

Company Registration No. 07756219 (England and Wales)

BELTHORN ACADEMY PRIMARY SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2021



BELTHORN ACADEMY PRIMARY SCHOOL

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BELTHORN ACADEMY PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Members

S Lowe
J Slack (resigned 09/09/2020)
Y Brown
D Merrick

Governors

L Billingham (Resigned 31 August 2021)
Y Brown (Chair of Governors)
S Lowe
L Taylor (Retired 31 August 2021)
R Battersby-Cornmell (Retired 30 June 2021)
M Ali (Retired 6 November 2020)
H Rowan (Accounting Officer) (Retired 31 August 2021)
C Banks (Retired 31 August 2021)
M Griffiths (Retired 15 June 2021)
Mr E Nolan (Vice Chair)
Mr N Griffiths (Staff Governor)
Ms B Ghafoor (Retired 1 September 2020)
Ms C M Holden
Ms M Hussain
Ms C L Jackson
Ms C Noon (Appointed 18 December 2020)
Ms M Egan (Accounting Officer) (Appointed 1 September 2021)
Mr S Carr (Appointed 9 July 2021)
Mr D Merrick
Mr R Tomlinson (Appointed 18 December 2020 and retired 14 May 2021)
Mr J Slack (Retired 6 November 2020)

Senior management team

| | |
|---------------------------|---------|
| - Headteacher | H Rowan |
| - School Business Manager | H Saint |
| - Deputy Head Teacher | M Egan |
| - Assessment Co-ordinator | M Egan |

Company secretary

Mrs H Saint

Company registration number

07756219 (England and Wales)

Principal and registered office

Belthorn Road
Belthorn
Blackburn
BB1 2NY

Independent auditor

MHA Moore and Smalley
Richard House
9 Winckley Square
Preston
PR1 3HP

BELTHORN ACADEMY PRIMARY SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Browne Jacobson LLP
Victoria Square House
Victoria Square
Birmingham
B2 4BU

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The governors present their annual report together with the financial statements and auditor's report of the academy for the period 1 September 2020 to 31 August 2021.

The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust operates an academy for pupils aged 4-11 serving a catchment area in the Village of Belthorn and the outlying areas of Guide and Lower Darwen. It has a pupil capacity of 207 and had a roll of 182 on 1 July 2021. Little Bells Pre-School (age 3 onwards), opened on 9 May 2016 (Deed of Variation dated 29th April, 2016 Sealed by Secretary of State). The accounts for this unit are amalgamated within the results of the academy for the purpose of this report. 22 children attended Little Bells pre-school during the accounting period.

Structure, governance and management

Constitution

Belthorn Primary School converted to Belthorn Academy Primary School ("the academy") on 1 October 2011 and commenced its activities on transfer from the Local Authority on that date. The academy is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy.

The governors are the trustees of Belthorn Academy Primary School and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the year are included in the reference and administrative details on page 1. The charitable company is known as Belthorn Academy Primary School.

Members' liability

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

Governors' indemnities

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000.

Method of recruitment and appointment or election of governors

The governors are appointed by the following:

| | |
|-------------------|---|
| Parent governors: | Elected by parents of the students of the academy |
| Staff governors: | Elected by staff of the academy |
| Other governors: | Elected by existing governors of the academy |

Policies and procedures adopted for the induction and training of governors

All governors are provided with a copy of the 'Duties and responsibilities of academy governors' on appointment. Induction training is provided by Browne Jacobson LLP and on-going training is provided through Lancashire County Council.

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Organisational structure

The academy is governed by its Governing Body, whose members are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation. The organisational structure of the academy consists of 3 levels: the Governing Body, the Headteacher and the Senior Leadership Team.

The Governing Body is responsible for setting general policies, adopting a school development plan and budget, monitoring the school's performance, making major policy decisions, appointing senior staff, election of link governors and reporting to both the Government and Companies House. Certain elements of these responsibilities are delegated to the following sub committees who make recommendations to the full Governing Body:

- Teaching & Learning Sub-Committee
- Audit & Risk Assessment Sub-Committee
- Resources Sub-Committee
- Pay and Staffing Committee (meetings held as required to determine pay in-line with schools' pay policy (adopted from LCC))

The Headteacher is also the Accounting Officer and has responsibility for:

- Ensuring regularity and propriety
- Efficient and effective use of resources - avoiding waste and extravagance
- Prudent and economical administration
- Day to day organisation, management and staffing pertaining to the academy

The Senior Leadership Team comprises:

- Mrs H Rowan - Headteacher
- Mrs H Saint - School Business Manager
- Miss M Egan - Deputy Headteacher

Arrangements for setting pay and remuneration of key management personnel

The remuneration and employment terms and conditions of the management team (Headteacher and SLT members) are in accordance with Lancashire County Councils guidance / Burgundy and Green Book and are reviewed annually at appraisal meetings.

Related parties and other connected charities and organisations

Governors, along with any entities controlled by the governors, are considered to be related parties of the academy. Any related party transactions with these people/organisations are disclosed in the notes to the accounts.

Objectives and activities

Objects and aims

The main objects of the academy as set out in its governing document are:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school, offering a broad and balanced curriculum.
- To promote for the benefit of individuals living in Belthorn and the surrounding area who have by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

The academy aims to maintain, carry on and develop the academy at Belthorn Road, Belthorn, Blackburn, Lancashire BB1 2NY.

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Objectives, strategies and activities

Our key priorities this year are contained in our School Improvement Plan. Our improvement focuses identified for this year (2020/21) include:

Quality of Education

1A-The curriculum is broad and balanced and remains so all the way through Key Stage 2. The school is proud of the pupils' high academic achievement at the end of Key Stage 2 but believe they have achieved these standards by ensuring that pupils' reading and writing is developed through the broader curriculum. There is a high expectation that pupils in each age group meet national expectations.

1B-Standards are exceptionally high despite the school ensuring that the curriculum is broad and takes account of all subjects. The school puts a great deal of emphasis on pupils acquiring key knowledge for each subject which they build on successfully as they move through the school. Pupils are exceptionally confident when talking about their learning.

1C-The quality of education provided for disadvantaged pupils and those with SEND is excellent. This enables them to fulfil their potential and achieve very highly. Leaders are determined that all pupils will receive an outstanding quality of education; including great teaching, and strive to this end. Pupil premium grant funding is used exceptionally well to support disadvantaged pupils and its impact is measurable and extremely positive. The leaders have researched to find examples of best practice in relation to pupil premium grant funding's impact.

Behaviour & Attitude

Pupils move around the school in an orderly manner and show that they respect the school's environment as a whole. Lunchtimes are well organised occasions with activities available for pupils to participate in. The dining area is a calm and orderly place where pupils are able to learn important social skills. The pupils with more challenging behaviour are dealt with effectively and their behaviour is improving. Pupils, parents and staff all agree that the behaviour policy is fair and applied well by all adults at the school.

Personal Development

3A- The school does much beyond the taught curriculum to prepare pupils for life. It provides excellent support for their talents and interests and encourages them beyond the school. The pupils' spiritual, moral, social and cultural development is excellent with the school being very proactive in helping pupils to know right from wrong. They are also helped to appreciate the commonalities and differences within cultures and religions represented in our country.

3B-The school is exceptionally proactive in helping to develop pupils' characters. There is a character education curriculum in place with specific focus on pupils' resilience, confidence and independence. There is an excellent ethos in place, with pupils expected to solve problems using their own initiative. Pupils are encouraged to look after themselves by the promotion of the school's excellent physical and mental health programme.

Leadership & Management

4A-Leaders ensure that highly effective and meaningful engagement takes place with staff at all levels and that issues are identified. When issues are identified – in particular about workload – they are consistently dealt with effectively and quickly. Staff consistently report high levels of support for well-being issues. Leaders have been proactive in engaging staff to consider areas where there is an unnecessary burden on their work. Consideration has already been given to planning, marking and assessment issues.

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4B-Pupils' achievement has been exceptionally good for some time; with the progress they make being outstanding. This is as a result of leaders focusing on the quality of education provided. They do not tolerate anything other than excellent teaching and learning where staff are committed to providing the very best for the pupils. Teachers show levels of commitment that go beyond what is expected and there is a strong sense of pride about belonging to a great school.

4C-The school has an excellent relationship with its parents and is very highly thought of in the local community. Leaders are committed to this positive relationship and seek to involve parents fully in the school's work. As a result, pupils' quality of education is greatly enhanced. Leaders' efforts to protect pupils from radicalisation and extremism is exemplary. High quality training develops staff's vigilance, confidence and competency to challenge pupils' views and encourage debate.

Public benefit

The Governors are aware of the Charity Commission Guidance on providing public benefit and have had due regard to this in exercising their duties during the year. The governors believe that the Academy's educational objective and aims of educating local primary school children are demonstrably to the public benefit.

