

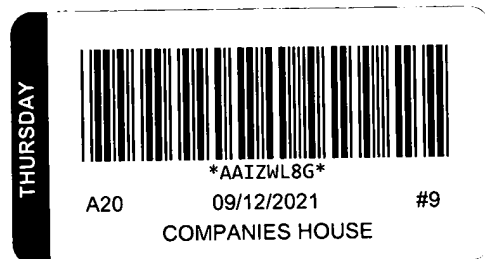
Registration number: 08120037

King Ina Church of England Academy

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021



KING INA CHURCH OF ENGLAND ACADEMY
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KING INA CHURCH OF ENGLAND ACADEMY
REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|--|--|
| Members | D Speed A Faulkner A Symonds |
| Trustees (Directors) | D Speed, Chair of Trustees S Svenson, Accounting Officer P Austin G Load L Smallwood I Stone A Symonds J Walmsley |
| Company Secretary | I Stone |
| Senior Management Team | S Svenson, Head teacher H Walker, Deputy Head (retired 31/12/2020) L Watts, Business Manager L Langdon, Finance Manager L Ruddle, SENCo, EY & KS1 C Tune, Upper KS2 Teacher N Billenness, Lower KS2 S Salt, KS1 (from 1 September 2020) |
| Principal and Registered Office | King Ina Church of England Academy Northfield Somerton Somerset TA11 6FQ |
| Company Registration Number | 08120037 |
| Auditors | Albert Goodman LLP Chartered Accountants Goodwood House Blackbrook Park Avenue Taunton Somerset TA1 2PX |
| Solicitors | Browne Jacobson 1 Manor Court Dix's Field Exeter Devon EX1 1UP |

KING INA CHURCH OF ENGLAND ACADEMY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The principal activity of the Academy is the education of pupils between the age of 2 and 11 serving the catchment area of Somerton. Following relocation in April 2021, it has a pupil capacity of 360 Reception to year 6, plus 50 nursery places. It had a roll of 373 including 51 nursery in the school census in June 2021.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 08120037.

The governors act as the trustees for the charitable activities of King Ina Church of England Academy and are also the directors of the charitable company for the purposes of company law.

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

Members' liability

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

Trustees' indemnities

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees. The academy trust is a member of the DFE's Risk Protection Arrangement with a limit of indemnity being Unlimited £10,000,000 for trustees' and officers.

Method of recruitment and appointment or election of Trustees

To ensure trustees possess a wide balance of skills and experience, trustees are appointed by a number of different bodies:

- Two of the trustees are ex officio (Head teacher and Vicar)
- Up to two trustees appointed by the Somerton Education Trust
- No fewer than six of the trustees are appointed by the members
- Up to two of the trustees are appointed as Chair of the Local Governing Bodies
- Up to two of the trustees are community trustees co-opted by the trustees
- A minimum of two elected representatives of the parents of pupils attending the academies to sit on the Local Governing Body.

The total number of trustees who are employees of the academy shall not exceed one third of the total number of trustees.

Policies and procedures adopted for the induction and training of Trustees

A trustee is nominated as the training trustee, whose role is to inform the remaining trustees of available training courses. Newly appointed trustees are paired with an experienced trustee to ease the task of acquiring the skills required.

KING INA CHURCH OF ENGLAND ACADEMY

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

Organisational structure

All major decisions are taken by the full board of trustees. The responsibilities of the board of trustees and the headteacher are as defined in the DfE Guide to the Law publication. The headteacher is confirmed as the accounting officer.

The responsibility of the local governing body has been redirected to a focus on monitoring the standards of teaching and learning, pupil outcomes and challenging the headteacher; holding her to account for standards across the Academy. Their remit is closely aligned to the School Development Plan with members assigned to monitoring specific areas of the plan.

Arrangements for setting pay and remuneration of key management personnel

The Pay Committee within the Finance Committee reviews the remuneration of the Headteacher supported by external reviews. Performance as assessed during the Performance Management reviews is one of the key criteria used by the Pay Committee. The Headteacher reviews the remuneration of the other members of the Senior Management Team and all other members of staff.

Connected organisations, including related party relationships

King Ina Church of England Academy is a member of the Huish Community Learning Partnership. The CLP enables members to share resources, training opportunities for staff and information sessions for parents and strategies with the aim of improving the standard of education. This year has seen the development of curriculum maps enabling a continuous curriculum from Reception to Year 11 and transition events for pupils moving from KS2 to KS3.

