 2019 £</i>	<i>Support costs 2019 £</i>	<i>Total funds 2019 £</i>
Funding for educational operations	<u>614,553</u>	<u>456,021</u>	<u>1,070,574</u>

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9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2020 £	Total funds 2019 £
Staff costs	610,032	527,580
Educational Supplies	72,297	58,685
Staff development	2,790	8,591
School trips	12,666	19,697
	<u>697,784</u>	<u>614,553</u>

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Staff costs	169,549	181,386
Depreciation	76,350	80,491
Maintenance of premises and equipment	16,997	41,474
Light & heat	13,957	14,960
Rent & rates	9,660	7,984
Insurance	13,936	14,506
Travel expense	16	296
Printing, Photocopying and Stationery	7,989	10,019
Telephone	2,828	3,035
Cleaning	2,399	2,410
Catering	36,929	36,365
IT Support costs	17,711	15,922
Legal & professional	19,961	24,005
Subscriptions	712	484
Governance Costs	12,853	15,230
Other support costs	3,859	7,454
	<u>405,706</u>	<u>456,021</u>

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

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Depreciation of tangible fixed assets	76,350	80,491
Governance Internal audit costs	499	600
Fees paid to auditor for:		
- audit	8,000	8,000
- other services	3,030	3,350
	<u>76,879</u>	<u>92,441</u>

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2020 £	Group 2019 £
Wages and salaries	516,171	504,274
Social security costs	79,933	72,030
Pension costs	202,703	160,154
	<u>798,807</u>	<u>736,458</u>
Agency staff costs	6,527	6,109
	<u>805,334</u>	<u>742,567</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Staff (continued)

b. Staff numbers

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

	Group 2020 No.	Group 2019 No.
Teachers	12	11
Education support	10	11
Other support	4	4
	<u>26</u>	<u>26</u>

c. Higher paid staff

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

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	<u>1</u>	<u>-</u>

d. Key management personnel

The key management personnel of the academy comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £122,929 (2019 £114,997).

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**NOTES TO THE FINANCIAL STATEMENTS
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12. Trustees' remuneration and expenses

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

		2020 £	2019 £
Mr S Jerath, Staff Governor (resigned 31 August 2019)	Remuneration		25,000 - 30,000
	Pension contributions paid		0 - 5,000
Mrs N Watts, Head Teacher	Remuneration	60,000 - 65,000	55,000 - 60,000
	Pension contributions paid	10,000 - 15,000	5,000 - 10,000
Miss J Eccles, Staff Governor	Remuneration	35,000 - 40,000	30,000 - 35,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
Mrs H Wainwright, Staff Governor (appointed 19 September 2019)	Remuneration	25,000 - 30,000	
	Pension contributions paid	5,000 - 10,000	

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

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 Governors and officers indemnity element from the overall cost of the RPA scheme.

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Tangible fixed assets

Group

	Freehold property £	Long-term leasehold property £	Short-term leasehold property £	Assets under construction £	Furniture and equipment £	Total £
Cost or valuation						
At 1 September 2019	2,600,000	86,224	511,526	194,736	5,224	3,397,710
Additions	-	-	-	117,034	5,000	122,034
At 31 August 2020	2,600,000	86,224	511,526	311,770	10,224	3,519,744
Depreciation						
At 1 September 2019	299,083	-	141,533	-	5,224	445,840
Charge for the year	37,000	-	39,350	-	-	76,350
At 31 August 2020	336,083	-	180,883	-	5,224	522,190
Net book value						
At 31 August 2020	2,263,917	86,224	330,643	311,770	5,000	2,997,554
At 31 August 2019	2,300,917	86,224	369,993	194,736	-	2,951,870