Other benefits include:

- Mentoring trainee teachers in partnership with Edgehill University
- Being a host school for secondary work experience pupils
- Mentoring SLTs in a local primary school

Strategic report

Achievements and performance

Performance Data:

Due to the COVID-19 pandemic examinations and data collections in Early Years Foundation stage, Phonics Screening, Year 2 SATs and Year 6 SATs were all cancelled. However, the school did participate in the Optional Lancashire School Information Profile and the results for these areas mentioned above can be seen below:

11504 Belthorn Academy

EYFSP Results: At Least Expected

| | No of eligible pupils | Prime | | | | | | | | | Specific | | | | | | | |
|---------|-----------------------|--------------------------|------|------|----------------------|-------|--|------|------|----------|----------|-------|------|-------------------------|-------|-------|--------------------------|-------|
| | | Communication & Language | | | Physical Development | | Personal, Social & Emotional Development | | | Literacy | | Maths | | Understanding the World | | | Expressive Arts & Design | |
| | | LA | Un | Sp | MH | HSC | SCSA | MFB | MR | Ro | Wr | Ny | SSM | PC | TW | Tech | EUMM | BI |
| Sch | | | | | | | | | | | | | | | | | | |
| 2020/21 | 27 | 85.2 | 81.5 | 81.5 | 96.3 | 100.0 | 88.9 | 77.8 | 92.0 | 74.1 | 59.3 | 74.1 | 74.1 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Project | | | | | | | | | | | | | | | | | | |
| 2020/21 | | 77.7 | 78.7 | 78.1 | 80.8 | 87.1 | 81.8 | 80.3 | 82.3 | 63.8 | 58.8 | 70.5 | 72.1 | 78.2 | 78.0 | 85.8 | 79.8 | 80.2 |

EYFSP Results

| | No of eligible pupils | Good Level Development (% At Least Expected in Prime/Literacy and Numeracy) | Average Total Points | Prime Areas (% At Least Expected in Prime Areas) |
|---------|-----------------------|---|----------------------|--|
| Sch | | | | |
| 2020/21 | 27 | 55.6 | 32.2 | 68.7 |
| Project | | | | |
| 2020/21 | | 53.6 | 32.0 | 65.1 |

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Phonics Results Autumn 2020 – Y2 (Comparisons to Previous Y1 Checks) (See also Interpretation and Technical Guidance Notes)

11504 Belthorn Academy

All Pupils

| School | Total ¹ Pupils | A | D | 0-10 | 11-20 | 21-27 | 28-31 | Working towards expected standard | | Meeting the expected standard | |
|------------|------------------------------|-----|-----|------|-------|-------|-------|--------------------------------------|------|----------------------------------|------|
| | No. | % | % | % | % | % | % | No. | % | No. | % |
| 17/18 (Y1) | 27 | 0.0 | 0.0 | 3.7 | 3.7 | 7.4 | 0.0 | 4 | 14.8 | 23 | 85.2 |
| 18/19 (Y1) | 21 | 0.0 | 0.0 | 4.8 | 0.0 | 0.0 | 4.8 | 2 | 9.5 | 19 | 90.5 |
| 20/21 (Y2) | 29 | 0.0 | 0.0 | 3.4 | 0.0 | 6.9 | 3.4 | 4 | 13.8 | 25 | 86.2 |
| Lancs | | | | | | | | | | | |
| 17/18 (Y1) | | 0.1 | 1.1 | 4.1 | 4.7 | 4.9 | 3.3 | | 17.0 | | 81.8 |
| 18/19 (Y1) | | 0.2 | 1.3 | 4.9 | 4.6 | 4.5 | 3.1 | | 17.1 | | 81.4 |
| 20/21 (Y2) | | 0.6 | 1.7 | 4.7 | 4.8 | 5.5 | 4.4 | | 19.3 | | 78.4 |
| England | | | | | | | | | | | |
| 17/18 (Y1) | | 0 | 2 | | | | | | 16 | | 82 |
| 18/19 (Y1) | | 0 | 2 | | | | | | 16 | | 82 |
| 20/21 (Y2) | | 1.8 | 1.9 | | | | | | 18 | | 78.3 |

Phonics 2020/21

(See also Interpretation and Technical Guidance Notes)



11504 Belthorn Academy

All Pupils

| School | Total ¹ Pupils | A | D | 0-10 | 11-20 | 21-27 | 28-31 | Working towards expected standard | | Meeting the expected standard | |
|---------|------------------------------|-----|-----|------|-------|-------|-------|--------------------------------------|------|----------------------------------|------|
| | No. | % | % | % | % | % | % | No. | % | No. | % |
| Y1 | 24 | 0.0 | 0.0 | 4.2 | 4.2 | 0.0 | 4.2 | 3 | 12.5 | 21 | 87.5 |
| Y2 | 0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Project | | | | | | | | | | | |
| Y1 | | 0.4 | 0.3 | 8.8 | 7.2 | 8.1 | 7.3 | | 30.9 | | 67.8 |
| Y2 | | 0.5 | 1.3 | 18.4 | 14.0 | 16.3 | 9.8 | | 58.8 | | 38.8 |

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

| School | No of eligible pupils | Writing | | | | |
|--------|-----------------------|---------|----------|-----|------|------|
| Year | | BLW | PK (All) | WTS | EXS | GDS |
| 20/21 | 22 | 0.0 | 13.6 | 9.1 | 59.1 | 18.2 |

| Project | No of eligible pupils | Writing | | | | |
|---------|-----------------------|---------|----------|------|------|------|
| Year | | BLW | PK (All) | WTS | EXS | GDS |
| 20/21 | | 0.3 | 1.5 | 31.3 | 53.5 | 13.4 |

11504 Belthorn Academy

School

| Year | NOR | Reading | | | | | Writing | | | | | Mathematics | | | | |
|---------|-----|---------|----------|------|------|------|---------|----------|------|------|-----|-------------|----------|------|------|------|
| | | BLW | PK (All) | WTS | EXS | GDS | BLW | PK (All) | WTS | EXS | GDS | BLW | PK (All) | WTS | EXS | GDS |
| 2020/21 | 29 | 0.0 | 6.9 | 20.7 | 62.1 | 10.3 | 0.0 | 6.9 | 31.0 | 62.1 | 0.0 | 0.0 | 0.0 | 34.5 | 51.7 | 13.8 |

Project

| Year | NOR | Reading | | | | | Writing | | | | | Mathematics | | | | |
|---------|-----|---------|----------|------|------|------|---------|----------|------|------|-----|-------------|----------|------|------|------|
| | | BLW | PK (All) | WTS | EXS | GDS | BLW | PK (All) | WTS | EXS | GDS | BLW | PK (All) | WTS | EXS | GDS |
| 2020/21 | | 1.2 | 4.5 | 29.0 | 49.4 | 15.8 | 1.4 | 5.0 | 37.7 | 47.4 | 8.4 | 1.0 | 3.5 | 30.9 | 51.8 | 12.7 |

School

| Year | NOR | R | W | M | RWM | | |
|---------|-----|------|------|------|------|------|-----|
| | | Exp+ | Exp+ | Exp+ | EXS | Exp+ | GDS |
| 2020/21 | 29 | 72.4 | 62.1 | 65.5 | 41.4 | 58.6 | |

Project

| Year | NOR | R | W | M | RWM | | |
|---------|-----|------|------|------|------|------|-----|
| | | Exp+ | Exp+ | Exp+ | EXS | Exp+ | GDS |
| 2020/21 | | 65.2 | 55.8 | 64.5 | 32.4 | 51.1 | 6.0 |

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

COVID-19

Achievements & Performance 2020-21

Our new concept based curriculum has been well received by all staff, and this year more than ever, all year groups have been taught the full curriculum consistently when in school. Following Spring term closures and return to wider opening on March 8th, there was a period of focus on basic skills and the core subjects for a brief time. However, the Autumn and Summer terms have had a focus on Discover and Explore (Geography and History) based topics. The new Learning Intention monitoring which was established in the Autumn term has continued in the Summer term. This gives Senior Leaders and the SLT an overview of coverage and enabled us to see lack of coverage and gaps in the curriculum which will need to be addressed next year. Teaching remotely has meant that some subjects eg art/DT, music has not been able to be taught. This will form part of next year's recovery journey. Reading results show good progress has been made, attainment in phonics and GPS is also good. Writing is an area for improvement, especially cross curricular writing. Despite this end of year results show a positive picture overall. Maths results are down for the first time in a long time, data analysis shows that this is where the main gaps in learning have occurred. Again this will form part of next year's catch up priorities. The leaders have researched to find examples of best practice in relation to pupil premium grant funding's impact. The children can talk about their learning and are beginning to make links to other curricular areas. The attainment data for SEND and disadvantaged children shows that this group of pupils has been impacted the most from missing large periods of time out of school. Our SENCO, has been tasked with the role of looking into ways to improve progress next year. The budgeting for full time TA's in every class will hopefully make a difference and this is where catch up premium money will be focused. Subject Leaders have also monitored standards within their subjects using FADE forms, looking at books and assessment data. The Teaching & Learning committee have continued to meet with the Headteacher and Assessment leader each term, looking at standards following the school monitoring schedule.

