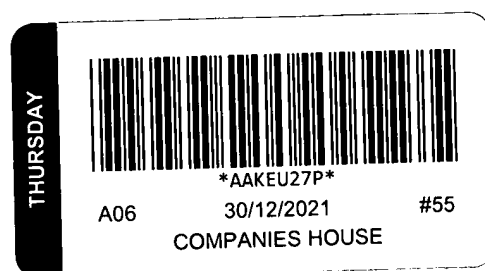


**The St Marylebone  
Church of England  
School**

**Annual Report and Consolidated  
Financial Statements**

31 August 2021

Company Limited by Guarantee  
Registration Number  
07719620 (England and Wales)



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## Reference and administrative information

<b>Members</b>	Reverend Stephen Evans (as Rector) Ms Frances Endres (as Churchwarden) Mrs B Elise Omerod (as Churchwarden) Mr Emy Onah (as Churchwarden) London Diocesan Board for Schools
<b>Governors</b>	Mrs Eliza Low (Chairman) Ms Gillian Active Mrs Clare Alexander Ms Carys Ampofo Mr Nick Barber Reverend Canon Stephen Evans Ms Kathryn Hardy Mrs Sarah Hume Ms Sharon Julien Mr Richard Lake Mr Steven Larcombe Ms Alla Murphy Ms Sara Payne Ms Kathryn Pugh (Headteacher) Ms Emma Rea Mrs Jo Sumpter Ms Kirsteen Walker Mr Alistair Fraser Watson
<b>Company Secretary</b>	Mrs Martha Blackwell
<b>Executive Group</b> Headteacher Deputy Headteachers Director of Finance and Administration	Ms Kathryn Pugh Mr Peter Jordan, Ms Sarah Swan and Ms Jenny Laurie  Mr John McDonald
<b>Registered address</b>	64 Marylebone High Street London W1U 5BA
<b>Company registration number</b>	07719620 (England and Wales)
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL

## **Reference and administrative information**

<b>Bankers</b>	HSBC Bank plc 90 Baker Street London W1U 6AX
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## **Governors' report (including the strategic report) Year ended 31 August 2021**

The Governors of The St Marylebone Church of England School ('the Academy Trust') present their statutory report together with the consolidated financial statements of the Academy Trust and its subsidiary company for the year ended 31 August 2021. The annual report serves the purposes of both a governors' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 42 to 47 of the attached financial statements and comply with the Academy Trust's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2019 or later.

### **SCOPE OF THE CONSOLIDATED FINANCIAL STATEMENTS**

The entities listed below are included within the consolidated financial statements since they are all ultimately controlled by the Governors of The St Marylebone Church of England School:

- ♦ The St Marylebone Church of England School, an Academy Trust whose principal activities and objectives are listed below;
- ♦ The St Marylebone Church of England Bridge School, a subsidiary Academy Trust operating a Special Free School for pupils with speech, language and communication needs.

Each Academy Trust is a Single Academy Trust and each has its own Funding Agreement with the Department for Education.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The Academy Trust's memorandum and articles of association are the primary governing documents of the Academy Trust. The Governors act as the trustees for the charitable activities of The St Marylebone Church of England School and are also the directors of the Academy Trust for the purposes of company law. The Academy Trust is known as The St Marylebone Church of England School.

The St Marylebone Church of England School converted to academy status on 1 September 2011.

#### **Members' liability**

Each member of the Academy Trust undertakes to contribute to the assets of the Academy Trust 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.

## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

#### **Governors' indemnities**

Subject to the provisions of the Companies Act 2006, every Governor or other officer of the Academy Trust is indemnified out of the assets of the Academy Trust against any liability incurred by him/her in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy Trust.

#### **Principal activities**

The Academy Trust's principal activity during the period was the provision of a school, rated outstanding by Ofsted, with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England. As a charitable company, fundraising activities take place in the furtherance of this activity. As a National Teaching School during the year, the Academy Trust, through an alliance with twenty other schools, led on improvements in leadership, professional development, peer review and research and development within the teaching profession.

## Governors' report (including the strategic report) Year ended 31 August 2021

### STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

#### Governors

The Governors are directors of the Academy Trust for the purposes of the Companies Act 2006. The following Governors served during the period as shown.

Governor	Appointed/(Resigned)	Appointing body
Mrs Eliza Low (Chairman) (F)		Diocesan Bishop
Ms Gillian Active	25 May 2021	Support Staff
Mrs Clare Alexander (F)		Parochial Church Council
Ms Carys Ampofo		Parents
Mr Nick Barber (F)		Area Dean
Ms Harriet Capon (F)	(13 July 2021)	LDBS
Ms Frances Endres (F)	(1 January 2021)	Deanery Synod
Reverend Canon Stephen Evans (F)		Ex-officio
Ms Kathryn Hardy	1 January 2021	Teaching Staff
Mrs Sarah Hume (F)		LDBS
Ms S Julien		Parents
Mr Richard Lake		Teaching Staff
Mr Steven Larcombe (F)		Members
Ms Amy-Jo Lynch		Members (Local Community Governor)
Ms Lottie Morley-Fletcher (F)	9 February 2021	Deanery Synod
Ms Alla Murphy (F)		Deanery Synod
Ms Sara Payne		Parents
Ms Kathryn Pugh (Headteacher)		Ex-officio
Ms Emma Rea		Co-opted
Dr Paola Subacchi	(13 July 2021)	Westminster City Council
Mrs Jo Sumpter (F)		Rector & Churchwardens
Ms Kirsteen Walker (F)		Parochial Church Council
Mr Alistair Watson (F)		LDBS

Key:

(F) – Foundation Governor

Ms Lottie Morley-Fletcher resigned after the year end on 12 October 2021.

Ms Amy-Jo Lynch resigned after the year end on 9 November 2021.

There are currently four vacancies comprising two Foundation governors (LDBS nominated and Deanery Synod nominated), one Local Authority nominated governor, and one Local Community Governor.

## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

#### **Method of recruitment and appointment or election of Governors**

The Members appoint not less than 12 Foundation Governors by seeking nominations as follows:

- ◆ 3 from the Diocesan Board of Education;
- ◆ 2 from the Deanery Synod;
- ◆ 2 from the Parochial Church Council;
- ◆ 1 from the Diocesan Bishop;
- ◆ 1 from the Rector and Churchwardens of St Marylebone Parish Church; and
- ◆ 1 from the Area Dean.

In the absence of any nomination, or suitable nomination, the Members may appoint as a Foundation Governor any person they consider suitable. At least four of the Foundation Governors shall, at the time of their appointment, be eligible for appointment as a Parent Governor. In addition, the Rector must be a Foundation Governor *ex officio* and the Members must appoint at least one other Foundation Governor.

The Governors may appoint up to three Staff Governors through such process as they may determine. The Local Authority may appoint a Local Authority Governor. The Members may appoint the Local Community Governors. The Headteacher is treated as being an *ex officio* Governor.

The Parent Governors are elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he/she is elected. The Board of Governors makes all necessary arrangements for, and determines all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Governors which is contested shall be held by secret ballot. The arrangements made for the election of a Parent Governor provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he/she prefers, by having his ballot paper returned to the Academy Trust by a registered pupil at the Academy. Where a vacancy for a Parent Governor is required to be filled by election, the Board of Governors will take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he/she is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so. The number of Parent Governors required is made up by Parent Governors appointed by the Board of Governors if the number of parents standing for election is less than the number of vacancies. In appointing a Parent Governor the Board of Governors will appoint a person who is a parent of a registered pupil at the Academy or, where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.



## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

#### **Method of recruitment and appointment or election of Governors (continued)**

The Staff Governors are elected by a secret ballot of staff employed under a contract of employment (excluding the Headteacher). All arrangements for the calling and the conduct of the election and resolution of questions as to whether any person is an eligible candidate are determined by the Governors. If a Staff Governor ceases to work at the Academy then he/she shall be deemed to have resigned and will cease to be a Governor automatically on termination of his/her work at the Academy. Any election of a Staff Governor which is contested shall be held by secret ballot of the staff. Two of the Staff Governors must be Teachers elected by the teaching staff and one Staff Governor must be a member of the support staff elected by the support staff.

The Foundation Governors, with the consent of the Rector and Churchwardens of St Marylebone Parish Church acting collectively, may appoint up to two co-opted Governors for such term (not exceeding four years) and otherwise upon such conditions as they shall think fit. A co-opted Governor is a person who is appointed to be a Governor by being co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a co-opted Governor if thereby the number of Governors who are employees of the Academy Trust would exceed one third of the total number of Governors (including the Headteacher).

The term of office for any Governor (other than co-opted Governors) shall be four years. This time limit does not apply to the Headteacher or the Rector. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

#### **Policies and procedures adopted for the induction and training of Governors**

The Clerk to the Governors meets with all new Governors to discuss their roles and responsibilities and a meeting is arranged with the Chairman and Headteacher. The following documents are provided and discussed:

#### **Academy documents**

- ◆ Academia (Comprehensive annual calendar issued by the Academy which includes a list of staff, structure and departments and key policies)
- ◆ Schedule of Governors' Meetings
- ◆ List of Governors
- ◆ Governors' contact details
- ◆ List of membership of Governors' Committees
- ◆ Governors' Expense Policy
- ◆ Academy Development Plan
- ◆ Copies of Ofsted letters and reports
- ◆ Academy Prospectus

## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

#### **Policies and procedures adopted for the induction and training of Governors (continued)**

##### ***Academy documents (continued)***

- ◆ Minutes of recent meetings
- ◆ Academy's Admissions Policy
- ◆ Register of Business Interests form
- ◆ Disqualification Declaration form

##### ***National Governors' Association documents***

- ◆ Welcome to Governance

##### ***Westminster Council documents***

- ◆ Westminster Governors' Training Schedule
- ◆ List of useful acronyms and abbreviations

##### ***LDBS documents***

- ◆ LDBS Training Schedule

##### ***DfE documents***

- ◆ Governance Handbook
- ◆ Competency Framework for Governance
- ◆ Academies Trust Handbook

All Governors are encouraged to participate in training. Recent courses attended included the following:

- ◆ Mental Health and First Aid Course
- ◆ Health and Safety
- ◆ Fire Marshalling and Evacuation
- ◆ Safer Recruitment Training
- ◆ Safeguarding Children in Education
- ◆ New Governor Induction
- ◆ Race and Racism

## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

#### **Organisational structure**

The business of the Academy Trust is managed by the Board of Governors who may exercise all the powers of the Academy Trust. The Board delegates certain powers, as set out within respective Terms of Reference, to the following four dedicated committees:

- ♦ Finance and Premises Committee.
- ♦ Staffing and Management Committee.
- ♦ Curriculum and Pupils Committee.
- ♦ Audit and Risk Committee.

The Executive Group within the Academy comprises the Headteacher, three Deputy Headteachers and the Director of Finance and Administration. These leaders control the Academy at an executive level, implementing the policies laid down by the Board of Governors and reporting back to them.

The Executive Group is assisted by the Senior Leadership Team which comprises the Executive Group plus six other senior leadership teachers.