The academy benefits from the support of the Somerton Education Trust which can provide funding for specific projects i.e. IT equipment and school trips. This year, in addition, they made a significant financial contribution to increase the size of the school hall in the new school building. Thus enhancing opportunities for whole school activities and worship and a wider variety of indoor sporting activities.

KING INA CHURCH OF ENGLAND ACADEMY

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

Objectives and activities

Objects and aims

The Vision of the academy is: Start children off on the way they should go and even when they are old they will not turn from it. Proverbs 22:6 (NIV). Within our secure Christian environment to develop healthy, happy, motivated learners who aspire to achieve their full potential and who look to the future with confidence. This vision is supported by the following values and aims:

1. Values: Our Christian values are: Hope, Endurance, Friendship, Peace, Creation and Koinonia. The children helped us to turn these values in to a language that they understand:

- Believe – We hope for a better world where everyone is kind and respectful to each other and we believe in a bright future.
- Determination – We use endurance to be the best we can be and never give up.
- Friendship – We are friendly, caring, honest and supportive to all in our community.
- Calm – We are peaceful and have healthy minds and bodies that help develop our well-being.
- Eco-friendly – We respect, love and care for the world God created for us to live in.
- Community – We work together as a team in all that we do in our school and wider community

2. Aims:

- To build on the Academy's Church of England foundation and encourage a way of life which respects the beliefs of others.
- To develop the potential of each child.
- To help each child to look to the future with confidence.

3. We aim to provide a well-managed academy:

- Which anticipates the needs of the future with clear structures of administration and communication.
- Which promotes the academy as an active partner in the community and works in tune with the local environment.

Objectives, strategies and activities

Each year a School Development Plan is published to detail the main tasks and objectives for the School Year. All KS2 pupils have the opportunity to undertake a residential trip. The SET charity offers to assist families who have financial difficulties. Unfortunately, due to the COVID-19 pandemic, all of the residential trips planned for 2020/21 had to be cancelled, following Government instruction.

Public benefit

The academy trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission. The academy meets these requirements by providing free education to all those enrolled in the academy.

STRATEGIC REPORT

Achievements and performance

SIAMS Inspection:

Statutory Inspection of Anglican and Methodist Schools (SIAMs). The inspection took place on the Junior site on 24th May 2018 to assess the effectiveness of the Academy as a Church of England School. The outcome was that the school continues to be awarded an 'Outstanding' grade.

The following statements are amongst the many strengths identified by the inspector:

- King Ina Church of England Academy is a welcoming, happy, caring and supportive community, informed by deeply embedded Christian values and biblical teaching, where all pupils feel valued and special.
- Pupils describe their school as being 'safe, where everyone is kind, polite and friendly and where adults always take care of us'.
- Behaviour and relationships between children are of the highest standard. Pupils are courteous, respectful and appreciative of what the school provides.
- An outstanding focus on well-being results from the academy's strong belief in the value of each individual and concern for the 'whole child'.
- Strong Christian values are embedded with a truly distinctive Christian ethos throughout the school and its community. This has led to pupils' exemplary behaviour, deeply caring relationships and very good academic achievements.
- Standards and achievement in religious education are high, due to the well-planned, enriching and engaging curriculum.
- The excellent close, mutually beneficial relationships the school has with the local church and the community it serves enhance its distinctive Christian character.

All children returned to school full time in September 2021 following the previous term's lockdown and worked within bubbles with staggered starts and finish times, break and lunchtimes. Teachers assessed pupils upon return to school to establish the gaps in the children's academic learning and to gain a picture of their social, emotional mental health needs (SEMH). The school created a Recovery Curriculum to address the children's needs which provided:

- Tailored learning for each class
- Interventions for individuals and groups of children who required support to fill the gaps in their learning and
- Enhanced SEMH support for all children

During the Spring Term 2021 lockdown, only vulnerable pupils and pupils of key workers were able to attend school and all other children accessed Remote Learning (please see website for details of King Ina's Remote Learning provision). Laptops were purchased to support learning at home for vulnerable pupils and children accessed learning via live lessons and teacher guidance on eSchools and attended weekly Zoom meetings with their class friends. The families' well-being remained a priority during this time, with individual weekly welfare telephone calls home to provide support and guidance during this challenging period.