Following an initial period of unsettled behaviour after the initial return in September, and again after the second period of school closures in the Spring term, we have ended the year on a return to usual high standards. There are some individual children whose behaviour is of concern to the SLT and this negative behaviour could well have been heightened by periods of school closures and spending a large amount of time at home, not able to go out. Lunch time behaviour is much improved and welfare staff much prefer the new way of having smaller groups of children outside, eating in classrooms and have less time outside. This model is one the SLT will adapt but use next year. The behaviour policy is applied consistently and referral to this has been the basis for some of our internal exclusions this year. Behaviour for learning is slowly returning to our usual high standards. Children have found concentration difficult following periods of isolation and remote learning, some children have returned to school with anxieties which have had to be managed. The increase of social media negative behaviour is something of a concern. We see this every year in year 6 but this year has been particularly difficult. We have had outside speakers and PCSO's visit the school, to discuss online bullying and online safety is a feature of our IT lessons. We feel that parents need to be more educated in this area as there are things which could be put into place to support children being online. Next year when we can have groups of parents in school we will resume the online safety work we started in 2018/19 where we targeted parents. The tribal system in school has evolved and our Behaviour Lead is currently trialling a new system to replace the old traffic light system. Training for this was due to take place in June 21, but has now been put back to the beginning of the new year (2021-22). The resilience characters have now been introduced. Children in KS1 have especially taken to the characters. More resilience work, including a parent newsletter re each characters is ready to go out in September. The dojo reward system is also evolving with Our Behaviour Lead looking at better ways of using this to promote our school values and attitudes.

Our new Jenby's programme, which was introduced as part of our constant strive to improve mental health in our pupils, has been largely well received. Interventions during partial school closure continued with the children of Key Worker's and Vulnerable children. Since a return to school, the before and after school interventions have been less successful due to parents not bringing their children consistently. In school interventions have been more successful. The Clinical psychologist, who set up the Jenby's resilience programmes of work is helping children to develop a 'can do' attitude through the use of strategies and helping children understand why we may feel the way we do. Accrington Stanley have been able to continue their involvement with school and the whole school has taken part in up and active programmes, and half termly sessions with Accrington Stanley. SMSC work has been somewhat limited – this area is one which will need to be focused on next year.

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

ELCAS referrals have been made for those children who are displaying particular concerns re mental health issues.

Staff wellbeing has been a focus for SLT with dedicated leaders in this area. Wellbeing events have taken place at least half termly. Wellbeing meeting with the Vice Chair of governors and supervision meetings with SLT have also taken place. Teaching staff have identified Subject Leader time as something which has helped with workload and this has been given, prioritising those with several areas. The SLT have missed the 3 UPS members who have been absent for a large part of the year, and this has impacted their workload. Welfare staff have reported that they prefer to receive communication through a briefing rather than a written account – this has been put into place whenever possible, but we have to be mindful of the guidelines and the situation in school. All staff report the lack of opportunity to meet together as one which has a negative effect of wellbeing. Despite this there remains a strong team feeling and a willingness from staff to make a difference to those they teach. Monitoring actions have taken place whenever possible – with book flicks, lesson pop ins, TA observations and environmental walks taking place. There has been less opportunities for lesson observations. The mini 'mocksted' planned for June 21 had to be cancelled due to increasing number of cases in school. Parent liaison has been an area which has been unsatisfactory from an SLT point of view. Teachers are regularly outside communicating with parents, and are available via Showbie and email. However, the actions planned to engage and involve parents have not been able to take place. At the end of the summer term, we planned events for each class which involved parental attendance outside.

Pupil Numbers

In July 2021 there were 181 pupils on roll. Year group numbers average 26 children per year group:

| | |
|------------|----|
| Reception: | 26 |
| Year 1: | 22 |
| Year 2: | 27 |
| Year 3: | 19 |
| Year 4: | 30 |
| Year 5: | 32 |
| Year 6: | 23 |

In addition, Little Bells Pre-school had 22 children on roll at the end of July 2021.

There was in-year movement during 2020/21 so by at the end of the academic year the total in year movement was 5 pupils.

Ofsted Inspection Report

Following a Section 8 Monitoring visit by Ofsted on the 9th May 2018 Belthorn has continued to be deemed Good. This builds upon the outcomes of the Ofsted Inspection on the 13th May whereby the Academy was first judged 'Good' in all areas.

Feedback from the School Advisor indicates that we continue to be good and outstanding behaviour was noted. The SLT feels that we are making steps towards a judgement of outstanding with consistent Quality First Teaching (QFT) and strong Subject Leadership being an important feature. Intervention within lessons as well as challenge is evidenced in all classes. Continued focus on raising standards and QFT in all year groups is in place. The use of teaching staff to deliver Interventions has proved to have an impact on raising standards, as well as PPA times. The aspiration is to continue with this, although due to the Covid-19 guidelines it is not possible to have qualified teaching staff rather than TAs to deliver PPA sessions. Staff have valued time to spend with colleagues engaged in medium term planning and collaborative working. They have also found staff meeting times to conduct Subject Leader roles and tasks very useful.

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Premises improvements were completed in the year as follows:

- Refurbishment of Year 3
- School Reception Area replaced due to Health and Safety
- Headteachers office redecorated and refurnished to provide additional workspace for colleagues
- Low energy light fittings in administration office
- Fire panel replaced relocated to meet current guidelines
- Remedial works after quinquennial electrical testing completed
- New furniture for Years 2 & 3
- Premises redecoration
- Replacement carpeting

Other projects have been quoted for and held over to October 2021 due to interruptions and changes in the financial landscape due to the reduction of trading income because of partial school closure from March to July 2021. These include lighting improvements for the pre school and a redesign of the library space.

ICT

The school was awarded a £50k grant provision under the Rural Gigabit scheme from the Department of Culture to bring superfast broadband to the school and surrounding community in 2020. The project has now been completed after prolonged delays due to Covid-19.

The school was awarded £15k grant from the Department for Education to improve wireless connectivity to classrooms. This project awaits completion due to supply chain issues due to Covid-19.

The school purchased another class set of iPads to provide both Years 5 & 6 with individual devices to make use of Learning by Questions software for improved curriculum access and identification of interventions required by class teachers. This software improves engagement with lower ability learners as they can ask for help in a more discreet manner.

Attendance

In the 2020/21 academic year the total attendance percentage was 95.9%; with 3.3% being authorised absences and 0.6% being unauthorised absences. This represents a slight decrease in absences for two consecutive years. The Administration Manager has used her development and training in this area to introduce good routines and practices for managing attendance. This will be worked on further in 2021-22.

Health and safety

There have been no incidents or accidents that have necessitated reporting other than through the school's internal recording procedures.

Fire Drills continued during the school's partial closure with refresher drills on resumption of more normal school life.

Health and Safety walk rounds and maintenance checks continued to be made by Mr Griffiths and Mrs Rowan on a regular basis accompanied by Mr Lowe as link Governor.

Going concern

After making appropriate enquiries, the governing body has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the governing body continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

The academy's total incoming resources during the year were £1,147,449.. The majority of the academy's income derives from central government funding via the Education and Skills Funding Agency, in the form of current grants. Total funding received for the academy's educational operations in the year was £1,037,811.

Total outgoing resources for the year were £1,255,958, the majority of which related to the direct provision of educational operations. This has resulted in a net decrease in funds of £108,509 after accounting for the movement on the Local Government defined benefit pension scheme.

At 31 August 2021 the academy held total reserves of £374,198, comprising unrestricted funds of £207,294 and restricted funds of £166,904. Restricted funds include fixed assets of £1,098,475, less the LGPS pension scheme deficit of £970,000. The remaining balance represents the restricted general fund which amounted to £38,429 and related to funding received in the year which is due to be spent in 2021/22 in accordance with the terms of funding.

At 31 August 2021 all assets shown in the accounts were used exclusively for providing education and associated support services to students of the school and nursery.