The Board of Governors is responsible for establishing the ethos and character of the Academy, setting general policy, adopting an annual development plan and budget, monitoring the Academy by the use of budgets, management accounts and performance indicators, and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

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

The key management personnel of the Academy Trust during the year were the Governors and the Executive Group as listed on page 1. Governors receive no remuneration unless they are also employees of the Academy Trust, in which case their remuneration relates solely to their duties as employee whilst working on the business of the Academy Trust. The remuneration of these Governors and members of the Senior Leadership Team are determined by the Academy Trust's Pay Committee. In making such determinations, there is consideration of the Pay Policy, available benchmark and market data, and recommendations made under the School Teachers Pay & Conditions Document (STPCD) and from the National Joint Council for Local Government Services (NJC).

#### **Trade union facility time**

During the year there were no employees acting as relevant union officials.

## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

#### **Risk management**

The Board of Governors has assessed the major risks to which the Academy Trust is exposed, in particular those relating to teaching, facilities, finances, COVID-19 and other operational areas. Systems are in place to control these risks and to mitigate any potential impact. The Audit Committee assists in respect of financial risks, and a detailed risk register has been developed and internal controls implemented. Safeguarding of pupils and health and safety are taken particularly seriously with the Board of Governors ensuring that there is an extensive network of support and pastoral care, and a vigorous vetting procedure for all staff, contractors and visitors.

#### **Connected organisations, including related party relationships**

Owing to the nature of the Academy Trust's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, there is a possibility that transactions will take place with organisations in which a member of the Board of Governors may have an interest. This is generally avoided but any transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. Such transactions during the period include:

The St Marylebone Parish Church employed a Chaplain whose time is shared between the Church and the Academy as the School Chaplain. The Academy Trust paid £34,944 (2020 - £35,549), being 50% of the actual cost of employment to The St Marylebone Parish Church.

As a Church of England designated Academy, The London Diocesan Board for Schools (LDBS) has a close association with the Academy and is a Member of it. LDBS provides a significant level of support for which the Governors are extremely grateful. During the year the Academy Trust paid LDBS £9,919 (2020 - £9,735) for support services.

The Academy is also affiliated to the Woodard Corporation, a faith based organisation comprising Woodard Schools and Academies operated by them, and their independent but affiliated and associated partners.

Having been awarded National Teaching School status by the National College for School Leadership, the Academy led the St Marylebone Teaching School Alliance during the year with thirteen other schools comprising:

- ◆ St Augustine's C.E. High School.
- ◆ Westminster Academy.
- ◆ Capital City Academy.
- ◆ College Park School (Westminster Special Schools including QEII Jubilee School).

## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

#### **Connected organisations, including related party relationships (continued)**

- ◆ St Vincent's RC Primary School.
- ◆ Christ Church Bentinck C of E Primary School.
- ◆ The Cavendish School (Camden).
- ◆ The St Marylebone Church of England Bridge School.
- ◆ Marylebone Boys' School.
- ◆ St Dominic's Sixth Form College.
- ◆ St Mary and St John's CE School (Hendon).
- ◆ The Green School (Girls and Boys – two schools).
- ◆ Sir Simon Milton Westminster University Technical College.

The alliance worked to train new entrants to the teaching profession, lead peer-to-peer professional development, identify and develop leadership in schools, provide school to school support, designate and broker Specialist Leaders in Education (SLEs) and participate in research and development activities.

### **OBJECTIVES AND ACTIVITIES**

#### **Object and aims**

The Academy Trust's object is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and, in particular, in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement), and in having regard to the advice of the Diocesan Board of Education.

The Academy Trust's aims are:

- ◆ *The pursuit of excellence: excellence in our academic and cultural achievements, excellence in our social and community life and excellence in our spiritual search.*
- ◆ *The provision of a high quality education for pupils of all abilities, backgrounds and ethnicities in a supportive environment that is caring, orderly and stimulating.*

## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **OBJECTIVES AND ACTIVITIES (continued)**

#### **Objectives, strategies and activities**

##### ***The Academy Trust's Mission Statement***

The St. Marylebone School, a Church of England Foundation, aims to achieve the highest standards of effort, behaviour and commitment so that all pupils may realise their full potential. The Academy seeks to inspire a love of learning and a genuine respect for all members of its multi-cultural multi-faith community. As a church school, the Academy nurtures respect for religious, moral and spiritual values. The Academy acknowledges its special responsibility in the education of girls so that they can take a full part in society.

The Academy Trust aims to help and enable pupils to:

- ◆ develop lively, enquiring minds and the ability to question and argue rationally;
- ◆ acquire knowledge and skills relevant to adult life and employment in a fast changing world;
- ◆ develop a full range of skills to meet a variety of challenges with resilience;
- ◆ appreciate human achievements and aspirations;
- ◆ understand the interdependence of individuals, groups and nations;
- ◆ gain self confidence and a sense of worth;
- ◆ learn how to work responsibly and independently, with consideration for others.

Courtesy, helping others, full attendance, punctuality, and smart uniform are all the hallmarks of the Academy's ethos.

The fulfilment of these aims creates a well-ordered community, with high standards and a caring approach, which recognises that the purpose of the Academy is to equip pupils with the skills they will require as balanced, mature and fulfilled individuals in our society.

##### ***Whole School Targets for academic year 2020/21***

1. Identify and preserve the strengths of our curriculum offer, while adapting to needs emerging following school closure, including reviewing how effectively our offer addresses racial discrimination and celebrates racial diversity. Ensure middle-leaders are supported in enabling the re-growth of their curriculum offer.
2. Pursue excellence in teaching, ensuring that practice is informed by recent learning, relevant research and students' emerging needs. Use assessment and feedback to evaluate student need, making most effective use of classroom time and home-learning. Use student-voice regularly to effectively inform our practice, with an emphasis on hearing from students from BAME or disadvantaged backgrounds.

## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **OBJECTIVES AND ACTIVITIES (continued)**

#### **Objectives, strategies and activities (continued)**

##### **Whole School Targets for academic year 2020/21 (continued)**

3. Take the healing approach to students' pastoral and safeguarding needs, evaluating and identifying needs and adapting provision to meet these. Support those in new roles. Promote the School's pastoral activity in combatting disadvantage, racial discrimination and inequality. Sustain excellence in delivery, promoting the culture of shared responsibility for this.
4. Meet Governors' Targets for KS4 and KS5 examination performance.
5. Teaching School and Maths Hub: a year of transition as Teaching Schools (900+) change nationally to become Teaching School Hubs (c. 75). Develop bid to become one of three expected TS Hubs in London and if successful develop a team to roll out the much larger project. If unsuccessful, become a key school to undertake outreach work for a Teaching School Hub. Continue to work on large school to school support initiatives that flourished in 2019/20. Continue the exemplary work of the Maths Hub deploying in house staff strategically. Teaching School team leading and responding to in-house CPD needs also, with SLEs playing a big part in 'building back better.' All ensuring externally-set targets are met.
6. Whilst learning from the challenges recently presented, seize the opportunity provided by the healing process to be creative in making positive changes to the support function for wider school benefit. Make time to think, exchange and develop ideas, and facilitate improvements where there is value in doing so, with a particular emphasis on whole-staff wellbeing, working environment, health & safety, flexibility. In enabling these objectives, we enable each member of the support team to be heard, to know the part that they play, and to feel valued for this.

##### **Specialist College Mission Statement**

*'Excellence through Specialism' - As a high performing specialist school, we have three areas of specialism: Performing Arts, Maths and Computing, and SEN (Communication and Interaction). We aim to provide educational opportunities of unrivalled excellence for our very diverse community, to ensure the fulfilment of the full potential of all members.*

## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **OBJECTIVES AND ACTIVITIES (continued)**

#### **Objectives, strategies and activities (continued)**

##### ***Specialist College Values***

- ◆ Pursuit and celebration of achievement.
- ◆ Independence and ability to solve problems.
- ◆ Confidence and caring.
- ◆ Creative and team spirited.
- ◆ Concern for equal opportunities.
- ◆ Honesty and reliability.
- ◆ Spiritual awareness.

##### ***Specialist College Goals***

- ◆ Raise standards of achievement in the specialist areas, leading to whole Academy improvement.
- ◆ Improve the quality of teaching and learning in the specialist areas via innovative, rich curricula and work across the Academy to ensure similar standards are maintained.
- ◆ Offer a wide range of opportunities for depth and breadth via enrichment and extra-curricular activities.
- ◆ Develop and share good practice across the curriculum, particularly through considered use of ICT in the specialist areas.
- ◆ Raise the post-16 participation rate and maximise the opportunities for students to progress into employment, further training or higher education in the specialist areas.
- ◆ Act as a centre of excellence for other schools, the Teaching School Alliance and the community.

##### **Public Benefit**

In setting the Academy Trust's objectives and planning its activities, as the main object above indicates, the Board of Governors have given careful consideration to the Charity Commission's general guidance on public benefit.



## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **STRATEGIC REPORT**

#### **Achievements and performance**

##### ***Review of activities***

The academic year 2020-21 asked more of the Academy than ever before, testing its resilience under extraordinary circumstances. The Academy addressed this with characteristic determination and commitment to the cause: sustaining the provision of education and pastoral care, staff development and welfare and all the usual business of a large organisation serving a diverse community, during a pandemic and all its ramifications:

- ◆ risk assessment of all operations in the context of the pandemic
- ◆ running full on-site operations within the limitations of protective measures in place to mitigate covid-risk
- ◆ responsibility for contact-tracing and all communications in response to each positive covid case in the school community
- ◆ responding to unpredictable decisions from government and the Department for Education
- ◆ closing school and providing remote education
- ◆ re-opening school and resuming on-site operations within limitations to mitigate risk
- ◆ providing on-site covid testing
- ◆ delivering a plan robustly to assess and grade GCSEs and A-Levels following the cancellation of public examinations

The Academy successfully managed the above by being very resourceful and creative. Sorely feeling the lack of extra-curricular activities, clubs, trips, events, assemblies, performances and concerts, the things which enrich and connect the community, the Academy provided virtual equivalents to the best of its ability: a filmed carol service and prize-giving, digital art and textiles exhibitions, dance and drama videos, virtual reading clubs and mental health workshops, clubs such as gardening, baking, debating and creative writing, online hustings and interviews for the new Student Leadership Team. In the Church, where socially-distanced services were possible, every year group had at least one assembly or Eucharist.

The implementation of the Teacher Assessed Grade (TAG) process in place of public examinations was an enormous project with very high stakes. With the removal of any national standardisation, the pressure was on the Academy to enable a robust, fair system, communicating this to the increasingly anxious cohorts in Years 11 and 13 and their parents and carers, supporting teaching and administration staff in its implementation, marking, moderation and grade submission, issuing the results in August and managing the appeals process. It was an extraordinary achievement - though arguably an experience that was not necessary and placed an enormous burden on schools. The students took it very seriously and, as the outcomes showed, put in considerable effort. In August, they were rightly proud: they knew they really had earned their grades and felt a sense of ownership.

## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **STRATEGIC REPORT (continued)**

#### **Achievements and performance (continued)**

##### ***Review of activities (continued)***

The Academy continued to develop and support its staff, using INSET time with care, adapting to the need to deliver much of this online. A significant focus during the year was promoting ethnic and racial diversity and anti-racism in light of the Black Lives Matter campaign and in line with the Academy's inclusive ethos. Work was undertaken to address the race and equality agenda very seriously: the establishment of student Diversity Ambassadors, the adoption of the Halo Code which promotes and supports students with afro-textured hair to wear their hair without discrimination, significant engagement of student voice in staff INSET, unconscious bias training, use of student publications such as NewTues and the student podcast SMSpeaks, a year-long training course for the Senior Leadership Team on race and identity and considerable review and change to recruitment processes. This focus is sustained in the Academy's objectives for the new school year 2021-22.

The Academy continued to be over-subscribed for applications to Year 7 and to the Sixth Form. This was the fourth year in which the increased number of 168 (up from 150) was taken into Year 7. The Academy continued to adapt its site, systems and support in light of this increase. As ever, a curriculum with breadth and depth was sustained at all Key Stages, with 135 different subject combinations being taken at KS4, 129 different combinations in the 6th Form and no reduction of the offer in KS3.

The Maths Hub bounded onwards though the year, despite the pandemic, delivering exceptionally well-received CPD across the Maths Hub network, hosting visitors virtually, enabling Teacher Research Groups and leading over 40 work groups across the region, reaching over 170 schools, including primary, secondary, special and alternative provision.

This was the last academic year in which the Academy was officially a Teaching School, as this programme ended nationally and was replaced with a new Teaching School Hub model. The Academy was not successful in its bid to become one of the far larger "Hubs" but made the best of this opportunity to focus on the nature of educational outreach it really wants to do. This resulted in its own "SMS Collaborative" model, which enables the Academy to work collaboratively with other schools. As one significant example, in July 2021, the Academy submitted a considerably detailed bid to the Arts Council to lead one of eight Creativity Collaboratives in the country, with success announced in October 2021.

##### ***Examination Results***

2020-21 was a very successful year in terms of students' academic achievement at St Marylebone. Whilst grades were based on a Teacher Assessed Grades process, rather than nationally set public examinations, the process designed was rigorous and included examinations, such that grades awarded were fair and based on actual achievement. This ensured that students knew that they had earned their grades. Significant highlights include:

## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **STRATEGIC REPORT (continued)**

#### **Achievements and performance (continued)**

##### ***Examination Results (continued)***

At A' level:

- ◆ 100% of grades were A\* - E
- ◆ 90.6 % of grades were A\* - B
- ◆ 68.9% of grades were A\* - A
- ◆ 26.3% of grades were A\*
- ◆ 7 places at Oxford or Cambridge were attained, 89 places at Red Brick Universities, and 24 places on Music and Arts courses.

At GCSE:

- ◆ 96.4% of grades were 9 – 4 (A\* - C)
- ◆ 62.2% of grades were 9 – 7 (A\* - A)
- ◆ 40.6% of grades were 8 – 9 (A\*)
- ◆ 19.7% of grades were 9 (A\*\*)
- ◆ 90.0% achieved at least grade 4 in English and Maths

These results demonstrate that, as an Academy, we continue to strive for the best for all learners, regardless of their background, starting points or social contexts. Maintaining this level of achievement year on year requires the consistent and persistent focused dedication of all staff within a school, and a commitment to every child to ensure the best possible outcome. All our staff give generously of their time and effort, even more so over the last year, to make sure that this happens.

##### ***Going concern***

After making appropriate enquiries, the Board of Governors has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Although the COVID-19 pandemic has resulted in reduced lettings income and additional operating costs, particularly in respect of cleaning, the financial impact of this has not been, and is not expected to be over the next twelve months, significant enough to change the going concern basis. For this reason the Academy Trust continues to adopt the going concern basis in preparing the financial statements.

## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **STRATEGIC REPORT (continued)**

#### **Achievements and performance (continued)**

##### ***Going concern (continued)***

Whilst the Group Balance Sheet shows net liabilities of £283,000 (2020 – surplus £447,000), this is due entirely to the LGPS pension deficit of £3,485,000 (2020 – £2,562,000). Net assets excluding the LGPS pension deficit were £3,202,000 (2020 – £3,009,000) and Group's operating surplus for the period was £60,000 (2020 – £171,000), contributing to revenue reserves carried forward, excluding LGPS deficit, of £1,448,000 (2020 – £1,388,000). The Group's reserves policy ensures that the level of revenue reserves maintained reflects the level of both revenue expenditure and the LGPS pension deficit. Further details regarding the adoption of the going concern basis can be found in the Principal Accounting Policies.

##### ***Key financial performance indicators***

The Finance and Premises Committee reviews key financial data, including performance indicators, at each of their meetings. A commentary on performance for the period is presented, with detailed management accounts that include the following information:

- ◆ Income to date versus budget to date comparisons, analysed by income heading.
- ◆ Expenditure to date versus budget to date comparisons, analysed by expenditure heading.
- ◆ Projected surplus/deficit for the year, analysed by income and expenditure headings.
- ◆ Bank and investment balances, both period end and current.
- ◆ Parental Maintenance Contributions collected to date, compared with previous periods.

Staff costs represent the majority of the Academy Trust's expenditure and as such they are closely scrutinised. Actual staff costs are monitored monthly against budget with trends being extrapolated to provide expected year-end outcomes. Utility costs, including gas, electric and water, are also scrutinised to ensure efficient use of resources having regard to environmental impact.

##### ***Financial report for the year***

The results for the year are shown on page 37. The net movement in funds, before reflecting the changes in LGPS pension deficit and endowment fund, is positive at £253,000 (2020 – positive £144,000) for the Academy and positive at £177,000 (2020 – positive £203,000) for the Group. The surplus is due in part to the increase in the Fixed Asset Fund of £164,000 for the Academy and £117,000 for the Group. The operational surplus for the year, being the result exclusive of movements in the pension reserve, fixed asset and endowment funds, was £89,000 (2020 – £140,000) for the Academy and £60,000 (2020 – £171,000) for the Group.

## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **STRATEGIC REPORT (continued)**

#### ***Financial report for the year (continued)***

After reflecting movements in the endowment fund and the increase in LGPS pension deficit of £687,000 (2020 – increase £56,000) for the Academy and the increase of £923,000 (2020 – increase £31,000) for the Group, the net movement in funds is negative at £418,000 (2020: positive at £203,000) for the Academy and negative at £730,000 (2020: positive at £237,000) for the Group.

The financial position of the Academy Trust at 31 August 2021 showed surplus funds of £84,000 (2020 – £502,000) for the Academy and deficit funds of £283,000 (2020 – surplus funds of £447,000) for the Group, consisting of unrestricted funds of £1,130,000 (2020 – £1,041,000) for the Academy and the Group, restricted deficit funds of £1,152,000 (2020 – deficit funds of £629,000) for the Academy and restricted deficit funds of £1,519,000 (2020 – deficit funds of £684,000) for the Group, and endowment funds of £106,000 (2020 – £90,000) for the Academy and the Group.

Restricted funds include income funds of £131,000 (2020 – £131,000) for the Academy and £318,000 (2020 – £347,000) for the Group; the LGPS pension deficits of £2,931,000 (2020 – £2,244,000) for the Academy and £3,485,000 (2020 – £2,562,000) for the Group; fixed asset funds of £1,648,000 (2020 – £1,484,000) for the Academy and £1,648,000 (2020 – £1,531,000) for the Group and endowment funds of £106,000 (2020 – £90,000) for the Academy and for the Group. Further information on the nature of the funds can be found in note 17.

#### **Financial review**

For The St Marylebone Church of England School, revenue funding over the year took a hit with lettings income down £243,000 on pre-pandemic levels. Whilst there was no support in this respect from the Department of Education, other COVID-19 related grants of £42,800 in respect of exceptional costs were welcomed. Whilst some costs, particularly cleaning and catering costs, increased over the year, careful management of other costs ensured that the Academy was still able to operate in surplus although at £89,000, this was down from £140,000 in the previous year.

Given the modest revenue surplus, revenue reserves for the School before LGPS deficit remain healthy at £1,261,000. The Fixed Asset Fund balance increased by £164,000 largely due to grants receivable in respect of the refurbishment of six science laboratories, the cost of which is capitalised but not yet depreciated.

Whilst the consolidated balance sheet shows a net liabilities position of £283,000, this is solely the result of increases to the LGPS deficit for both schools. For The St Marylebone Church of England Bridge School, the increase of £236,000 to £554,000 creates net liabilities within that school of £367,000. For The St Marylebone Church of England School, the increase of £687,000 to £2,931,000 reduces net assets to £84,000.

## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **STRATEGIC REPORT (continued)**

#### **Financial review (continued)**

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

Many of the Academy's and subsidiary's support staff are members of the Local Government Pension Scheme (LGPS) which is a defined benefit scheme. The deficit inherited by the Academy on conversion was £307,000. The subsidiary employed its first members of the scheme during 2014/15 giving rise to a deficit of £11,000 as at 31 August 2015. As explained within the Financial Review above, increases to the LGPS deficit are such that there is now a consolidated net liabilities position for the first time. Whilst the Department for Education has committed to underwrite a school's LGPS deficit should a school close, the extent of the deficit does mean that employer contribution levels may increase in the future putting further pressure on revenue budgets.

##### ***Reserves policy***

The Governors have identified three principal risks against which it is appropriate to hold reserves:

1. Buildings related risks: the Academy Trust is obliged to maintain a diverse estate from listed Victorian buildings to more modern, high-tech buildings. Maintenance of all types of building, new and old, comes at a significant cost and funding for this is not readily available from government sources. In addition, emergency situations do arise from time to time due to circumstances beyond the Trust's control and thus the Trust needs to have sufficient funds available to ensure that work can be carried out and disruption kept to a minimum. The policy is to maintain a balance of unrestricted reserves so as to be in a position to deal with both emergency and planned property maintenance and repair.
2. LGPS pension deficit: the LGPS deficit for the Academy was assessed at £2,931k (2020: £2,244k) being based on the last full triennial actuarial valuation as at 31st March 2019. It is considered appropriate that a level of restricted reserves equal to 1/7th of the value of the LGPS pension deficit be maintained. Whilst the LGPS pension deficit has not crystallised, the level of deficit may necessitate higher contribution levels in future and this policy seeks to mitigate this. The Governors do not consider it appropriate, necessary or realistic to hold reserves equal to the pension deficit.
3. Future funding uncertainty: there is uncertainty about future funding as the Government seeks to introduce its National Funding Formula at school level. The Governors have sought to balance financial prudence with the need to maintain the fundamental nature and success of the school through a mixture of cost savings and the approval of deficit budgets (where the deficit is funded from revenue reserves). This is in line with the policy stated in the opening paragraph above. It is expected that the policy of funding budget shortfalls from reserves will continue for the next year at which point there should be a further review.

At each of its meetings, the Finance and Premises Committee reviews the level of funds held. These funds are held at HSBC Bank plc, for current and short-term deposits where access to funds is important, and for longer-term deposits and endowment funds within The CBF Church of England Deposit and Investment Funds held and maintained by CCLA Investment Management Limited.