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

14. Tangible fixed assets (continued)

Academy

	Freehold property £	Long-term leasehold property £	Short-term leasehold property £	Assets under construction £	Furniture and equipment £	Total £
Cost or valuation						
At 1 September 2019	2,600,000	86,224	511,526	194,736	5,224	3,397,710
Additions	-	-	-	117,034	5,000	122,034
At 31 August 2020	2,600,000	86,224	511,526	311,770	10,224	3,519,744
Depreciation						
At 1 September 2019	299,083	-	141,533	-	5,224	445,840
Charge for the year	37,000	-	39,350	-	-	76,350
At 31 August 2020	336,083	-	180,883	-	5,224	522,190
Net book value						
At 31 August 2020	2,263,917	86,224	330,643	311,770	5,000	2,997,554
At 31 August 2019	2,300,917	86,224	369,993	194,736	-	2,951,870

15. Capital commitments

At the balance sheet date the academy had committed £21,500 to the all weather surfacing of the playground area. This will be funded through the use of reserves.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Fixed asset investments

	Investments in subsidiary companies £
Academy	
Cost or valuation	
At 1 September 2019	12,000
	<hr/>
At 31 August 2020	12,000
	<hr/> <hr/>
Net book value	
At 31 August 2020	12,000
	<hr/>
At 31 August 2019	12,000
	<hr/> <hr/>

Principal subsidiaries

The following was a subsidiary undertaking of the academy:

Name	Company number	Holding	Included in consolidation
Parbold Douglas Nursery Limited	08466952	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Net assets £
Parbold Douglas Nursery Limited	273,726	273,726	12,000

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Debtors

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Due within one year				
Trade debtors	3,950	6,711	-	-
Amounts owed by group undertakings	-	-	59,895	113,819
Other debtors	543	5,571	177	5,205
Prepayments and accrued income	56,549	48,139	49,571	46,805
	<u>61,042</u>	<u>60,421</u>	<u>109,643</u>	<u>165,829</u>

18. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Other loans	5,128	5,128	5,128	5,128
Trade creditors	3,740	1,460	3,738	1,410
Other creditors	7,616	10,371	4,994	4,573
Accruals and deferred income	112,595	69,470	78,705	67,470
	<u>129,079</u>	<u>86,429</u>	<u>92,565</u>	<u>78,581</u>

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

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Other loans	14,355	18,969	14,355	18,969

The funding for the CIF project was part funded through an interest-free Salix energy efficiency loan. Loan funding is calculated up to a maximum of an 8 year payback and will be covered by a reduction in the monthly General Annual Grant (GAG) payments issued by the Education and Skills Funding Agency.

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

20. Financial instruments

	Group 2020 £	<i>Group 2019 £</i>	Academy 2020 £	<i>Academy 2019 £</i>
Financial assets				
Financial assets measured at amortised cost	961,221	<i>976,689</i>	915,005	<i>958,251</i>
	Group 2020 £	<i>Group 2019 £</i>	Academy 2020 £	<i>Academy 2019 £</i>
Financial liabilities				
Financial liabilities measured at amortised cost	91,013	<i>86,800</i>	84,238	<i>78,952</i>

Financial assets consist of cash, trade debtors, amounts owed by group undertakings and other debtors.
Financial liabilities consist of trade creditors, other creditors and accruals.

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

21. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds	488,516	364,346	(344,156)	-	-	508,706
Restricted general funds						
General Annual Grant (GAG)	87,626	726,328	(675,944)	(100,000)	-	38,010
LACSEG SEN Funding	-	17,591	(17,591)	-	-	-
Pupil Premium	-	21,156	(21,156)	-	-	-
Other government grants	-	57,293	(57,293)	-	-	-
School Direct	28,451	50,575	(64,325)	-	-	14,701
Teaching School Funding	-	39,950	(39,950)	-	-	-
Free school meals	-	33,554	(33,554)	-	-	-
Designated fund	250,000	-	-	100,000	-	350,000
Pension reserve	(562,000)	-	(59,000)	-	(87,000)	(708,000)
	<u>(195,923)</u>	<u>946,447</u>	<u>(968,813)</u>	<u>-</u>	<u>(87,000)</u>	<u>(305,289)</u>
Restricted fixed asset funds						
Transfer of Building	2,727,957	-	(76,350)	-	-	2,651,607
Devolved Formula Capital	26,588	6,273	-	-	-	32,861
Fixtures and Fittings	26,604	-	-	-	-	26,604
Condition Improvement Fund (CIF)	221,723	-	-	-	-	221,723
	<u>3,002,872</u>	<u>6,273</u>	<u>(76,350)</u>	<u>-</u>	<u>-</u>	<u>2,932,795</u>