On conversion in 2011 the School inherited a deficit of £169,000 in respect of the Local Government Pension Scheme, which many of the non-teaching staff belong to. This deficit had increased to £970,000 by 31 August 2021, mainly due to changes in actuarial assumptions regarding future returns on investments and the present value of future liabilities. The school does not have an obligation to settle this liability immediately and there are no indications that it will crystallise in the foreseeable future. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding local government pension scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

The academy's financial management policies are as follows:

- The constant scrutiny of all finances at Belthorn Academy Primary School. Governors are aware that the monitoring of fluctuations in pupil numbers is of major importance as this determines the school's income levels.
- To monitor all budgets - planning and use to set objectives, agree actions and allocated resources.
- To monitor and evaluate best value in all areas - purchases, services and staff.
- To prevent any wastage.
- To maximise the value of the school's assets and obtain the best rate of return.
- To invest in a well thought out three-year plan improving management and future financial stability.
- To utilise governor specialist professional knowledge.
- To implement the schools risk and investment policies.
- For Governors to review management accounts on a monthly basis.

COVID-19 impacted on the school as administrative staff, in line with the early guidance worked from home where they could. However, the SBM worked in school and so effective control of financial procedures was maintained and monthly reports completed for Governors scrutiny. These detailed the on-going impact of the pandemic. The largest impact has been on the reduction of trading income from areas such as lettings, clubs, catering and Pre-School. Staff were furloughed where possible and appropriate, in line with guidance. The other impact was the rising cost of provision of extra cleaning, hand sanitisation and PPE. The largest impact is less quantifiable as it relates to the time needed to manage a response to the pandemic which is mainly through senior staff being absorbed with policy and procedure and the communication and monitoring of this.

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The school gained assets via donations of ICT equipment from the Department for Education, the local authority and a charity. These supported home learning and are now all held in school for in school usage. The school was well prepared for home learning as it had embraced technology as part of its culture for both staff and pupils.

The catch up premiums have been well utilised to provide more Teaching Assistant support and allow Teacher led interventions. This work will continue into 2021/22.

Overall the school has weathered the financial impact of the pandemic very well, with a strong financial position to take into the future years.

An improvement in staffing profile is being monitored for future impact on educational outcomes and will form the basis for review in 2021/22.

Reserves policy

At 31 August 2021 the School held the following reserves.

| | 2021 | 2020 |
|--|-------------|-------------|
| Total reserves | 374,198 | 580,709 |
| Add back Pension reserve | 970,000 | 809,000 |
| Less reserves attributable to Fixed assets | (1,098,475) | (1,133,479) |
| Unrestricted and general restricted funds | 245,723 | 256,230 |
| Less restricted general funds | (38,429) | (28,178) |
| Free reserves | 207,294 | 228,052 |

At 31 August 2021 the academy held GAG reserves of £nil.

In addition to the GAG reserve, which can only be utilised for the restricted purposes set out in the Funding Agreement, the school held unrestricted free reserves of £207,294 at 31 August 2021. Unrestricted free reserves provide additional working capital and are not committed or designated.

Total restricted GAG funds, other restricted funds and unrestricted funds amounted to £245,723 at 31 August 2021. These funds will be used to provide working capital to cover delays between the spending and receipt of grants and also as a cushion against any variance in pupil numbers.

The reserves policy is to retain a minimum level of general restricted and unrestricted funds of £60,000 and a maximum of 12% of GAG, which would be equal to £87,011. Current reserves are higher than this but there is an expectation that these will be reduced in the short term by reduced funding due to fluctuating pupil numbers.

A discussion has been held with the ESFA financial link to review the use of reserves and the reasons for this as part of 3 year financial planning.

Investment policy

All investments are agreed by the Governing Body, which has regard to the Charity Commission guidance in relation to charity investment policy. The school does not currently hold any investments other than cash, which is held for its normal operations. The Governing Body has adopted a low risk strategy to its cash holdings. Surplus cash is held in a current account to ensure that there is always access to sufficient cash to meet short and medium term requirements.

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Principal risks and uncertainties

The governors have assessed the major risks to which the academy is exposed, in particular those relating to teaching, health and safety, school trips, child protection, and finances. These risks are reviewed on an annual basis by the Teaching & Learning, Resources and Audit and Risk Committees.

The internal scrutiny role is held by Shard Business Services, headed by a former school business professional. A new calendar of scrutiny had been set for 2020/21 to provide timely information to Governors. Topics scrutinised included budget setting, data protection, cyber security and overall risk management including risk register use.

The governors have undertaken a risk review and completed a risk register. The risk register has been reviewed on a termly basis. A risk policy has been developed to mitigate the risks identified.

The principal risks are deemed to be:

- Variation in pupil numbers
- Disaster recovery
- Impact of Covid-19
- Succession planning - retirement of Headteacher

Fundraising

The school takes a community approach to fundraising with an active PTFA to raise funds to support school trips and enrichment activities.

The school does not work with any professional fundraisers or commercial partners, but does gratefully accept donations from commercial organisations such as raffle prizes to support school events.

No members of the school community, or others, are pressured to donate to any fundraising events, these are willingly supported. The school would accept any complaints with regards to fundraising under its Complaints Policy.

Funds raised are monitored by the Governors of the school and audited annually.

Plans for future periods

- Development of outside play and sports facilities
- Refurbishment of Year 1 classroom
- Delivery of a 1 to 1 scheme for pupil ICT devices
- Improve lighting in the Reception classroom, Pre-School and corridors to more energy efficient model
- Bid to redevelop the main Hall for community use and whole school use

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Auditor

In so far as the governors are aware:

- there is no relevant audit information of which the charitable company'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 auditor, MHA Moore and Smalley, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

The governors' report, incorporating a strategic report, was approved by order of the governing body, as the company directors, on 16/12/2021..... and signed on its behalf by:

Yvonne Brown
.....

Y Brown

Chair of Governors

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

As governors, we acknowledge we have overall responsibility for ensuring that Belthorn Academy Primary 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.

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

The governing body has delegated the day-to-day responsibility to the Head Teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Belthorn Academy Primary School and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

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

| Governors | Meetings attended | Out of possible |
|---|-------------------|-----------------|
| L Billingham (Resigned 31 August 2021) | 7 | 7 |
| Y Brown (Chair of Governors) | 13 | 13 |
| S Lowe | 7 | 10 |
| L Taylor (Retired 31 August 2021) | 7 | 7 |
| R Battersby-Cornmell (Retired 30 June 2021) | 9 | 10 |
| M Ali (Retired 6 November 2020) | 1 | 2 |
| H Rowan (Accounting Officer) (Retired 31 August 2021) | 13 | 13 |
| C Banks (Retired 31 August 2021) | 6 | 7 |
| M Griffiths (Retired 15 June 2021) | 3 | 5 |
| Mr E Nolan (Vice Chair) | 10 | 10 |
| Mr N Griffiths (Staff Governor) | 7 | 7 |
| Ms B Ghafoor (Retired 1 September 2020) | 0 | 0 |
| Ms C M Holden | 5 | 7 |
| Ms M Hussain | 3 | 7 |
| Ms C L Jackson | 6 | 7 |
| Ms C Noon (Appointed 18 December 2020) | 3 | 4 |
| Ms M Egan (Accounting Officer) (Appointed 1 September 2021) | | |
| Mr S Carr (Appointed 9 July 2021) | | |
| Mr D Merrick | | |
| Mr R Tomlinson (Appointed 18 December 2020 and retired 14 May 2021) | 1 | 1 |
| Mr J Slack (Retired 6 November 2020) | | |

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Chair and Vice-Chair continued with a Succession Planning exercise, which resulted in the recruitment of 1 new Governor during the year. Governing Board development priorities were significantly curtailed during the year due to the difficulties of meeting up due to Covid restrictions. By using "Inspection Coach" a Governor Development Plan has been created. Annual Skills Audits for individual Governors were done during the summer term, along with a 360 degree review of the Chair's performance. One main finding of the Skills Audits and Governing Body self-evaluation is that the Governing Body would benefit from the recruitment of someone with strengths in the areas of Audit, Finance and Business Management, and this will be a focus for future recruitment. A Governing Body Self-Evaluation Course was booked for June 2020, but had to be cancelled due to the Covid-19 pandemic: this will be re-arranged as soon as the situation allows.