## Governors' report (including the strategic report) Year ended 31 August 2021

### STRATEGIC REPORT (continued)

#### Financial review (continued)

##### *Reserves policy (continued)*

The Finance and Premises Committee will approve any changes to the organisations and/or accounts in which the Academy's funds are invested. However, in doing so they will take a low risk approach to investment, particularly at a time when investment returns are low, in order to protect the funds generated to date for the benefit of future years.

As at 31 August 2021, the Governors have assessed that the following minimum balances should be held in respect of each risk for the Academy:

- (i) Buildings related risk: £300,000 (2020 – £300,000) of unrestricted revenue reserves;
- (ii) LGPS pension deficit: £419,000 (2020 – £320,000) of restricted revenue reserves where available, with the balance being taken from unrestricted revenue reserves;
- (iii) Future funding uncertainty: £108,000 (2020 – £102,000) of restricted revenue reserves where available, after allowing for (ii) above, with the balance being taken from unrestricted revenue reserves, this being the anticipated operating deficit over the next 12 months.

As at 31 August 2021, the actual balances on revenue reserves for the Academy, before reflecting the LGPS pensions deficit, were as follows:

Unrestricted revenue reserves: £1,130,000 (2020 – £1,041,000)  
Restricted revenue reserves: £131,000 (2020 – £131,000)  
Total revenue reserves: £1,261,000 (2020 – £1,172,000)

The minimum level of revenue reserves required to be held under the above policy is £827,000 (2020: £722,000) and actual revenue reserves held, before reflecting the LGPS pension deficit, exceed this minimum amount by £434,000 (2020 – £450,000).

### PRINCIPAL RISKS AND UNCERTAINTIES

The Governors are aware that there are uncertainties as to future funding as a result of National Funding Reform and delays to that reform. Whilst a National Funding Formula has now been published, there is no certainty as to funding because local authorities still have the ability to operate a local formula. Transitional arrangements have been in place since the academic year 2013/14. The funding formula used within these transitional arrangements has previously allowed funding per pupil to fall by 1.5% per year. This has had a significant detrimental impact on the Academy's funding and staffing levels have previously had to be cut as a direct result of year-on-year reduction in funding per pupil. The Governors acknowledge that the change to Minimum Funding Guarantee from -1.5% to a minimum of +0.5% in 2020/21 has provided some respite but, in the context of significant inflationary pressure on costs, the real terms impact is still expected to be negative and the future remains uncertain.

The reserves policy set out above aims to mitigate the risk of reduced funding in real terms and rising LGPS pension deficit in future years.

## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **FUNDRAISING**

Fundraising was difficult during the year due to the financial impact of COVID-19 on families and restricted operation of the school for part of the year. However the Academy Trust did have a successful 'Science Lab Renovation' campaign, among other initiatives. Donations and grants are secured from time to time through the generosity of its supporters, and these are hugely appreciated. The Academy Trust aims to achieve best practice in the way in which it communicates with supporters, taking care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data, never sells or swaps data, and ensures that its communication preferences can be changed at any time. The Academy Trust manages its own fundraising activities and does not employ the services of professional fundraisers. The Academy Trust undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the period, the Academy Trust received no complaints about its fundraising activities.

### **FUTURE ACTIVITIES AND PLANS**

The Academy's future activities and plans are best understood via the Whole School Objectives for 2021-22, in particular the following specific endeavours

#### **Curriculum:**

- ◆ Adapt appropriately to address emerging learning needs as a result of COVID.
- ◆ Integrate enrichment and career opportunities for all, in lesson time, to create a "super curriculum".
- ◆ Further develop diversity in our curriculum to ensure deep change within subject teaching & learning.
- ◆ For the sake of parents, carers and students, make sure all staff have a shared understanding of how the data-based assessment system works.

#### **Teaching and learning:**

- ◆ Develop Teaching and Learning Specialists (TLS) to enhance the quality of teaching and learning.
- ◆ Ensure curriculum conversations allow Heads of Learning to evaluate, identify and act on areas of change required (eg diversity).
- ◆ Use curriculum conversations to drive collaborative practice within and across departments.
- ◆ Successfully implement the early career framework (ECF), using it to inform our wider school teacher development programme.



## **Governors' report (including the strategic report) Year ended 31 August 2021**

### **FUTURE ACTIVITIES AND PLANS (continued)**

#### **Pastoral and safeguarding:**

- ◆ Deliver a restorative pastoral training programme for the Pupil Achievement team and whole staff that seeks to address the emotional and educational impact of COVID.
- ◆ Support the development of positive inter-peer relationships that promote diversity, equality and inclusion.
- ◆ Provide considered and timely education and support to promote positive mental health that responds to emerging needs post-COVID.

#### **Outreach and community collaboration:**

- ◆ Establish and demonstrate the remit and purpose of the SMS Collaborative.
- ◆ Continue the DfE funded, mature Maths Hub project.
- ◆ Establish the status of Teaching & Learning Specialists (TLS), both in school and the wider community.
- ◆ Build a positive working relationship with the local Teaching School Hub (Paddington Academy) and other professional learning bodies.
- ◆ Undertake outreach work which demonstrates value for money.
- ◆ If Creativity Collaborative Pilot bid is successful, start work with partners.

#### **Administration, premises, finance:**

- ◆ Identify, and take forward, opportunities to create more and better physical space, in particular for improved dining/catering facilities.
- ◆ Improve site security provided by CCTV, PA and site-keepers' capacity at gates (notably during works to the Church).
- ◆ Facilitate termly support staff meetings to consider capacity, workload, diversity & inclusion, training, wellbeing and working from home balance.
- ◆ Evaluate the impact of pupil expansion, good & bad, identifying crunch points and taking forward positive changes.
- ◆ Invest in the development and delivery of work strands of the SMS Collaborative, and the Creativity Collaborative.

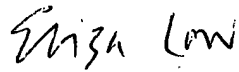
**Governors' report (including the strategic report) Year ended 31 August 2021**

**AUDITOR**

In so far as the Governors are aware:

- ♦ there is no relevant audit information of which the Academy Trust's auditor is unaware; and
- ♦ the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Governors' report, incorporating a strategic report, was approved by resolution of the Board of Governors and signed on its behalf by:



Chairman of the Board of Governors .

Date: *7<sup>th</sup> December 2021*

Eliza Low

## Governance statement Year ended 31 August 2021

### Scope of responsibility

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

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

### Governance

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

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

Governor	Number of meetings attended	Out of a possible
Mrs Eliza Low (Chairman)	5	6
Ms Gillian Active	2	2
Mrs Clare Alexander	2	6
Ms Carys Ampofo	6	6
Mr Nick Barber	5	6
Ms Harriet Capon	6	6
Ms Frances Endres	1	1
Reverend Stephen Evans	5	6
Ms Kathryn Hardy	3	4
Mrs Sarah Hume	5	6
Ms Sharon Julien	5	6
Mr Richard Lake	5	6
Mr Steven Larcombe	5	6
Ms Amy-Jo Lynch	6	6
Ms Lottie Morley-Fletcher	4	4
Ms Alla Murphy	5	6
Ms Sara Payne	5	6
Ms Kathryn Pugh (Headteacher)	6	6
Ms Emma Rea	6	6
Dr Paola Subacchi	5	6
Mrs Jo Sumpter	5	6
Mrs Kirsteen Walker	4	6
Mr Alistair Watson	6	6

## Governance statement Year ended 31 August 2021

### Governance (continued)

The Finance and Premises Committee is a sub-committee of the main Board of Governors. Its purpose is to support the Board in making decisions concerning the Academy's finances and premises within the Committee's Terms of Reference. During the year, there were seven members of the Committee at any one time, all of whom were Governors.

Attendance at meetings in the year was as follows:

Governor	Number of meetings attended	Out of a possible
Mr Steven Larcombe (Chairman)	5	5
Reverend Stephen Evans	3	5
Ms Sharon Julien	2	5
Mrs Eliza Low	3	5
Ms Amy-Jo Lynch	3	3
Ms Kathryn Pugh	5	5
Dr Paola Subacchi	5	5

The Audit and Risk Committee is also a sub-committee of the main Board of Governors. Its purpose is to ensure that there is an appropriate system of internal control in place, that it is implemented and reviewed, and to recommend the audit plan and financial statements for approval by the Board of Governors.

Governor	Meetings attended	Out of a possible
Mr Steven Larcombe (Chairman)	3	3
Ms Carys Ampofo	3	3
Mrs Sarah Hume	2	2
Ms Sharon Julien	0	1
Mrs Eliza Low	1	3

### Governance reviews

The composition and effectiveness of the Board of Governors is reviewed annually. The Academy is very fortunate to have a strong Board, the composition of which is consistent with the Articles of Association and brings a broad and varied knowledge and experience base to both full Board and Committee meetings. The Ofsted inspection report acknowledged and confirmed the strong governance in place. The Governors have a clear commitment to the provision of high quality state-funded education.

The Governors continue to be very pleased with the performance of the Headteacher and the Chairman which has contributed significantly to ensuring that the Academy maintains the highest standards of education, pastoral support and enrichment for which it is known. The exceptional 2021 GCSE and A-Level achievement, despite a very difficult year due to COVID-19, are testament to this.

## **Governance statement Year ended 31 August 2021**

### **Governance (continued)**

#### **Governance reviews (continued)**

There were three new Governor appointments during the year, and three resignations during the year, leaving two vacancies at the year end. There has been a further two resignations since the year end such that steps are currently being taken to fill four vacancies.

There will be a further review of the composition and effectiveness of the Board of Governors during the academic year 2021/22.

#### **Review of value for money**

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

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during the academic year, and reports to the Board of Governors where value for money can be improved, including the use on benchmarking data where available. The Accounting Officer for the Academy Trust has delivered and improved value for money during the year by ensuring that:

- ◆ an active role in fundraising activities is maintained in order to secure improvements to facilities and equipment, with a specific emphasis on items that enhance the experience at St Marylebone for students.
- ◆ the Academy's Finance Team continues to ensure that it obtains the best value for money when purchasing goods and services, and maintains compliance with public procurement guidelines.

Procurement Policy Notes 02/20 and 04/20 have been considered and the Academy Trust has sustained contractual payments to suppliers when service levels have been adversely affected by COVID-19. This has been the case for cleaning and catering contracts and for visiting music teachers. The Academy Trust has not made use of the furlough scheme given that Government funding has been maintained. The Academy Trust does not consider that the impact of COVID-19 on value for money obtained has been significant during the period.

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Academy's 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 at the Academy for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

## **Governance statement Year ended 31 August 2021**

### **Capacity to handle risk**

The Board of Governors 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 Governors is of the view that there is an ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors.

### **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 Governors;
- ◆ regular reviews by the Finance and Premises Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- ◆ setting targets to measure financial and other performance;
- ◆ clearly defined purchasing (asset purchase or capital investment) guidelines;
- ◆ delegation of authority and segregation of duties;
- ◆ identification and management of risks.

The Board of Governors have noted changes within the Academies Financial Handbook 2020 and have as a result changed the name of the Audit Committee to Audit & Risk Committee from September 2020. The impact of changes to the Financial Reporting Council's Ethical Standard have also been considered and as a result the Academy Trust no longer uses their statutory audit firm for the internal assurance checks. The Board of Governors have appointed Schools Choice as an independent internal auditor for 2020/21. The Governors have also appointed a Responsible Officer ('RO'). The RO's role, performed by Mr Alistair Watson during the year, included the selection of a suitable internal audit firm and liaising with them to agree a scheme of work.