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Total Restricted funds	2,806,949	952,720	(1,045,163)	-	(87,000)	2,627,506
Total funds	3,295,465	1,317,066	(1,389,319)	-	(87,000)	3,136,212

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

Restricted General Funds are used specifically to provide educational resources for the pupils of the Academy. Restricted Fixed Asset Funds provide for the installation, maintenance and repair of the Fixed Assets of the Academy. Unrestricted Funds are those other resources which may be used to further the objectives of the Academy.

A designated fund of £350,000 has been set aside for the rebuilding of the temporary classroom space to become a permanent building. We aim to complete these works within a 5 year period with initial planning works commencing in 2020/21.

Total funds analysis by academy

This is a single academy trust and a breakdown by academy is therefore not included in these accounts.

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

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	369,137	424,210	(262,263)	(42,568)	-	488,516
Restricted general funds						
General Annual Grant (GAG)	384,762	730,209	(799,839)	(227,506)	-	87,626
LACSEG SEN Funding	-	7,415	(7,415)	-	-	-
Pupil Premium	-	19,778	(19,778)	-	-	-
Other government grants	-	25,468	(25,468)	-	-	-
School Direct	24,730	15,431	(11,710)	-	-	28,451
Teaching School Funding	-	42,110	(62,184)	20,074	-	-
Free school meals	-	33,296	(33,296)	-	-	-
Designated fund	-	-	-	250,000	-	250,000
Pension reserve	(331,000)	-	(60,000)	-	(171,000)	(562,000)
	<u>78,492</u>	<u>873,707</u>	<u>(1,019,690)</u>	<u>42,568</u>	<u>(171,000)</u>	<u>(195,923)</u>
Restricted fixed asset funds						
Transfer of Building	2,808,448	-	(80,491)	-	-	2,727,957
Devolved Formula Capital	10,308	16,280	-	-	-	26,588
Fixtures and Fittings	26,604	-	-	-	-	26,604
Condition Improvement Fund (CIF)	221,723	-	-	-	-	221,723

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

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
	3,067,083	16,280	(80,491)	-	-	3,002,872
Total Restricted funds	3,145,575	889,987	(1,100,181)	42,568	(171,000)	2,806,949
Total funds	3,514,712	1,314,197	(1,362,444)	-	(171,000)	3,295,465

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	64,759	-	2,932,795	2,997,554
Current assets	587,381	402,711	-	990,092
Creditors due within one year	(129,079)	-	-	(129,079)
Creditors due in more than one year	(14,355)	-	-	(14,355)
Provisions for liabilities and charges	-	(708,000)	-	(708,000)
Total	508,706	(305,289)	2,932,795	3,136,212

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Restricted fixed asset funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	5,970	-	2,945,900	2,951,870
Current assets	587,944	366,077	56,972	1,010,993
Creditors due within one year	(86,429)	-	-	(86,429)
Creditors due in more than one year	(18,969)	-	-	(18,969)
Provisions for liabilities and charges	-	(562,000)	-	(562,000)
Total	488,516	(195,923)	3,002,872	3,295,465

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

	2020 £	2019 £
Net expenditure for the period (as per Statement of financial activities)	(72,253)	(48,247)
Adjustments for:		
Depreciation	76,350	80,908
Returns on investments and servicing of finance	(1,241)	(1,800)
LGPS pension cost	59,000	60,000
(Increase)/decrease in debtors	(621)	54,310
Increase in creditors	38,036	4,197
Net cash provided by operating activities	99,271	149,368

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**NOTES TO THE FINANCIAL STATEMENTS
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24. Cash flows from investing activities

	Group 2020 £	Group 2019 £
Returns on investments and servicing of finance	1,241	1,800
Purchase of tangible fixed assets	(122,034)	(181,448)
Net cash used in investing activities	(120,793)	(179,648)

25. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash at bank	929,050	950,572
Total cash and cash equivalents	929,050	950,572

26. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	950,572	(21,522)	929,050
Debt due within 1 year	(5,128)	-	(5,128)
Debt due after 1 year	(18,969)	4,614	(14,355)
	926,475	(16,908)	909,567

27. Pension commitments

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

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

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

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27. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £44,000 (2019 - £41,000).