During the 2020/21 school year, the Governing Board undertook the following:

- Health and Safety monitoring, including accident reports and fire drills
- Monitoring of cleaning and safety arrangements due to COVID-19
- Ensuring compliance with relevant statutory requirements
- Monitoring of academy accounts and audit reports to ensure effective financial management and compliance with legal requirements
- Agreed the arrangements for internal scrutiny in order to ensure effective financial monitoring, and compliance with the Academies Financial Handbook
- Regular review of the risk register
- Review of data protection policy and discussions regarding GDPR to ensure that the school was compliant with regulatory requirements
- Appointment of Data Protection Officer
- Review and update of Critical Incident Plan
- Review and sign-off of risk assessments during COVID-19 pandemic.
- Financial Management, budget-setting and monitoring including use of Pupil Premium grant
- Staff performance and pay reviews in line with adopted Pay Policy
- Review all relevant HR policies
- Review and agree new staffing model, including full-time TA presence in classrooms
- Meeting the requirements for the Schools Resource Management Self-Assessment (SRMSA), and the Academies Financial Handbook
- Review of the PE and Sports premium, ensuring that this was used in line with the school's priorities
- Regular review of benchmarking information to aid effective use of resources
- Strategic priorities for marketing the school and increasing pupil numbers agreed
- Building developments/improvements
- Monitoring of extra spending incurred / reduced income due to COVID-19, including furlough arrangements
- Ensuring compliance with relevant statutory requirements
- Review of Service Level Agreements (SLAs) to ensure value for money
- Data analysis – attainment and pupil progress
- Monitoring Special Educational Needs provision
- Monitoring pupil attendance
- Monitoring pupil behaviour and safety
- Monitoring child protection, safeguarding and pupil welfare
- Monitoring of the provision of remote learning due to COVID-19
- Monitoring of the implementation of the recovery curriculum
- Monitoring of the implementation of the new Concept Curriculum, and extra-curricular activities
- Ensuring compliance with relevant statutory requirements
- Monitoring of well-being of staff, including 1-2-1 discussions with Vice Chair of Governors
- Introduction of new Jenby's programme to improve mental wellbeing of pupils, and to provide them with strategies to help with mental health and resilience
- Successful recruitment of new Head Teacher and Deputy Head Teacher
- Monitoring of School Improvement Plan (SIP)
- Monitoring of School Self-Evaluation Form (SEF)
- Governing Board development plan, including succession planning and new Governor recruitment
- Governor training on data analysis and Concept Curriculum, and New Governor Induction training for new Governors
- Introduction of exit interviews
- Review of impact of decisions made at Governing Board meetings

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

- Improved marketing strategy of the school to increase pupil numbers
- Support to SLT during COVID-19
- Move to full virtual meetings due to COVID restrictions
- Development of a strategic plan bringing the vision in line with the new Education Inspection Framework (EIF)
- Approval of the academy's annual reports and accounts demonstrating effective financial management
- Review of school website to ensure compliance with statutory requirements
- The use of Inspection coach leading to a review of governance effectiveness
- Creation of a business plan to allow for Rising Three's in Pre-school
- Review of the current position relating to multi-academy trusts
- Monitoring of Head Teacher well-being
- Ensuring compliance with relevant statutory requirements
- Engagement with parents and wider community to ensure that school is viewed in a positive light.
- During the year the Governing Board received information from a number of sources, including the Head Teacher, the School Business Manager and the School Advisor.
- Future plans for improvement include:
- Governing Body Self-Evaluation course to be re-scheduled for 2021-22 (was cancelled due to COVID-19)
- Succession planning to continue to look at current and future roles on the Governing Board.
- Recruitment of additional Member Governors, and more regular Member Meetings to strengthen the strategic vision for the school
- Consideration of re-structuring of Committee structure to ensure best practice
- Governors to attend relevant training to ensure up-to-date knowledge, with gaps highlighted by use of training matrix
- Continued use of Marketing Working Party to improve the marketing of school and increase pupil numbers.
- Expand scope of Working Party to look at other sources of revenue (grants, etc) and links with local businesses
- Improvement of relationships between Subject Leaders and Link Governors
- Improvement of new governor induction and mentoring procedures
- Support to new leadership team through regular structured meetings with Chair and Vice-Chair
- Re-introduction of Governance Newsletter to ensure improved communication with parents and other stakeholders
- Continual review of Governor Development Plan to ensure traction and progress across all areas

Review of value for money

As accounting officer, the Head Teacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Deploying staff to best promote high quality teaching and learning based on their skills, aptitude and experience.
- Ensuring best value-for-money when purchasing resources to ensure the maximum number of children possible benefit.
- Using the training available through Lancashire County Council and other providers to ensure that all Governors are well-trained in their role, and that any gaps in skills are addressed.

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Belthorn Academy Primary School for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The governing body has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the governing body.

The risk and control framework

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

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

Shard Business Services were appointed to carry out internal scrutiny work to report termly to Governors and also an annual report.

The following areas were determined to be the required scope for 2020/21:

- Trust approach to risk management
- Risk strategy
- Risk register
- Cyber security
- General Data Protection Regulation
- Business Continuity
- Budget financial forecasting including assumptions

The internal auditor has delivered their schedule of work as planned. There were no critical findings and some minimal recommendations made.

BELTHORN ACADEMY PRIMARY SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Review of effectiveness

As accounting officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the internal auditor and a plan to ensure continuous improvement of the system is in place.

Approved by order of the governing body on 16/12/2021 and signed on its behalf by:

Yvonne Brown

Y Brown
Chair of Governors

Ms M Egan

Ms M Egan
Accounting Officer

BELTHORN ACADEMY PRIMARY SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2021

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

I confirm that I and the academy trust's governing body 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 governing body and ESFA.



Ms M Egan
Accounting Officer

16/12/2021.....

BELTHORN ACADEMY PRIMARY SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The governors (who act as trustees for Belthorn Academy Primary School and are also the directors of Belthorn Academy Primary School for the purposes of company law) are responsible for preparing the governors' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare accounts for each financial year. Under company law, the governors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the governing body on 16/12/2021 and signed on its behalf by:

Yvonne Brown

Y Brown
Chair of Governors

BELTHORN ACADEMY PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BELTHORN ACADEMY PRIMARY SCHOOL FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of Belthorn Academy Primary School for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and 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), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 the 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 accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts 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.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust'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.

BELTHORN ACADEMY PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BELTHORN ACADEMY PRIMARY SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Other information

The governors are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Other information includes Reference and Administrative details, Trustees Report incorporating the Strategic Report and the Directors Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Trustees Responsibility Statement. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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 including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the governors' report including the incorporated 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 academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the governors' report, including the incorporated strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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 statement of governors' responsibilities, the governors are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the governors are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

BELTHORN ACADEMY PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BELTHORN ACADEMY PRIMARY SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, are detailed below:

- Enquiries with management , including governors , about any known or suspected instances of noncompliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness .

Because of the field in which the client operates , we identified the following areas as those most likely to have a material impact on the financial statements: Health & Safety; compliance with the Academies Financial Handbook; safeguarding and child protection; employment law; data protection and compliance with the UK Companies Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognize the non-compliance.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

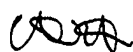
BELTHORN ACADEMY PRIMARY SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BELTHORN ACADEMY PRIMARY SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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.



**Christine Wilson (Senior Statutory Auditor)
for and on behalf of MHA Moore and Smalley
Chartered Accountants
Statutory Auditor**

Richard House
9 Winckley Square
Preston
PR1 3HP

17/12/2021
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BELTHORN ACADEMY PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BELTHORN ACADEMY PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 12 August 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Belthorn Academy Primary School during the period 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 Belthorn Academy Primary School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Belthorn Academy Primary School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Belthorn Academy Primary School and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Belthorn Academy Primary School's funding agreement with the Secretary of State for Education dated 29 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 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes an evaluation of the control environment of the School together with enquiry, analytical review, substantive testing of transactions and consideration of governance issues.

BELTHORN ACADEMY PRIMARY SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BELTHORN ACADEMY PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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 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.

MHA Moore and Smalley

Reporting Accountant
MHA Moore and Smalley

Richard House
9 Winckley Square
Preston
PR1 3HP

17/12/2021
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BELTHORN ACADEMY PRIMARY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

| | | Unrestricted funds | Restricted general funds | Restricted fixed asset funds | Total 2021 | Total 2020 |
|---|----------|-----------------------|--------------------------------|------------------------------------|------------------|------------------|
| | Notes | £ | £ | £ | £ | £ |
| Income and endowments from: | | | | | | |
| Donations and capital grants | 3 | 1,604 | - | 85,981 | 87,585 | 10,344 |
| Charitable activities: | | | | | | |
| - Funding for educational operations | 4 | 36,680 | 1,001,131 | - | 1,037,811 | 995,125 |
| Other trading activities | 5 | 21,628 | - | - | 21,628 | 32,390 |
| Investments | 6 | 425 | - | - | 425 | 80 |
| Total | | 60,337 | 1,001,131 | 85,981 | 1,147,449 | 1,037,939 |
| Expenditure on: | | | | | | |
| Raising funds | 7 | 21,680 | 10,946 | - | 32,626 | 36,207 |
| Charitable activities: | | | | | | |
| - Educational operations | 8 | 11,475 | 1,123,657 | 88,200 | 1,223,332 | 1,159,511 |
| Total | 7 | 33,155 | 1,134,603 | 88,200 | 1,255,958 | 1,195,718 |
| Net income/(expenditure) | | 27,182 | (133,472) | (2,219) | (108,509) | (157,779) |
| Transfers between funds | 16 | (47,941) | 80,724 | (32,783) | - | - |
| Other recognised gains/(losses) | | | | | | |
| Actuarial losses on defined benefit pension schemes | 18 | - | (98,000) | - | (98,000) | (205,000) |
| Net movement in funds | | (20,759) | (150,748) | (35,002) | (206,509) | (362,779) |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 228,053 | (780,823) | 1,133,477 | 580,707 | 943,488 |
| Total funds carried forward | 16 | 207,294 | (931,571) | 1,098,475 | 374,198 | 580,709 |