## Governance statement Year ended 31 August 2021

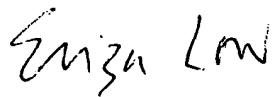
### Review of effectiveness

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

- ◆ the work of the Responsible Officer;
- ◆ the work of the Audit and Risk Committee;
- ◆ the work of the external auditor;
- ◆ the financial management and governance self assessment process;
- ◆ the work of the Senior Leadership Team within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

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



(Chairman of the Board of Governors)

Eliza Low



(Headteacher and Accounting Officer)

Kathryn Pugh

Approved on: 7<sup>th</sup> December 2021

**Statement on regularity, propriety and compliance Year ended 31 August 2021**

As Accounting Officer of The St Marylebone Church of England School, I have considered my responsibility to notify the Academy Trust's Board of Governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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

A handwritten signature in black ink, appearing to read 'K Pugh'.

Accounting Officer

Date: 7<sup>th</sup> December 2021

Kathryn Pugh



## Statement of Governors' responsibilities Year ended 31 August 2021

The Governors (who act as trustees of the Academy and are also the directors of the Academy for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the 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 Academy and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

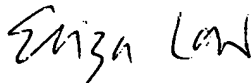
- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Academy will continue in operation.

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

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

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

Approved by order of the Board of Governors on 7<sup>th</sup> December 2021 and signed on its behalf by:



Chairman of the Board of Governors

Eliza Low

The St Marylebone Church of England School 31

## **Independent auditor's report Year ended 31 August 2021**

### **Independent auditor's report to the members of The St Marylebone Church of England School**

#### **Opinion**

We have audited the financial statements of The St Marylebone Church of England School (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31 August 2021 which comprise the group statement of financial activities, the group and charitable parent company balance sheet, the group statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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) (the Charities SORP 2019) and the Academies Accounts Direction 2020 to 2021.

In our opinion, the financial statements:

- ♦ give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 31 August 2021 and of the group's income and expenditure, for the period then ended;
- ♦ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ♦ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ♦ have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

#### **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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

## **Independent auditor's report Year ended 31 August 2021**

### **Conclusions relating to going concern (continued)**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or charitable parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

### **Other information**

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

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- ♦ the information given in the Governors' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ♦ the Governors' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report including the strategic report.

## **Independent auditor's report Year ended 31 August 2021**

### **Matters on which we are required to report by exception (continued)**

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

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

### **Responsibilities of Governors**

As explained more fully in the Governors' responsibilities statement, the Governors (who are also the directors 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 Governors 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 Governors are responsible for assessing the group's and the charitable parent company'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 Governors either intend to liquidate the group or the charitable parent company 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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

## **Independent auditor's report Year ended 31 August 2021**

### **Auditor's responsibilities for the audit of the financial statements (continued)**

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the group through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the group and determined that the most significant are the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2020 to 2021, the Academies Financial Handbook 2020, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;
- ◆ we understood how the group is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of Governors' meetings and papers provided to the Governors.
- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

## Independent auditor's report Year ended 31 August 2021

### Auditor's responsibilities for the audit of the financial statements (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of Governors' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and
- ◆ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Governors and other management and the inspection of regulatory and legal correspondence, if any.

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

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Buzzacott LLP*

Catherine Biscoe (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Date: 19 December 2021

## **Independent reporting accountant's report Year ended 31 August 2021**

### **Independent reporting accountant's assurance report on regularity to The St Marylebone Church of England School and the Education and Skills Funding Agency**

*In accordance with the terms of our engagement letter dated 8 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Marylebone Church of England School during the period from 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.*

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

### **Respective responsibilities of The St Marylebone Church of England School's Accounting Officer and the reporting accountant**

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

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

### **Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA.

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.

## Independent reporting accountant's report Year ended 31 August 2021

### Approach (continued)

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

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the Academy Trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

### Conclusion

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

*Buzzacott LLP*

Reporting Accountant  
Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London  
EC2V 6DL

Date: 19 December 2021



**Consolidated statement of financial activities (including an income and expenditure account)**  
**Year ended 31 August 2021**

		Un- restricted general fund £'000	Restricted funds		Fixed assets fund £'000	Endow- ment fund £'000	2021 Total funds £'000	2020 Total funds £'000
	Notes		ESFA £'000	Other £'000				
<b>Income from:</b>								
Donations and capital grants	1	96		27	410	—	533	396
Charitable activities								
· Funding for the Academies' educational operations	4	143	9,344	1,347	—	—	10,834	10,159
· Teaching Schools		—	40	—	—	—	40	40
· Activities for generating funds	2	17	—	—	—	—	17	179
· Investments	3	4	—	—	—	—	4	9
<b>Total income</b>		<b>260</b>	<b>9,384</b>	<b>1,374</b>	<b>410</b>	<b>—</b>	<b>11,428</b>	<b>10,783</b>
<b>Expenditure on:</b>								
Charitable activities								
· Academies' educational operations	6	135	9,903	1,468	264	—	11,770	11,008
· Teaching Schools	5	—	40	—	—	—	40	40
<b>Total expenditure</b>	5	<b>135</b>	<b>9,943</b>	<b>1,468</b>	<b>264</b>	<b>—</b>	<b>11,810</b>	<b>11,048</b>
<b>Net income (expenditure) before transfers</b>		<b>125</b>	<b>(559)</b>	<b>(94)</b>	<b>146</b>	<b>—</b>	<b>(382)</b>	<b>(265)</b>
Transfers between funds	17	(36)	—	65	(29)	—	—	—
<b>Net income (expenditure)</b>		<b>89</b>	<b>(559)</b>	<b>(29)</b>	<b>117</b>	<b>—</b>	<b>(382)</b>	<b>(265)</b>
<b>Other recognised gains and losses</b>								
Unrealised gains on investments	13	—	—	—	—	16	16	3
Actuarial (losses) gains on defined benefit pension scheme	17	—	(364)	—	—	—	(364)	499
<b>Net movement in funds</b>		<b>89</b>	<b>(923)</b>	<b>(29)</b>	<b>117</b>	<b>16</b>	<b>(730)</b>	<b>237</b>
<b>Fund balances brought forward at 1 September 2020</b>		<b>1,041</b>	<b>(2,562)</b>	<b>347</b>	<b>1,531</b>	<b>90</b>	<b>447</b>	<b>210</b>
<b>Fund balances carried forward at 31 August 2021</b>		<b>1,130</b>	<b>(3,485)</b>	<b>318</b>	<b>1,648</b>	<b>106</b>	<b>(283)</b>	<b>447</b>

All of the Group's activities derived from continuing operations in the current and preceding financial periods.

The Group has no recognised gains or losses other than those shown above.

## Balance sheets 31 August 2021

	Notes	2021		2020	
		Group £'000	Academy Trust £'000	Group £'000	Academy Trust £'000
<b>Fixed assets</b>					
Investments	13	106	106	90	90
Tangible fixed assets	12	1,727	1,727	1,421	1,419
		1,833	1,833	1,511	1,509
<b>Current assets</b>					
Debtors	15	1,061	807	788	745
Cash at bank and in hand		2,015	1,975	2,084	1,786
		3,076	2,782	2,872	2,531
<b>Creditors: amounts falling due within one year</b>	16	(1,707)	(1,600)	(1,374)	(1,294)
<b>Net current assets</b>		1,369	1,182	1,498	1,237
<b>Net assets excluding pension scheme liability</b>		3,202	3,015	3,009	2,746
Pension scheme liability	20	(3,485)	(2,931)	(2,562)	(2,244)
<b>Total net (liabilities) assets</b>		(283)	84	447	502
<b>Funds of the Academy</b>					
Restricted funds					
. Fixed assets fund		1,648	1,648	1,531	1,484
. Restricted ESFA fund		—	—	—	—
. Other restricted funds		318	131	347	131
. Pension reserve		(3,485)	(2,931)	(2,562)	(2,244)
<b>Total restricted funds</b>	17	(1,519)	(1,152)	(684)	(629)
Endowment fund	17	106	106	90	90
Unrestricted income funds					
. General fund	17	1,130	1,130	1,041	1,041
<b>Total funds</b>		(283)	84	447	502

The financial statements on pages 37 to 66 were approved by the Governors, and authorised for issue on 7<sup>th</sup> December 2021 and are signed on their behalf by:

*Eliza Low*

Chairman of the Board of Governors

Eliza Low

The St Marylebone Church of England School, Company Limited by Guarantee  
Registration Number: 07719620 (England and Wales)

## Consolidated statement of cash flows 31 August 2021

		2021 £'000	2020 £'000
<b>Net cash flows from operating activities</b>			
Net cash provided (used in) by operating activities	A	87	(144)
<b>Cash flows (to) from investing activities</b>			
	B	(156)	9
<b>Change in cash and cash equivalents in the year</b>		<b>(69)</b>	<b>(135)</b>
<b>Reconciliation of net cash flow to movement in net funds:</b>			
Cash and cash equivalents at 1 September 2020		2,084	2,219
<b>Cash and cash equivalents at 31 August 2021</b>	<b>C</b>	<b>2,015</b>	<b>2,084</b>

### A Reconciliation of net (expenditure) income to net cash flows from operating activities

	2021 £'000	2020 £'000
<b>Net (expenditure) income for the year (as per the statement of financial activities)</b>	<b>(382)</b>	<b>(265)</b>
<b>Adjusted for:</b>		
Depreciation (note 12)	264	220
Capital grants from DfE and other capital income	(410)	(261)
Dividends and interest receivable	(4)	(9)
Defined benefit pension scheme cost less contributions payable (Note 20)	515	418
Defined benefit pension scheme finance cost (note 20)	44	50
Increase in debtors	(273)	(49)
Increase (decrease) in creditors	333	(248)
<b>Net cash provided by (used in) operating activities</b>	<b>87</b>	<b>(144)</b>

### B Cash flows from investing activities

	2021 £'000	2020 £'000
Dividends and interest from investments	4	9
Purchase of tangible fixed assets	(570)	(261)
Capital grants from DfE/ESFA and other capital income	410	261
<b>Net cash (used in) provided by investing activities</b>	<b>(156)</b>	<b>9</b>

### C Analysis of changes in net debt

	2020 £'000	Cash flows £'000	2021 £'000
Cash at bank and in hand	2,084	(69)	2,015
<b>Total cash and cash equivalents</b>	<b>2,084</b>	<b>(69)</b>	<b>2,015</b>

## Principal accounting policies 31 August 2021

### Statement of accounting policies

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

### Basis of preparation

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

The accounts are presented in sterling and rounded to the nearest thousand pounds.

The St Marylebone Church of England School meets the definition of a public benefit entity under FRS 102.

### Going concern

The Governors 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 Group to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Group has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Group's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements. Whilst the Group Balance Sheet shows net liabilities of £283,000 (2020 surplus – £447,000), this is due entirely to the LGPS pension deficit of £3,485,000 (2020 – £2,562,000). Net assets excluding the LGPS pension deficit were £3,202,000 (2020 – £3,009,000) and the Group's operating surplus for the period was £60,000 (2020 – £171,000), contributing to revenue reserves carried forward, excluding LGPS deficit, of £1,448,000 (2020: £1,388,000). The Group's reserves policy ensures that the level of revenue reserves maintained reflects the level of both revenue expenditure and the LGPS pension deficit.