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

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

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27. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £55,000 (2019 - £52,000), of which employer's contributions totalled £44,000 (2019 - £41,000) and employees' contributions totalled £ 11,000 (2019 - £11,000). The agreed contribution rates for future years are 16.1 per cent for employers and 5.8 per cent for employees.

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

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	3.90	3.60
Rate of increase for pensions in payment/inflation	2.50	2.20
Discount rate for scheme liabilities	1.80	1.80
Inflation assumption (CPI)	2.40	2.10

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	22.3	22.8
Females	25.0	25.5
<i>Retiring in 20 years</i>		
Males	23.8	25.1
Females	26.8	28.2

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27. Pension commitments (continued)

Sensitivity analysis

	2020 £000	2019 £000
Discount rate +0.1%	1,463,000	1,235,000
Mortality assumption - 1 year increase	1,534,000	1,284,000
CPI rate +0.1%	1,520,000	1,288,000

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

	2020 £	2019 £
Equities	358,000	333,000
Other bonds	54,000	11,000
Property	106,000	62,000
Cash and other liquid assets	14,000	13,000
Other	251,000	280,000
Total market value of assets	783,000	699,000

The actual return on scheme assets was £(6,000) (2019 - £78,000).

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

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

	2020 £	2019 £
At 1 September	1,261,000	909,000
Interest cost	22,000	25,000
Employee contributions	11,000	11,000
Actuarial losses	112,000	232,000
Benefits paid	(8,000)	(8,000)
Current service cost	76,000	58,000
Past service costs	17,000	34,000
At 31 August	1,491,000	1,261,000

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27. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	699,000	578,000
Interest income	13,000	17,000
Actuarial gains	25,000	61,000
Employee contributions	11,000	11,000
Benefits paid	(8,000)	(8,000)
Admin expenses	(1,000)	(1,000)
Employer contributions	44,000	41,000
At 31 August	783,000	699,000

28. Operating lease commitments

At 31 August 2020 the Group and the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Not later than 1 year	7,710	10,742	7,710	10,742
Later than 1 year and not later than 5 years	4,558	12,297	4,558	12,297
	12,268	23,039	12,268	23,039

29. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

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30. Related party transactions

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

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31. Teaching school trading account

	2020 £	2020 £	2019 £	2019 £
Income				
Direct income				
Teaching School	39,950		42,110	
Schools Direct	50,575		15,431	
Total direct income	<u>90,525</u>		<u>57,541</u>	
Total income		90,525		57,541
Expenditure				
Direct expenditure				
Direct staff costs	25,753		30,601	
Schools Direct	49,056		11,710	
Books and Consumables	-		291	
Event Costs	455		178	
Total direct expenditure	<u>75,264</u>		<u>42,780</u>	
Other expenditure				
Other staff costs	-		3,000	
Admin expenses	350		2,367	
Staff training	646		1,762	
Travel	484		631	
Marketing	-		350	
Infrastructure costs	27,531		22,929	
Other expenditure	-		75	
Total other expenditure	<u>29,011</u>		<u>31,114</u>	
Total expenditure		104,275		73,894
Transfers between funds excluding depreciation		-		20,074
(Deficit)/surplus from all sources		<u>(13,750)</u>		<u>3,721</u>
Teaching school balances at 1 September 2019		28,451		24,730
Teaching school balances at 31 August 2020		<u><u>14,701</u></u>		<u><u>28,451</u></u>