KING INA CHURCH OF ENGLAND ACADEMY

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

STRATEGIC REPORT

We moved into the new school building in April, merging the Infant and Junior schools together within a new structure. There was a period of transition whilst the staff and children settled into their new learning environment. The ongoing Covid-19 pandemic continued to present challenges and changed how we operated in daily school life. Teachers once again assessed the children to establish the impact of the Spring Term lockdown and the gaps in learning that required filling, concluding that our youngest children had been most impacted by the lockdown. Catch up funding was used to pay for additional support for children's learning across the academy and to appoint an additional TA for the academic year 2021-22 to continue to support children who need to catch up.

The government cancelled all statutory assessments in the Summer 2021, however we did undertake internal teacher assessments. End of EYFS, KS1 and KS2 teacher assessment results for 2021 are below:

| End of EYFS | % of pupils achieving a Good Level of Development: 51% | | |
|-------------|---|---------|-------|
| | Reading | Writing | Maths |
| End of KS1 | 72% | 72% | 74% |
| End of KS2 | 87% | 87% | 91% |

Key financial performance indicators

The academy compares high level budget allocation against a number of comparable schools during the budget setting activity. Each year the aim is to achieve a balanced budget including a contingency sum to cater for unforeseen expenditure.

Going concern

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

Financial review

Detailed accounts are included later in this report. The academy has generated a Financial Regulations Manual to ensure a process for financial control and management is in place.

The majority of the academy's funding is obtained from the Education & Skills Funding Agency (ESFA) in the form of recurrent grants. This funding is recognised as restricted due to its specific purposes. Any ESFA funding received for fixed assets is shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned as defined in the academy's accounting policies.

KING INA CHURCH OF ENGLAND ACADEMY

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

STRATEGIC REPORT

The academy also receives grants from Somerset County Council for Individually Assigned Resources to support pupils who are eligible for SEND funding. These grants are treated as restricted income.

During the year the academy trust received income of £9,361,448 (2020: £1,598,858) and incurred expenditure of £3,371,628 (2020: £1,657,421) which, together with an actuarial pension fund loss of £94,000 (2020: loss £142,000), results in a net increase in funds of £5,895,820 (2020: decrease £200,563). By fund these figures are broken down as:

- Unrestricted income, generated through activities such as educational trips and clubs, of £55,190 less attributable expenditure, including transfers, of £25,872 to leave a surplus of £29,318.
- Restricted income of £1,695,490 less expenditure, transfers and pension adjustments of £1,801,730 to leave deficit of £106,240.
- Restricted fixed asset income of £7,610,768 (including donated assets of £7,599,043) less expenditure and transfers of £1,638,026 to leave a surplus of £5,972,742.

The Catch-up Premium was used to deploy staff to work with pupils who required catching up following lockdown. Staff delivered sharply focused interventions to individuals or groups of pupils who as a result of the support, made rapid progress with their learning. The Academy received £30,760 of Catch-Up Premium and spent £16,938 of it in the year 20/21, taking forward £13,822 into 21/22 to continue this focused additional support.

Reserves policy

The trustees review the reserve levels of the academy annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments, and the nature of the reserves. The trustees aim to have sufficient reserves to meet on going commitments.

The academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £157,797. Additionally within restricted funds the academy holds £300,095 of reserves (including the General Annual Grant) that are considered freely available for general purposes. The academy aims to hold a contingency fund of £105,000 to cover unexpected expenditure based on one month's staffing cost. Any reserves in excess of this will be invested in outside play equipment at the new school or retained to support any future deficits whilst the academy adjusts to bringing its staffing structure in line with the single school funding following the amalgamation of the two schools in 2020/21.

Investment policy

The financial model of the academy is to use funds for the benefit of the pupils currently in the academy; consequently there is no requirement for an investment policy.

KING INA CHURCH OF ENGLAND ACADEMY

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

STRATEGIC REPORT

Principal risks and uncertainties

The key financial risk relates to the number of pupils in the academy. The academy maintains close links with local nurseries and has a good attendance at the nursery within the trust. As a result, it is able to mitigate risk against falling pupil numbers.

To indicate the importance of health and safety the trustees have it as an agenda item at every meeting.