BELTHORN ACADEMY PRIMARY SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|--|-------|----------------|----------------|----------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 12 | | 1,083,272 | | 1,133,479 |
| Current assets | | | | | |
| Debtors | 13 | 59,918 | | 28,871 | |
| Cash at bank and in hand | | 354,259 | | 288,470 | |
| | | <u>414,177</u> | | <u>317,341</u> | |
| Current liabilities | | | | | |
| Creditors: amounts falling due within one year | 14 | (153,251) | | (61,111) | |
| Net current assets | | | 260,926 | | 256,230 |
| Net assets excluding pension liability | | | 1,344,198 | | 1,389,709 |
| Defined benefit pension scheme liability | 18 | | (970,000) | | (809,000) |
| Total net assets | | | <u>374,198</u> | | <u>580,709</u> |
| Funds of the academy trust: | | | | | |
| Restricted funds | 16 | | | | |
| - Fixed asset funds | | | 1,098,475 | | 1,133,479 |
| - Restricted income funds | | | 38,429 | | 28,178 |
| - Pension reserve | | | (970,000) | | (809,000) |
| Total restricted funds | | | 166,904 | | 352,657 |
| Unrestricted income funds | 16 | | 207,294 | | 228,052 |
| Total funds | | | <u>374,198</u> | | <u>580,709</u> |

The accounts on pages 29 to 51 were approved by the governors and authorised for issue on 16/12/2021 and are signed on their behalf by:

Yvonne Brown

Y Brown
Chair of Governors

Company Number 07756219

BELTHORN ACADEMY PRIMARY SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|---|-------|-----------|-----------------------|-----------|-----------------------|
| Cash flows from operating activities | | | | | |
| Net cash provided by/(used in) operating activities | 19 | | 17,377 | | (61,104) |
| Cash flows from investing activities | | | | | |
| Dividends, interest and rents from investments | | 425 | | 80 | |
| Capital grants from DfE Group | | 85,981 | | 6,306 | |
| Purchase of tangible fixed assets | | (37,994) | | (21,915) | |
| Proceeds from sale of tangible fixed assets | | - | | 800 | |
| Net cash provided by/(used in) investing activities | | | <u>48,412</u> | | <u>(14,729)</u> |
| Net increase/(decrease) in cash and cash equivalents in the reporting period | | | 65,789 | | (75,833) |
| Cash and cash equivalents at beginning of the year | | | <u>288,470</u> | | <u>364,303</u> |
| Cash and cash equivalents at end of the year | | | <u><u>354,259</u></u> | | <u><u>288,470</u></u> |

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

1.1 Basis of preparation

The accounts 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The governors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company 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 accounts. The governors have considered the impact of the Government response to Covid-19 on the activity of the Academy Trust in terms of both increased costs of compliance with guidelines and catch up in learning and also reduced income. The governors have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 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.

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

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

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.

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Donated goods, facilities and services

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

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

On conversion the school acquired the freehold land and buildings from which it operates. No value was paid for the land and buildings which were incorporated into the accounts as a donated asset, based on a depreciated replacement cost valuation carried out as at 31 August 2012 on behalf of the Department of Education by DTZ. This valuation was adjusted to take account of depreciation in the year since conversion to arrive at an estimate for the value of land and buildings acquired on conversion.

In addition, the school inherited the fixtures and fittings and other tangible fixed assets in use by the school at the date of conversion. In most cases, however, the assets had been held for a significant period of time and were fully depreciated. An estimate of the current fair value was not readily available and the cost of obtaining a valuation was considered to be disproportionate to the value of including such a valuation in the accounts. No value was therefore included in the accounts for these assets. The insurance value of fixtures and fittings and other assets inherited on conversion was £598,000.

Assets costing £1,000 or more are considered for capitalisation as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

| | |
|--------------------------------|----------|
| Freehold land and buildings | 2% p.a. |
| Computer equipment | 33% p.a. |
| Fixtures, fittings & equipment | 25% p.a. |

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

1.6 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.

1.7 Leased assets

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

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.8 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.

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.

1.9 Taxation

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

1.10 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 and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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 net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.11 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

Accounting 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.

Present value of the Local Government Pension Scheme defined benefit liability

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 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.

Useful economic life of tangible fixed assets

The useful economic life of tangible fixed assets is judged at the point of purchase.

As standard, a useful economic life of 50 years is applied to freehold buildings, 10 years for building refurbishments, 4 years for fixtures, fittings and equipment and 3 years for computer equipment.

Impairment of fixed assets

At each balance sheet date, management undertake an assessment of the carrying value of tangible fixed assets to determine whether there is any indication that the value has been impaired. Where necessary, an impairment is recorded as an impairment loss.

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and areas of judgement

(Continued)

Critical areas of judgement

Classification and valuation of freehold land and buildings

The academy's freehold land and buildings are wholly used in the course of the academy's business. At the date of transition to FRS 102, the freehold land and buildings were measured at their fair value at 1 September 2014, which upon transition, was interpreted as deemed cost. Subsequent purchases of land and buildings are initially measured at cost.

3 Donations and capital grants

| | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|-----------------|----------------------------|--------------------------|--------------------|--------------------|
| Capital grants | - | 85,981 | 85,981 | 6,306 |
| Other donations | 1,604 | - | 1,604 | 4,038 |
| | <u>1,604</u> | <u>85,981</u> | <u>87,585</u> | <u>10,344</u> |

The income from donations and capital grants was £87,585 (2020: £10,344) of which £1,604 was unrestricted (2020: £3,781), £- was restricted (2020: £257) and £85,981 was restricted fixed assets (2020: £6,306).

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the academy trust's educational operations

| | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|--|----------------------------|--------------------------|--------------------|--------------------|
| DfE / ESFA grants | | | | |
| General annual grant (GAG) | - | 725,089 | 725,089 | 723,995 |
| Other DfE / ESFA grants: | | | | |
| UIFSM | - | 36,379 | 36,379 | 28,187 |
| Pupil premium | - | 34,165 | 34,165 | 32,745 |
| Others | - | 57,679 | 57,679 | 60,982 |
| | - | 853,312 | 853,312 | 845,909 |
| Other government grants | | | | |
| Local authority grants | - | 102,253 | 102,253 | 87,087 |
| Exceptional government funding | | | | |
| Coronavirus job retention scheme grant | - | 23,416 | 23,416 | 30,040 |
| Coronavirus exceptional support | - | 14,560 | 14,560 | - |
| Other Coronavirus funding | - | 5,384 | 5,384 | - |
| | - | 43,360 | 43,360 | 30,040 |
| Other incoming resources | 36,680 | 2,206 | 38,886 | 32,089 |
| Total funding | 36,680 | 1,001,131 | 1,037,811 | 995,125 |

The income from funding for educational operations was £1,037,811 (2020: £995,125) of which £36,680 was unrestricted (2020: £29,590) and £1,001,131 was restricted (2020: £965,535).

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

The academy furloughed some of its catering, breakfast & after school club, administration and nursery staff under the government's CJRS. The funding received of £23k relates to staff costs in respect of 11 staff which are included within note 10 below as appropriate.

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

5 Other trading activities

| | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|--------------------|----------------------------|--------------------------|--------------------|--------------------|
| Hire of facilities | 210 | - | 210 | 685 |
| Other income | 21,418 | - | 21,418 | 31,705 |
| | <u>21,628</u> | <u>-</u> | <u>21,628</u> | <u>32,390</u> |

The income from other trading activities was £21,628 (2020: £32,390) of which £21,628 was unrestricted (2020: £32,390).

6 Investment income

| | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|---------------------|----------------------------|--------------------------|--------------------|--------------------|
| Short term deposits | 425 | - | 425 | 80 |
| | <u>425</u> | <u>-</u> | <u>425</u> | <u>80</u> |

The income from funding for investment income was £425 (2020: £80) of which £425 was unrestricted (2020: £80).