## **Principal accounting policies 31 August 2021**

### **Going concern (continued)**

The Governors have considered the impact of the current Coronavirus pandemic on the Group's operations. While they acknowledge the disruption caused by the pandemic to the Group's day-to-day operations, they do not consider the pandemic to be cause for material uncertainty in respect to the Group's ability to continue as a going concern. The COVID-19 pandemic has resulted in reduced lettings income and additional operating costs, particularly in respect of cleaning, although the financial impact of this has not been hugely significant, and is not expected to be over the next twelve months. The Group has and is continuing to develop contingency plans which are being implemented successfully and the Governors have therefore concluded that they consider that the Group has sufficient resources to continue for the foreseeable future, despite the current situation, and there are no material uncertainties about the Group's ability to continue as a going concern. Thus, the Governors continue to adopt the going concern basis of accounting in preparing the financial statements.

### **Income**

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

### **Grants**

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

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

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

### **Donations**

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

### **Other income**

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

## Principal accounting policies 31 August 2021

### **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.

### **Charitable activities**

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

All resources expended are stated net of recoverable VAT.

### **Tangible fixed assets**

On conversion to Academy status, the school buildings at Blandford Street were agreed to be leased to the Rector and Churchwardens of the Ecclesiastical Parish of St Marylebone with Holy Trinity St Marylebone by The Lord Mayor and citizens of the City of Westminster. The buildings on the main school site are owned by the Rector and Churchwardens of the Ecclesiastical Parish of St Marylebone with Holy Trinity St Marylebone. Both sites are available for the Academy to use under a trust or licence agreement.

The continuing permission of the Rector and Churchwardens is pursuant to, and subject to, their charitable objects, and is part of the Church of England's contribution to provide state funded education in partnership with the Government. The licence delegates aspects of the management of the land (and buildings) to the Academy Trust for the time being, but does not vest any rights over the land in the Academy Trust. The Rector and Churchwardens have given an undertaking to the Academy Trust that they will not give the academy trust less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the Academy Trust is occupying the land (and buildings) the Governors have concluded that the value of the land and buildings occupied by the Academy Trust will not be recognised on the balance sheet.

Individual assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

## Principal accounting policies 31 August 2021

### **Tangible fixed assets (continued)**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost/valuation of each asset on a straight-line basis over its expected useful economic life, as follows:

Leasehold improvements	20% or 10% per annum
Furniture and equipment	20% per annum
Motor vehicles	20% per annum

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

### **Liabilities**

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

### **Leased assets**

Rentals under operating leases are charged on a straight-line basis over the lease term.

### **Financial instruments**

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments. Amounts due from the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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 Trust's wholly owned subsidiary are held at face value less any impairment.

## **Principal accounting policies 31 August 2021**

### **Taxation**

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

### **Pensions benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

### **Fund accounting**

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



## **Principal accounting policies 31 August 2021**

### **Fund accounting (continued)**

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted ESFA funds comprise all other grants received from the Education and Skills Funding Agency.

Restricted other funds comprise all other restricted funds received and include grants from the Local Authority, Westminster City Council.

Endowment funds comprise donations received and invested to be held indefinitely by the Academy, the income from which is restricted to the provision of scholarships.

### **Critical accounting estimates and areas of judgement**

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

### ***Critical accounting estimates and assumptions***

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

## Notes to the financial statements Year ended 31 August 2021

### 1 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed assets funds £'000	2021 Total funds £'000	2020 Total funds £'000
Capital grants	—	—	410	410	215
Other donations	96	27	—	123	181
	96	27	410	533	396

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed assets funds £'000	2020 Total funds £'000
Capital grants	—	—	215	215
Other donations	135	—	46	181
	135	—	261	396

### 2 Activities for generating funds

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000	2020 Total funds £'000
Hire of facilities	17	—	17	128
Outreach and school to school support	—	—	—	51
	17	—	17	179

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000
Hire of facilities	128	—	128
Outreach and school to school support	51	—	51
	179	—	179

### 3 Investments

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000	2020 Total funds £'000
Endowment fund interest	4	—	4	9
	4	—	4	9

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000
Endowment fund interest	9	—	9
	9	—	9

## Notes to the financial statements Year ended 31 August 2021

### 4 Funding for Academies' educational operations

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000	2020 Total funds £'000
<b>DfE / ESFA grants</b>				
. General Annual Grant (GAG)	—	7,877	7,877	7,488
. Other DfE / ESFA grants	—	502	502	513
. RPA Claim	—	—	—	45
. National College grants	—	533	533	452
. Pupil Premium	—	285	285	291
	—	9,197	9,197	8,789
<b>Other government grants</b>				
. Local authority grants	—	1,346	1,346	1,179
	—	1,346	1,346	1,179
Other income from the Academies' educational operations	143	1	144	191
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up premium	—	81	81	—
Other DfE/ESFA COVID-19 funding	—	66	66	—
	143	10,691	10,834	10,159

- The trust received £81,200 of funding for catch-up premium and costs incurred in respect of this funding totalled £81,200.

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

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000
<b>DfE / ESFA grants</b>			
. General Annual Grant (GAG)	—	7,488	7,488
. Other DfE / ESFA grants	—	513	513
. RPA Claim	—	45	45
. National College grants	—	452	452
. Pupil Premium	—	291	291
	—	8,789	8,789
<b>Other government grants</b>			
. Local authority grants	—	1,179	1,179
	—	1,179	1,179
Other income from the Academies' educational operations	190	1	191
	190	9,969	10,159

## Notes to the financial statements Year ended 31 August 2021

### 5 Expenditure

	Staff costs (note 9) £'000	Non-pay expenditure		2021 Total funds £'000
		Premises £'000	Other costs £'000	
Academies' educational operations (note 6)				
. Direct costs	8,476	—	858	9,334
. Support costs	1,037	950	449	2,436
				11,770
Teaching Schools	40	—	—	40
	9,553	950	1,307	11,810

	Staff costs (note 9) £'000	Non-pay expenditure		2020 Total funds £'000
		Premises £'000	Other costs £'000	
Academies' educational operations (note 6)				
. Direct costs	7,846	—	1,157	9,003
. Support costs	948	660	397	2,005
	8,794	660	1,554	11,008
Teaching Schools	40	—	—	40
	8,834	660	1,554	11,048

\*Following a review of the split of staff costs between direct and support costs, the academy trust's expenditure on Educational Support staff have been included within direct costs instead of support costs. The prior year numbers have been reclassified.

	2021 Total funds £'000	2020 Total funds £'000
<b>Expenditure for the year includes:</b>		
Operating leases rentals – other furniture and equipment	8	13
Depreciation	264	220
Fees payable to auditor		
. Audit	17	15
. Other services	4	2

**Notes to the financial statements Year ended 31 August 2021**

**6 Charitable activities – Academies' educational operations**

	<b>2021 Total funds £'000</b>	<b>2020 Total funds £'000</b>
Direct costs	<b>9,334</b>	<b>9,003</b>
Support costs	<b>2,436</b>	<b>2,005</b>
	<b>11,770</b>	<b>11,008</b>

<b>Analysis of support costs</b>	<b>2021 Total funds £'000</b>	<b>2020 Total funds £'000</b>
Support staff costs	<b>1,037</b>	<b>948</b>
Depreciation	<b>264</b>	<b>220</b>
Technology costs	<b>80</b>	<b>65</b>
Premises costs	<b>688</b>	<b>440</b>
Other support costs	<b>326</b>	<b>304</b>
Governance costs (note 7)	<b>41</b>	<b>28</b>
<b>Total support costs</b>	<b>2,436</b>	<b>2,005</b>

**7 Governance costs**

	<b>2021 Total funds £'000</b>	<b>2020 Total funds £'000</b>
Auditor's remuneration		
· Audit services	<b>17</b>	<b>15</b>
· Other services	<b>4</b>	<b>2</b>
Other governance costs	<b>20</b>	<b>11</b>
	<b>41</b>	<b>28</b>

## Notes to the financial statements Year ended 31 August 2021

### 8 Comparative information

Analysis of consolidated income and expenditure in the year ended 31 August 2020 between restricted and unrestricted funds:

		Un- restricted general fund £'000	Restricted funds		Fixed assets fund £'000	Endow- ment fund £'000	2020 Total funds £'000	2019 Total funds £'000
	Notes		ESFA £'000	Other £'000				
<b>Income from:</b>								
Donations and capital grants	1	135	—	—	261	—	396	704
Charitable activities								
· Funding for the Academies' educational operations	4	190	8,789	1,180	—	—	10,159	9,943
· Teaching Schools		—	40	—	—	—	40	40
· Activities for generating funds	2	179	—	—	—	—	179	252
· Investments	3	9	—	—	—	—	9	9
<b>Total income</b>		<b>513</b>	<b>8,829</b>	<b>1,180</b>	<b>261</b>	<b>—</b>	<b>10,783</b>	<b>10,948</b>
<b>Expenditure on:</b>								
Charitable activities								
· Academies' educational operations	6	373	9,257	1,155	223	—	11,008	10,804
· Teaching Schools	5	—	40	—	—	—	40	40
<b>Total expenditure</b>	5	<b>373</b>	<b>9,297</b>	<b>1,155</b>	<b>223</b>	<b>—</b>	<b>11,048</b>	<b>10,844</b>
<b>Net income (expenditure) before transfers</b>		<b>140</b>	<b>(468)</b>	<b>25</b>	<b>38</b>	<b>—</b>	<b>(265)</b>	<b>104</b>
Transfers between funds	17	—	—	6	(6)	—	—	—
<b>Net income (expenditure)</b>		<b>140</b>	<b>(468)</b>	<b>31</b>	<b>32</b>	<b>—</b>	<b>(265)</b>	<b>104</b>
<b>Other recognised gains and losses</b>								
Unrealised gains on investments	13	—	—	—	—	3	3	6
Actuarial gains (losses) on defined benefit pension scheme	17	—	499	—	—	—	499	(633)
<b>Net movement in funds</b>		<b>140</b>	<b>31</b>	<b>31</b>	<b>32</b>	<b>3</b>	<b>237</b>	<b>(523)</b>
<b>Fund balances brought forward at 1 September 2019</b>		<b>901</b>	<b>(2,593)</b>	<b>316</b>	<b>1,499</b>	<b>87</b>	<b>210</b>	<b>733</b>
<b>Fund balances carried forward at 31 August 2020</b>		<b>1,041</b>	<b>(2,562)</b>	<b>347</b>	<b>1,531</b>	<b>90</b>	<b>447</b>	<b>210</b>

## Notes to the financial statements Year ended 31 August 2021

### 9 Staff

#### (a) Staff costs

Staff costs during the year were:

	2021 Total funds £'000	2020 Total funds £'000
Wages and salaries	6,766	6,279
Social security costs	662	613
Pension costs (including FRS102 adjustment of £515,000 debit (2020 – £418,000 debit))	1,892	1,699
	9,320	8,591
Supply staff costs	233	233
Severance payments	—	10
	9,553	8,834

#### (b) Staff severance payments

Included in severance payments there are no non-statutory / non-contractual severance payments (2020: £10,203).