Risk assessments are carried out prior to all school trips and activities in compliance with the County guidelines using the product Flamefast. Staff are trained as offsite visit coordinators, signed off by the board of trustees, headteacher and the County designated officer.

The academy maintains a Business Continuation Plan to ensure the continuation of the provision of education to the pupils.

Funds held as Custodian Trustee on behalf of others

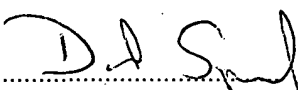
The academy trust and its trustees do not act as the custodian trustee of any other charity.

Auditor

Insofar as the Trustees are aware:

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

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees on 24.11.21 and signed on its behalf by:


D Speed
Trustee

KING INA CHURCH OF ENGLAND ACADEMY

GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to S Svenson, Accounting Officer, 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 King Ina Church of England Academy and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

| Trustee | Meetings attended | Out of a possible |
|----------------|------------------------------|------------------------------|
| P Austin | 6 | 6 |
| G Load | 4 | 6 |
| L Smallwood | 6 | 6 |
| D Speed | 6 | 6 |
| I Stone | 5 | 6 |
| S Svenson | 6 | 6 |
| A Symonds | 6 | 6 |
| J Walmsley | 6 | 6 |

KING INA CHURCH OF ENGLAND ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

Governance reviews

During these meetings the Trustees reviewed their statutory oversight of the operation of the Academy. The Trustees supported the recruitment of a number of staff to strengthen teaching as the school expanded. Finally, the Trustees supported the Academy during the period of lockdown as a result of the COVID-19 Pandemic.

The Local Governing Body (LGB) maintain a Monitoring Framework, detailing how the School Development Plan is monitored and evaluated. In 2020/21, the LGB adapted their work to the situation and needs of the school during the pandemic. They reviewed the way they worked and combined most LGB and directors' meetings where possible, to reduce workload on the SLT. A large part of the work the LGB carried out focused on supporting the well-being of the staff and pupils, including undertaking a staff survey. The LGB has considered data against national and local data and training in understanding data or financial information has been offered.

The LGB undertook a self-review in Autumn 2019 and as a result have identified the following areas of expertise:

1. Monitoring and evaluating SDP
2. Holding school leaders to account
3. Understanding of how the school is performing

And the following areas for development:

1. Appointing a Clerk
2. 3-5 year vision, to include achievements of the children who have left the school
3. Regular reports of the work of the governing body to parents and local community The next self-review is due in Autumn 2021.

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to provide a process of review, authorisation and monitoring for the academy. The audit committee forms part of the finance committee. The audit committee is a sub-committee of the main board of trustees with delegated executive powers. Its purpose is to maintain an oversight of the academy trust's governance, risk management, internal control and value for money framework. Attendance at meetings during the year was as follows:

| Trustee | Meetings attended | Out of a possible |
|----------------|--------------------------|--------------------------|
| G Load | 7 | 7 |
| D Speed | 7 | 7 |
| I Stone | 7 | 7 |
| S Svenson | 7 | 7 |

KING INA CHURCH OF ENGLAND ACADEMY

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer the member 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 trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- The Academy is a member of the Huish Community Learning Partnership and works to aid collaboration across Key Stage 1, Key Stage 2 and Key Stage 3. Where possible we are able to share procurement costs, for example, the services of specialist advisors, and share good practice and provide professional development opportunities for teachers. The CLP devised a STEP Process Response to Covid-19 ensuring all the schools across the partnership would be able to continue to offer education to pupils, in the event of individual school closures due to staff absences. Future gains will be made with the requirement for single subscriptions going forward.
- In April 2021 King Ina Juniors and Infants amalgamated, moving from the two existing sites into a new modern building as a single Primary School. This process has had a positive impact in several areas regarding value for money; The building is designed to be energy efficient, leading to lower gas and electricity costs. The meters that control and monitor the energy supply to the school benefit from the latest technology, resulting in more timely reporting on our usage. It has presented opportunities for a reduction in admin and caretaking staff costs.
- Being on one site means that no time is lost for staff commuting from one site to the other, both for the SLT from a management standpoint and allowing more easily for collaborative working and cohesion of working practices. Physical learning resources for the pupils are also more easily shared, reducing the need for any duplication for efficiency and benefiting pupils whose learning journey is different from their peers across the Key Stage 1/2 boundary.
- The new school building is furnished with new fixtures, fittings and equipment predominantly funded by SCC which will reduce the amount that needs to be spent on maintenance and repairs over the next few years. We have also benefitted from a significant investment in ICT, bringing all of our ICT resources right up to date with the latest technology and security measures.
- Through the Huish CLP, a discounted subscription fee was secured for the School Cloud. The online parents' evening system not only keeps our school community safer during the pandemic by reducing contact, but increases efficiency of teaching and admin time.