7 Expenditure

| | Staff costs £ | Non-pay expenditure Premises £ | Other £ | Total 2021 £ | Total 2020 £ |
|----------------------------------|------------------|--------------------------------------|----------------|--------------------|--------------------|
| Expenditure on raising funds | | | | | |
| - Direct costs | 30,307 | - | 2,319 | 32,626 | 36,207 |
| Academy's educational operations | | | | | |
| - Direct costs | 636,154 | 9,595 | 50,930 | 696,679 | 685,530 |
| - Allocated support costs | 287,545 | 187,129 | 51,979 | 526,653 | 473,981 |
| | <u>954,006</u> | <u>196,724</u> | <u>105,228</u> | <u>1,255,958</u> | <u>1,195,718</u> |

The expenditure on raising funds was £32,626 (2020: £36,207) of which £21,680 was unrestricted (2020: £25,597) and £10,946 was restricted (2020: £10,610).

Net income/(expenditure) for the year includes:

| | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Fees payable to auditor for: | | |
| - Audit | 6,500 | 6,260 |
| - Other services | 3,020 | 3,474 |
| Depreciation of tangible fixed assets | 88,200 | 88,750 |
| Gain on disposal of fixed assets | - | (800) |
| Net interest on defined benefit pension liability | 12,000 | 10,000 |
| | <u>109,720</u> | <u>108,284</u> |

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Charitable activities

| | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Direct costs | | | | |
| Educational operations | - | 696,679 | 696,679 | 685,530 |
| Support costs | | | | |
| Educational operations | 11,475 | 515,178 | 526,653 | 473,981 |
| | <u>11,475</u> | <u>1,211,857</u> | <u>1,223,332</u> | <u>1,159,511</u> |

The expenditure on charitable activities was £1,223,332 (2020: £1,159,511) of which £11,475 was unrestricted (2020: £15,071), £1,123,657 was restricted (2020: £1,056,490) and £88,200 was restricted fixed assets (2020: £87,950).

| | 2021 £ | 2020 £ |
|----------------------------------|----------------|----------------|
| Analysis of support costs | | |
| Support staff costs | 287,545 | 274,567 |
| Depreciation | 78,605 | 78,749 |
| Premises costs | 104,110 | 65,047 |
| Legal costs | 713 | - |
| Other support costs | 40,225 | 45,781 |
| Governance costs | 15,455 | 9,837 |
| | <u>526,653</u> | <u>473,981</u> |

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff

Staff costs

Staff costs during the year were:

| | 2021 £ | 2020 £ |
|---------------------------|-----------|-----------|
| Wages and salaries | 699,916 | 676,366 |
| Social security costs | 52,301 | 54,895 |
| Pension costs | 195,595 | 183,171 |
| Staff costs - employees | 947,812 | 914,432 |
| Agency staff costs | 3,572 | 4,221 |
| Staff restructuring costs | 2,622 | 8,745 |
| Total staff expenditure | 954,006 | 927,398 |

Staff restructuring costs comprise:

| | | |
|--------------------|-------|-------|
| Severance payments | 2,622 | 8,745 |
|--------------------|-------|-------|

Staff numbers

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

| | 2021 Number | 2020 Number |
|----------------------------|----------------|----------------|
| Teachers | 10 | 8 |
| Administration and support | 22 | 18 |
| Management | 3 | 3 |
| | 35 | 29 |

Higher paid staff

There were no employees whose annual remuneration was £60,000 or more.

Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits, including employer pension contributions and employer national insurance contributions, received by key management personnel for their services to the academy trust was £200,005 (2020: £185,010).

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Governors' remuneration and expenses

One or more trustees have been paid remuneration or have received other benefits from an employment with the academy trust. The Head Teacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

Mrs H Rowan (Head Teacher and governor):

- Remuneration £55,000 - £60,000 (2020: £50,000 - £55,000)
- Employer's pension contributions £10,000 - £15,000 (2020: £5,000 - £10,000)

Mr M Griffiths (staff governor, resigned 15 June 2021)

- Remuneration £15,000 - £20,000 (2020: £20,000 - £25,000)
- Employer's pension contributions £nil - £5,000 (2020: £nil - £5,000)

Mr N Griffiths (staff governor)

- Remuneration £35,000 - £40,000 (2020: £30,000 - £35,000)
- Employer's pension contributions £5,000 - £10,000 (2020: £5,000 - £10,000)

Mr S Carr (staff governor, appointed 9 July 2021)

- Remuneration £5,000 - £10,000 (2020: £nil - £5,000)
- Employer's pension contributions £nil - £5,000 (2020: £nil - £5,000)

Travel and subsistence payments of £nil (2020: £103) were reimbursed to trustees (2020: one) during the year.

Other related party transactions involving the governors are set out within the related parties note.

11 Governors' and officers' insurance

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

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Tangible fixed assets

| | Freehold land and buildings £ | Computer equipment £ | Fixtures, fittings & equipment £ | Total £ |
|-----------------------|--|----------------------------|---|------------|
| Cost | | | | |
| At 1 September 2020 | 1,503,878 | 93,863 | 60,534 | 1,658,275 |
| Additions | - | 26,436 | 11,558 | 37,994 |
| Disposals | - | - | (6,313) | (6,313) |
| At 31 August 2021 | 1,503,878 | 120,299 | 65,779 | 1,689,956 |
| Depreciation | | | | |
| At 1 September 2020 | 392,585 | 81,044 | 51,167 | 524,796 |
| On disposals | - | - | (6,313) | (6,313) |
| Charge for the year | 73,740 | 9,595 | 4,866 | 88,201 |
| At 31 August 2021 | 466,325 | 90,639 | 49,720 | 606,684 |
| Net book value | | | | |
| At 31 August 2021 | 1,037,553 | 29,660 | 16,059 | 1,083,272 |
| At 31 August 2020 | 1,111,293 | 12,819 | 9,367 | 1,133,479 |

Included within freehold land and buildings is land at a cost of £155,606 which is not depreciated.

13 Debtors

| | 2021 £ | 2020 £ |
|--------------------------------|-----------|-----------|
| VAT recoverable | 20,038 | 4,770 |
| Prepayments and accrued income | 39,880 | 24,101 |
| | 59,918 | 28,871 |

14 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------------|-----------|-----------|
| Trade creditors | 89,616 | 7,899 |
| Other taxation and social security | 14,947 | 12,580 |
| Other creditors | 6,873 | 6,170 |
| Accruals and deferred income | 41,815 | 34,462 |
| | 153,251 | 61,111 |

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Deferred income

| | 2021 £ | 2020 £ |
|--|---------------|---------------|
| Deferred income is included within: | | |
| Creditors due within one year | 18,285 | 20,142 |
| Deferred income at 1 September 2020 | 20,142 | 17,755 |
| Released from previous years | (20,142) | (17,755) |
| Resources deferred in the year | 18,285 | 20,142 |
| Deferred income at 31 August 2021 | 18,285 | 20,142 |

At the balance sheet date the academy trust was holding funds received in advance for the Universal Infant Free School Meals programme.

16 Funds

| | Balance at 1 September 2020 £ | Income £ | Expenditure £ | Gains, losses and transfers £ | Balance at 31 August 2021 £ |
|-------------------------------------|--|------------------|--------------------|--|--------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 725,089 | (805,813) | 80,724 | - |
| UIFSM | - | 36,379 | (36,379) | - | - |
| Pupil premium | - | 34,165 | (34,165) | - | - |
| Other DfE / ESFA grants | 3,309 | 57,679 | (56,557) | - | 4,431 |
| Other government grants | 24,868 | 145,613 | (136,483) | - | 33,998 |
| Other restricted funds | - | 2,206 | (2,206) | - | - |
| Pension reserve | (809,000) | - | (63,000) | (98,000) | (970,000) |
| | (780,823) | 1,001,131 | (1,134,603) | (17,276) | (931,571) |
| Restricted fixed asset funds | | | | | |
| Inherited on conversion | 783,036 | - | (15,276) | - | 767,760 |
| DfE group capital grants | 196,034 | 85,981 | (41,992) | (49,584) | 190,439 |
| Capital expenditure from GAG | 154,407 | - | (30,932) | 16,801 | 140,276 |
| | 1,133,477 | 85,981 | (88,200) | (32,783) | 1,098,475 |
| Total restricted funds | 352,654 | 1,087,112 | (1,222,803) | (50,059) | 166,904 |
| Unrestricted funds | | | | | |
| General funds | 228,053 | 60,337 | (33,155) | (47,941) | 207,294 |
| Total funds | 580,707 | 1,147,449 | (1,255,958) | (98,000) | 374,198 |

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Funds

(Continued)

General Annual Grant must be used for the normal running expenses of the academy and any amounts carried forward at the end of a financial year must be used in accordance with the terms of the funding agreement. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Other DfE/ESFA grants comprise additional funding received for the furtherance of education, which must be used in accordance with specific terms of each grant.

Other government grants includes LA funding for Special Educational Needs and Early Years funding, which was fully expended in the year.