#### (c) Staff numbers

The average number of persons (including the Executive Group) employed by the charitable company during the year ended 31 August 2021 was as follows:

Charitable activities	2021 Number	2020 Number
Teachers	108	108
Administration and support	62	61
	170	169

#### (d) Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2021 Number	2020 Number
£60,001 – £70,000	7	6
£70,001 – £80,000	3	2
£90,001 – £100,000	2	3
£100,001 – £110,000	1	—
£120,001 – £130,000	1	—

Eleven (2020 – ten) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2021 pension contributions for these staff amounted to £188,009 (2020 – £168,955). The other employee participated in the Local Government Pension Scheme, with contributions amounting to £15,720 (2020 – £13,961).

## Notes to the financial statements Year ended 31 August 2021

### 9 Staff (continued)

#### (e) Key management personnel

The key management personnel of the Academy Trust comprise the Governors and the Executive Group as listed on page 1. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the Academy Trust was £700,459 (2020 – £622,081).

### 10 Governors' remuneration and expenses

The Headteacher and Staff Governors only receive remuneration in respect of services they provide in undertaking their roles as employees of the Academy and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy in respect of their role as Governors. The value of Governors' remuneration for the year in total was £260,748 (2020 – £208,669). The remuneration of the highest paid Governor, the Headteacher, for the year was £127,259 (2020 – £99,672). Pension contributions totalling £24,365 (2020 – £23,602) were paid in the year for the Headteacher.

Other related party transactions involving the Governors are set out in note 21.

The value of trustees' remuneration and other benefits during the year ended 31 August 2021 and during their period in office was as follows:

	2021 £'000	2020 £'000
Kathryn Pugh, Head teacher and Trustee		
Remuneration	100 – 105	95 – 100
Employer's pension contributions	20 – 25	20 – 25
Richard Lake, Staff Trustee		
Remuneration	60 – 65	55 – 60
Employer's pension contributions	10 – 15	10 – 15
Kathryn Hardy, Staff Trustee		
Remuneration	15 – 20	20 – 25
Employer's pension contributions	0 – 5	0 – 5
Gillian Active, Staff Trustee		
Remuneration	10 – 15	0
Employer's pension contributions	0 – 5	0
Charlotte McCool		
Remuneration	0	10 – 15
Employer's pension contributions	0	0 – 5
James Colenutt		
Remuneration	0	15 – 20
Employer's pension contributions	0	0 – 5



## Notes to the financial statements Year ended 31 August 2021

### 11 Governors' and Officers' insurance

On 1 September 2014, the Academy Trust opted into the ESFA Risk Protection Arrangement (RPA) which provides cover up to £10,000,000 for Governors' Liability and unlimited Professional Indemnity cover. The total cost for the entire insurance package and RPA membership during the year ended 31 August 2021 was £20,250 (2020 – £20,250).

### 12 Tangible fixed assets

Group	Leasehold improvements £'000	Furniture and equipment £'000	Motor Vehicles £'000	Total £'000
<b>Cost</b>				
At 1 September 2020	1,854	560	53	2,467
Additions	390	180	–	570
At 31 August 2021	2,244	740	53	3,037
<b>Depreciation</b>				
At 1 September 2020	675	324	47	1,046
Charge in year	165	96	3	264
At 31 August 2021	840	420	50	1,310
<b>Net book value</b>				
At 31 August 2021	1,404	320	3	1,727
At 31 August 2020	1,179	236	6	1,421

Academy Trust	Leasehold improvements £'000	Furniture and equipment £'000	Motor Vehicles £'000	Total £'000
<b>Cost</b>				
At 1 September 2020	1627	469	15	2,111
Additions	390	180	–	570
At 31 August 2021	2,017	649	15	2,681
<b>Depreciation</b>				
At 1 September 2020	447	236	9	692
Charge in year	165	94	3	262
At 31 August 2021	612	330	12	954
<b>Net book value</b>				
At 31 August 2021	1,405	319	3	1,727
At 31 August 2020	1,180	233	6	1,419

On conversion to Academy status, the school buildings at Blandford Street were agreed to be leased to the Rector and Churchwardens of the Ecclesiastical Parish of St Marylebone with Holy Trinity St Marylebone by The Lord Mayor and citizens of the City of Westminster. The buildings on the main school site are owned by the Rector and Churchwardens of the Ecclesiastical Parish of St Marylebone with Holy Trinity St Marylebone. Both sites are available for the Academy to use under a trust or licence agreement.

## Notes to the financial statements Year ended 31 August 2021

### 12 Tangible fixed assets (continued)

The continuing permission of the Rector and Churchwardens is pursuant to, and subject to, their charitable objects, and is part of the Church of England's contribution to provide state funded education in partnership with the Government. The licence delegates aspects of the management of the land (and buildings) to the Academy Trust for the time being, but does not vest any rights over the land in the Academy Trust. The Rector and Churchwardens have given an undertaking to the Academy Trust that they will not give the academy trust less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the Academy Trust is occupying the land (and buildings) the Governors have concluded that the value of the land and buildings occupied by the Academy Trust will not be recognised on the balance sheet.

### 13 Investments

Group and Academy Trust	2021 Endowment fund £'000	2020 Endowment fund £'000
CCLA Church of England Investment Fund Income Shares		
. Balance brought forward at 1 September 2020	90	87
. Unrealised gains	16	3
. Balance carried forward at 31 August 2021	106	90

### 14 Subsidiary

On 26 October 2012 the Governors established a subsidiary, The St Marylebone Church of England Bridge School, a charitable company (Company Registration Number 8270125). The principal objective of the subsidiary is to operate a Special Free School for pupils with speech, language and communication needs.

A summary of the results of The St Marylebone Church of England Bridge School for the year ended 31 August 2021 is given below.

The St Marylebone Church of England School controls The St Marylebone Church of England Bridge School by virtue of the fact that they are able to appoint the majority of the Governors. However, each Academy Trust is a Single Academy Trust and each has its own Funding Agreement with the Department for Education.

	2021 £'000	2020 £'000
Income	1,793	1,669
Expenditure	(2,007)	(1,708)
Actuarial (losses)/gains on defined benefit pension scheme	(98)	73
Net movement in funds	(312)	34
Fund balances carried forward	(367)	(55)

## Notes to the financial statements Year ended 31 August 2021

### 15 Debtors

Group	2021 £'000	2020 £'000
Trade debtors	146	140
VAT recoverable	134	105
Other debtor	4	7
Prepayments and accrued income	777	536
	<b>1,061</b>	<b>788</b>

Academy Trust	2021 £'000	2020 £'000
Trade debtors	85	122
VAT recoverable	134	105
Amounts due from The St Marylebone Church of England Bridge School	34	205
Other debtors	3	7
Prepayments and accrued income	551	306
	<b>807</b>	<b>745</b>

### 16 Creditors: amounts falling due within one year

Group	2021 £'000	2020 £'000
Trade creditors	367	306
Other taxation and social security	190	160
Other creditors	965	789
Accruals and deferred income	185	119
	<b>1,707</b>	<b>1,374</b>

#### Deferred income (Included above):

Deferred income at 1 September 2020	58	118
Released during the year	—	(60)
Resources deferred in the year	13	—
Deferred income at 31 August 2021	<b>71</b>	<b>58</b>

Academy Trust	2021 £'000	2020 £'000
Trade creditors	326	276
Other taxation and social security	160	138
Other creditors	965	789
Accruals and deferred income	149	91
	<b>1,600</b>	<b>1,294</b>

#### Deferred income (included above):

Deferred income at 1 September 2020	37	72
Released during the year	—	(35)
Resources deferred in the year	4	—
Deferred income at 31 August 2021	<b>41</b>	<b>37</b>

Deferred income at 31 August 2021 consists of £36,667 of capital grant for which entitlement to recognise as income has not materialised and £4,209 SEN funding received anticipated.

# Notes to the financial statements Year ended 31 August 2021

## 17 Funds

Group	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Transfers, gains and losses £'000	Balance at 31 August 2021 £'000
<b>Endowment fund</b>					
. Transferred from predecessor school	90	—	—	16	106
<b>Total endowment fund</b>	<b>90</b>	<b>—</b>	<b>—</b>	<b>16</b>	<b>106</b>
<b>Restricted ESFA/DfE funds</b>					
General Annual Grant	—	7,837	(7,837)	—	—
Pupil Premium	—	285	(285)	—	—
Catch-up premium	—	81	(81)	—	—
Other DfE/ESFA COVID-19 funding	—	66	(66)	—	—
Teaching Schools Core Grant	—	40	(40)	—	—
Other grants	—	1,075	(1,075)	—	—
Pension reserve	(2,562)	—	(559)	(364)	(3,485)
	<b>(2,562)</b>	<b>9,384</b>	<b>(9,943)</b>	<b>(364)</b>	<b>(3,485)</b>
<b>Restricted fixed assets fund</b>					
. DfE/ESFA capital grants	1,485	410	(2)	(19)	1,874
Capital expenditure from GAG	—	—	(262)	36	(226)
. Private sector capital sponsorship	46	—	—	(46)	—
	<b>1,531</b>	<b>410</b>	<b>(264)</b>	<b>(29)</b>	<b>1,648</b>
<b>Other restricted funds</b>					
. Local Authority grants	347	1,028	(1,136)	—	239
Other restricted funds	—	346	(332)	65	79
	<b>347</b>	<b>1,374</b>	<b>(1,468)</b>	<b>65</b>	<b>318</b>
<b>Total restricted funds</b>	<b>(684)</b>	<b>11,168</b>	<b>(11,675)</b>	<b>(328)</b>	<b>(1,519)</b>
<b>Unrestricted funds</b>					
. General funds	1,041	260	(135)	(36)	1,130
<b>Total unrestricted funds</b>	<b>1,041</b>	<b>260</b>	<b>(135)</b>	<b>(36)</b>	<b>1,130</b>
<b>Total funds</b>	<b>447</b>	<b>11,428</b>	<b>(11,810)</b>	<b>(348)</b>	<b>(283)</b>

## Notes to the financial statements Year ended 31 August 2021

### 17 Funds (continued)

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

#### ***Restricted ESFA/DfE revenue grant***

Restricted ESFA/DfE Funds constitute the General Annual Grant (GAG including School Budget Share, Minimum Funding Guarantee, Educational Services Grant, insurance and rates grants, and post-16 high needs funding) and Pupil Premium Grant, all of which contribute to the operations of the Academy Trust. These grants are restricted to the purposes for which they were approved by the ESFA/DfE.

Under the funding agreement with the Secretary of State, neither Academy Trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

#### ***Restricted fixed asset fund***

Restricted fixed asset funds reflect capital grants and private donations receivable by the Group in the year of £410,000 (2020 – £261,000) for the purchase of capital items, less depreciation charged in the period of £264,000 (2020 – £220,000). During the year, the Group purchased fixed assets costing £570,000 (2020 – £261,000) which were partly funded by capital grants. The difference between the net book value and the balance of the restricted fixed asset fund is due to £50,000 of unspent capital funds as at 31 August 2021 and completed capital works of £129,000 for which the Group had not yet received funding. The amount held within the fixed asset fund is therefore lower than the net book value of tangible fixed assets by £79,000.

#### ***Other restricted funds***

Other restricted funds represent grants and donations from organisations other than the ESFA/DfE and include local authority funding for SEN provision.

#### ***Endowment fund***

Endowment funds represent donations received by the Academy Trust from the predecessor school for the purposes of long term investment, the income from which is to be utilised in the provision of scholarships for qualifying pupils. These funds are invested in CBF Church of England Investment Fund Income Shares, held by CCLA Investment Management Ltd.

#### ***Transfers between funds***

The St Marylebone Church of England Bridge School transferred £7,000 (2020 – £6,000) from the Fixed Assets fund to cover eligible spend, in respect of items not treated as fixed assets, included within other restricted expenditure; Besides The St Marylebone Church of England Bridge School made a transfer of £12,000 from its DfE/ESFA capital grants and £46,000 from the private sector capital sponsorship in order to cover a deficit on the other restricted funds expenditure.

# Notes to the financial statements Year ended 31 August 2021

## 17 Funds (continued)

### Comparative information

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

Group	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Transfers, gains and losses £'000	Balance at 31 August 2020 £'000
<b>Endowment fund</b>					
. Transferred from predecessor school	87	—	—	3	90
<b>Total endowment fund</b>	<b>87</b>	<b>—</b>	<b>—</b>	<b>3</b>	<b>90</b>
<b>Restricted ESFA/DfE funds</b>					
General Annual Grant	—	7,488	(7,488)	—	—
Pupil Premium	—	291	(291)	—	—
Teaching Schools Core Grant	—	40	(40)	—	—
Other grants	—	1,010	(1,010)	—	—
Pension reserve	(2,593)	—	(468)	499	(2,562)
	<b>(2,593)</b>	<b>8,829</b>	<b>(9,297)</b>	<b>499</b>	<b>(2,562)</b>
<b>Restricted fixed assets fund</b>					
. DfE/ESFA capital grants	1,499	215	(223)	(6)	1,485
. Private sector capital sponsorship	—	46	—	—	46
	<b>1,499</b>	<b>261</b>	<b>(223)</b>	<b>(6)</b>	<b>1,531</b>
<b>Other restricted funds</b>					
. Local Authority grants	316	1,180	(1,155)	6	347
	<b>316</b>	<b>1,180</b>	<b>(1,155)</b>	<b>6</b>	<b>347</b>
<b>Total restricted funds</b>	<b>(778)</b>	<b>10,270</b>	<b>(10,675)</b>	<b>499</b>	<b>(684)</b>
<b>Unrestricted funds</b>					
. General funds	901	513	(373)	—	1,041
<b>Total unrestricted funds</b>	<b>901</b>	<b>513</b>	<b>(373)</b>	<b>—</b>	<b>1,041</b>
<b>Total funds</b>	<b>210</b>	<b>10,783</b>	<b>(11,048)</b>	<b>502</b>	<b>447</b>

Notes to the financial statements Year ended 31 August 2021

18 Analysis of net assets between funds

Group	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset fund £'000	Endowment fund £'000	Total 2021 £'000
Investments	—	—	—	106	106
Tangible fixed assets	—	—	1,727	—	1,727
Current assets	1,130	1,946	—	—	3,076
Current liabilities	—	(1,628)	(79)	—	(1,707)
Pension scheme liability	—	(3,485)	—	—	(3,485)
<b>Total net assets</b>	<b>1,130</b>	<b>(3,167)</b>	<b>1,648</b>	<b>106</b>	<b>(283)</b>

Academy Trust	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset fund £'000	Endowment fund £'000	Total 2021 £'000
Investments	—	—	—	106	106
Tangible fixed assets	—	—	1,727	—	1,727
Current assets	1,130	1,652	—	—	2,782
Current liabilities	—	(1,521)	(79)	—	(1,600)
Pension scheme liability	—	(2,931)	—	—	(2,931)
<b>Total net assets</b>	<b>1,130</b>	<b>(2,800)</b>	<b>1,648</b>	<b>106</b>	<b>84</b>

Group – 2020	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset fund £'000	Endowment fund £'000	Total 2020 £'000
Investments	—	—	—	90	90
Tangible fixed assets	—	—	1,421	—	1,421
Current assets	1,041	1,721	110	—	2,872
Current liabilities	—	(1,374)	—	—	(1,374)
Pension scheme liability	—	(2,562)	—	—	(2,562)
<b>Total net assets</b>	<b>1,041</b>	<b>(2,215)</b>	<b>1,531</b>	<b>90</b>	<b>447</b>

Academy Trust – 2020	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset fund £'000	Endowment fund £'000	Total 2020 £'000
Investments	—	—	—	90	90
Tangible fixed assets	—	—	1,419	—	1,419
Current assets	1,041	1,425	65	—	2,531
Current liabilities	—	(1,294)	—	—	(1,294)
Pension scheme liability	—	(2,244)	—	—	(2,244)
<b>Total net assets</b>	<b>1,041</b>	<b>(2,113)</b>	<b>1,484</b>	<b>90</b>	<b>502</b>

## Notes to the financial statements Year ended 31 August 2021

### 19 Members' liability

Each member of the Academy Trust undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

### 20 Pension and similar obligations

The Academies' 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 Westminster City Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to 31 March 2016 and for LGPS to 31 March 2019.

Contributions amounting to £119,341 were payable to the schemes at 31 August 2021 (2020 – £113,530) and are included within creditors.

#### *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 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);



## Notes to the financial statements Year ended 31 August 2021

### 20 Pension and similar obligations (continued)

#### *Valuation of the Teachers' Pension Scheme (continued)*

- ♦ 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; and
- ♦ 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 period amounted to £1,122,850 (2020 – £1,083,795).

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

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

#### *Local Government Pension Scheme (LGPS)*

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £349,000 (2020 – £291,000), of which employer's contributions totalled £255,000 (2020 – £208,000) and employees' contributions totalled £94,000 (2020 – £83,000). Following completion of the triennial actuarial valuation as at 31 March 2019, employer contribution rates increased to 16.8% from 1 April 2020 (previously 15.2%).

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

	At 31 August 2021	At 31 August 2020
<b>Principal Actuarial Assumptions</b>		
Rate of increase in salaries	3.85%	3.25%
Rate of increase for pensions in payment / inflation	2.85%	2.25%
Discount rate for scheme liabilities	1.70%	1.65%
Inflation assumption (CPI)	2.85%	2.25%
Commutation of pensions to lump sums	50.00%	50.00%

## Notes to the financial statements Year ended 31 August 2021

### 20 Pension and similar obligations (continued)

#### *Local Government Pension Scheme (LGPS) (continued)*

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

	At 31 August 2021 Years	At 31 August 2020 Years
<i>Retiring today</i>		
Males	21.60	21.80
Females	24.30	24.40
<i>Retiring in 20 years</i>		
Males	22.90	23.20
Females	25.70	25.90

	At 31 August 2021 £'000	At 31 August 2020 £'000
<b>Sensitivity Analysis: Impact on the net pension liability from changes in assumptions</b>		
Discount rate +0.1%	(242)	(184)
Discount rate -0.1%	250	190
Mortality assumption – 1 year increase	329	250
Mortality assumption – 1 year decrease	(316)	(241)
CPI rate +0.1%	232	177
CPI rate -0.1%	(227)	(172)

The Academies' share of the assets and liabilities in the scheme were:

Group	Fair value at 31 August 2021 £'000	Fair value at 31 August 2020 £'000
Equities	3,692	2,829
Other bonds	627	562
Property	316	355
Cash and other liquid assets	176	32
<b>Total market value of assets</b>	<b>4,811</b>	<b>3,778</b>
<b>Present value of scheme liabilities</b>		
Funded	(8,296)	(6,340)
<b>Deficit in the scheme</b>	<b>(3,485)</b>	<b>(2,562)</b>

## Notes to the financial statements Year ended 31 August 2021

### 20 Pension and similar obligations (continued)

#### Local Government Pension Scheme (LGPS) (continued)

Amounts recognised in statement of financial activities	2021 £'000	2020 £'000
Current service cost	770	626
Interest income	(65)	(63)
Interest cost	106	111
Admin expenses	3	2
<b>Total operating charge</b>	<b>814</b>	<b>676</b>
<b>Analysis of pension finance</b>		
Expected return on pension scheme assets	65	63
Interest on pension liabilities	(106)	(111)
<b>Pension finance</b>	<b>(41)</b>	<b>(48)</b>
<b>Changes in the present value of defined benefit obligations were as follows:</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
At 1 September 2020	6,340	5,795
Current service cost	770	626
Interest cost	106	111
Employee contributions	94	83
Actuarial (gain)/loss	997	(242)
Benefits paid	(11)	(33)
<b>At 31 August 2021</b>	<b>8,296</b>	<b>6,340</b>
<b>Changes in the fair value of the Academy's share of scheme assets:</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
At 1 September 2020	3,778	3,202
Interest income	65	63
Return on plan assets less interest	633	257
Employer contributions	255	208
Employee contributions	94	83
Benefits paid	(11)	(33)
Administration expenses	(3)	(2)
<b>At 31 August 2020</b>	<b>4,811</b>	<b>3,778</b>

### 21 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

## Notes to the financial statements Year ended 31 August 2021

### 21 Related party transactions (continued)

During the period, The St Marylebone Parish Church employed a Chaplain whose time is shared equally between the Church and the Academy as School Chaplain. The Academy Trust paid £34,944 being 50% of the actual cost of employment to The St Marylebone Parish Church.

The Academy Trust paid The London Diocesan Board for Schools (LDBS), a member, £9,709 (2020 – £9,542) for support services.

On conversion to Academy status, the school buildings at Blandford Street were agreed to be leased to the Rector and Churchwardens of the Ecclesiastical Parish of St Marylebone with Holy Trinity St Marylebone by The Lord Mayor and citizens of the City of Westminster. The buildings on the main school site are owned by the Rector and Churchwardens of the Ecclesiastical Parish of St Marylebone with Holy Trinity St Marylebone. Both sites are available for the Academy to use under a trust or licence agreement.

Other transactions with the Governors are disclosed in note 10 to the financial statements.

### 22 Commitments under operating leases

At 31 August 2021 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

Group and Academy	Furniture and equipment	
	2021 £'000	2020 £'000
Amounts due within one year	11	11
Amounts due between one and five years	—	10
	<b>11</b>	<b>21</b>

### 23 Teaching school trading account

	2021 £'000	2021 £'000	2020 £'000	2020 £'000
<b>Direct income</b>				
Teaching schools grants	40		40	
<b>Total income</b>		<b>40</b>		<b>40</b>
<b>Expenditure</b>				
Direct staff costs	(40)		(40)	
<b>Total direct costs</b>		<b>(40)</b>		<b>(40)</b>
<b>Total expenditure</b>		<b>(40)</b>		<b>(40)</b>
Surplus (deficit) from all sources		—		—
<b>Teaching schools balances at 31 August 2021</b>		<b>—</b>		<b>—</b>