The pension reserve represents the value of the academy's share of the deficit in the Local Government Pension Scheme. The value of the deficit inherited on conversion was £169,000 and had risen to £x at 31 August 2021.

Restricted fixed asset funds include assets inherited on conversion and subsequent fixed asset additions. Depreciation is charged against the fund.

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

| | Balance at 1 September 2019 £ | Income £ | Expenditure £ | Gains, losses and transfers £ | Balance at 31 August 2020 £ |
|-------------------------------------|--|------------------|--------------------|--|--------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 26,516 | 723,995 | (762,992) | 12,481 | - |
| Other DfE / ESFA grants | - | 121,914 | (118,605) | - | 3,309 |
| Other government grants | 30,489 | 117,127 | (122,747) | - | 24,869 |
| Other restricted funds | - | 2,756 | (2,756) | - | - |
| Pension reserve | (544,000) | - | (60,000) | (205,000) | (809,000) |
| | <u>(486,995)</u> | <u>965,792</u> | <u>(1,067,100)</u> | <u>(192,519)</u> | <u>(780,822)</u> |
| Restricted fixed asset funds | | | | | |
| Transfer on conversion | 798,312 | - | (15,276) | - | 783,036 |
| DfE group capital grants | 230,828 | 6,306 | (41,101) | - | 196,033 |
| Capital expenditure from GAG | 171,174 | - | (31,573) | 14,809 | 154,410 |
| | <u>1,200,314</u> | <u>6,306</u> | <u>(87,950)</u> | <u>14,809</u> | <u>1,133,479</u> |
| Total restricted funds | <u>713,319</u> | <u>972,098</u> | <u>(1,155,050)</u> | <u>(177,710)</u> | <u>352,657</u> |
| Unrestricted funds | | | | | |
| General funds | <u>230,169</u> | <u>65,841</u> | <u>(40,668)</u> | <u>(27,290)</u> | <u>228,052</u> |
| Total funds | <u>943,488</u> | <u>1,037,939</u> | <u>(1,195,718)</u> | <u>(205,000)</u> | <u>580,709</u> |

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted funds: General £ | Fixed asset £ | Total Funds £ |
|--|----------------------------|-----------------------------------|------------------|---------------------|
| Fund balances at 31 August 2021 are represented by: | | | | |
| Tangible fixed assets | 14,900 | - | 1,068,372 | 1,083,272 |
| Current assets | 192,394 | 191,680 | 30,103 | 414,177 |
| Creditors falling due within one year | 14,900 | (153,251) | (14,900) | (153,251) |
| Defined benefit pension liability | - | (970,000) | - | (970,000) |
| Total net assets | 222,194 | (931,571) | 1,083,575 | 374,198 |
| Balance to allocate | (14,900) | - | 14,900 | - |
| Per balance sheet | 207,294 | (931,571) | 1,098,475 | 374,198 |
| | Unrestricted Funds £ | Restricted funds: General £ | Fixed asset £ | Total Funds £ |
| Fund balances at 31 August 2020 are represented by: | | | | |
| Tangible fixed assets | - | - | 1,133,479 | 1,133,479 |
| Current assets | 228,052 | 89,289 | - | 317,341 |
| Creditors falling due within one year | - | (61,111) | - | (61,111) |
| Defined benefit pension liability | - | (809,000) | - | (809,000) |
| Total net assets | 228,052 | (780,822) | 1,133,479 | 580,709 |

18 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £5,965 (2020: £5,295) were payable to the schemes at 31 August 2021 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations

(Continued)

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% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The 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 the TPS in the period amounted to £65,405 (2020: £65,961).

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

Under the definitions set out in FRS 102, the TPS is 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

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 18.6% for employers and 5.5% for employees.

The academy has entered into an agreement to make a contribution towards the deficit of £7,900 in 2019/20 and £10,500 in 2020/21, in addition to the normal funding levels.

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

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations

(Continued)

| Total contributions made | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Employer's contributions | 68,000 | 57,000 |
| Employees' contributions | 17,000 | 15,000 |
| Total contributions | 85,000 | 72,000 |
| Principal actuarial assumptions | 2021 % | 2020 % |
| Rate of increase in salaries | 4.3 | 3.8 |
| Rate of increase for pensions in payment/inflation | 2.9 | 2.4 |
| Discount rate for scheme liabilities | 1.7 | 1.8 |
| Inflation assumption (CPI) | 2.8 | 2.3 |

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

| | 2021 Years | 2020 Years |
|----------------------|---------------|---------------|
| Retiring today | | |
| - Males | 22.4 | 22.3 |
| - Females | 25.1 | 25 |
| Retiring in 20 years | | |
| - Males | 23.9 | 23.8 |
| - Females | 26.9 | 26.8 |

Scheme liabilities would have been affected by changes in assumptions as follows:

| | 2021 '£000 | 2020 '£000 |
|-------------------------------|---------------|---------------|
| Discount rate + 0.1% | (49) | (41) |
| Inflation + 0.1% | 51 | 41 |
| Pay growth + 0.1% | 4 | 3 |
| Mortality assumption + 1 year | 76 | 57 |

BELTHORN ACADEMY PRIMARY SCHOOL**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2021****18 Pension and similar obligations****(Continued)****The academy trust's share of the assets in the scheme**

| | 2021 | 2020 |
|------------------------------|-------------------|-------------------|
| | Fair value | Fair value |
| | £ | £ |
| Equities | 676,000 | 507,000 |
| Other bonds | 71,000 | 77,000 |
| Cash/liquidity | 28,000 | 20,000 |
| Property | 134,000 | 152,000 |
| Other assets | 429,000 | 358,000 |
| Total market value of assets | <u>1,338,000</u> | <u>1,114,000</u> |

The actual return on scheme assets was £160,000 (2020: £306,000).

Amount recognised in the statement of financial activities

| | 2021 | 2020 |
|---|----------------|----------------|
| | £ | £ |
| Current service cost | 117,000 | 105,000 |
| Interest income | (21,000) | (14,000) |
| Interest cost | 33,000 | 24,000 |
| Benefit changes, curtailments and settlements gains or losses | (2,000) | (2,000) |
| Administration expenses | 2,000 | 2,000 |
| Total operating charge | <u>129,000</u> | <u>115,000</u> |

Changes in the present value of defined benefit obligations

| | 2021 |
|------------------------|------------------|
| | £ |
| At 1 September 2020 | 1,923,000 |
| Current service cost | 117,000 |
| Interest cost | 33,000 |
| Employee contributions | 17,000 |
| Actuarial loss | 237,000 |
| Benefits paid | (19,000) |
| At 31 August 2021 | <u>2,308,000</u> |

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations

(Continued)

Changes in the fair value of the academy trust's share of scheme assets

| | 2021 £ |
|-------------------------|-----------|
| At 1 September 2020 | 1,114,000 |
| Interest income | 21,000 |
| Actuarial gain | 139,000 |
| Employer contributions | 68,000 |
| Employee contributions | 17,000 |
| Benefits paid | (19,000) |
| Administrative expenses | (2,000) |
| At 31 August 2021 | 1,338,000 |

19 Reconciliation of net expenditure to net cash flow from operating activities

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Net expenditure for the reporting period (as per the statement of financial activities) | (108,510) | (157,779) |
| Adjusted for: | | |
| Capital grants from DfE and other capital income | (85,981) | (6,306) |
| Investment income receivable | (425) | (80) |
| Defined benefit pension costs less contributions payable | 51,000 | 50,000 |
| Defined benefit pension scheme finance cost | 12,000 | 10,000 |
| Depreciation of tangible fixed assets | 88,200 | 88,750 |
| (Loss)/profit on disposal of fixed assets | - | (800) |
| (Increase)/decrease in debtors | (31,047) | 96 |
| Increase/(decrease) in creditors | 92,140 | (44,985) |
| Net cash provided by/(used in) operating activities | 17,377 | (61,104) |

20 Analysis of changes in net funds

| | 1 September 2020 £ | Cash flows £ | 31 August 2021 £ |
|------|--------------------------|-----------------|------------------------|
| Cash | 288,470 | 65,789 | 354,259 |

21 Contingent liabilities

There were no contingent liabilities as at 31 August 2021 or 31 August 2020.

BELTHORN ACADEMY PRIMARY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Long-term commitments, including operating leases

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

| | 2021 £ | 2020 £ |
|-----------------------------------|------------|--------------|
| Amounts due within one year | 592 | 592 |
| Amounts due in two and five years | 197 | 789 |
| | <u>789</u> | <u>1,381</u> |

None of the above operating lease commitments relate to land and buildings.

23 Capital commitments

There were no capital commitments at the current or previous year end.

24 Related party transactions

No related party transactions took place in the period of account other than certain governors' remuneration and expenses already disclosed in note 10.

25 Members' liability

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