The purpose of the system of internal control

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

KING INA CHURCH OF ENGLAND ACADEMY
GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees 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 Board of Trustees 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 year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. However the Trustees have appointed Irene Stone CPFA & Graham Load ACIB as Responsible Officers.

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

- An income review

On a half yearly basis, the Responsible Officer reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

There were no material control or other issues reported by the Responsible Officer to date.

KING INA CHURCH OF ENGLAND ACADEMY
GOVERNANCE STATEMENT (CONTINUED)

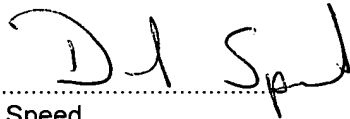
Review of effectiveness


As Accounting Officer, S Svenson, Accounting Officer 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 responsible officer;
- the work of the external auditor;
- the financial management and governance self assessment process;
- 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 Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 21/11/21 and signed on its behalf by:


D Speed
Trustee


S Svenson
Trustee

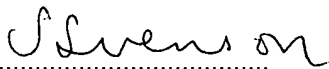
KING INA CHURCH OF ENGLAND ACADEMY

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of King Ina Church of England Academy I have considered my responsibility to notify the academy trust Board of Trustees 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 Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

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



S Svenson, Accounting Officer

Date: 24/11/20

KING INA CHURCH OF ENGLAND ACADEMY
STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

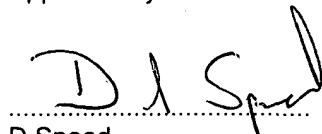
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards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

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

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

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

Approved by order of the members of the Board on 24/11/21 and signed on its behalf by:



D Speed
Trustee

KING INA CHURCH OF ENGLAND ACADEMY

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KING INA CHURCH OF ENGLAND ACADEMY

Opinion

We have audited the financial statements of King Ina Church of England Academy (the 'Academy') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs 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 Academies Accounts Direction 2020 to 2021.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

KING INA CHURCH OF ENGLAND ACADEMY

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KING INA CHURCH OF ENGLAND ACADEMY (CONTINUED)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 15], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

KING INA CHURCH OF ENGLAND ACADEMY

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KING INA CHURCH OF ENGLAND ACADEMY (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

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

The extent to which the audit was considered capable of detecting irregularities including fraud

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Academy through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Academy, including the Companies Act 2006, Academies Accounts Direction 2020 to 2021, Charities SORP 2019, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

KING INA CHURCH OF ENGLAND ACADEMY

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

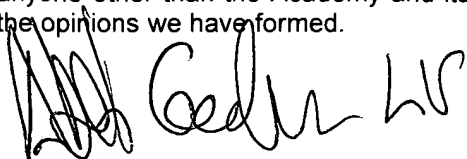
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance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

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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



Joseph Doggrell ACA (Senior Statutory Auditor)
For and on behalf of Albert Goodman LLP, Statutory Auditor

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date: 8/12/2021

KING INA CHURCH OF ENGLAND ACADEMY

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY

In accordance with the terms of our engagement letter 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 King Ina Church of England Academy during the year 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 King Ina Church of England Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to King Ina Church of England Academy and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than King Ina Church of England Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Board of Trustees' funding agreement with the Secretary of State for Education dated 1 September 2012 and the Academies Financial Handbook extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 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.

KING INA CHURCH OF ENGLAND ACADEMY

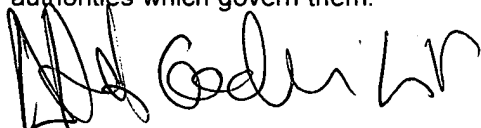
INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY (CONTINUED)

The work undertaken to draw to our conclusion includes:

- Reviewing compliance against the requirements of the Academies Financial Handbook (September 2020);
- A review of the governance policies and procedures with specific consideration of financial planning, monitoring and control;
- Gaining assurance that the lines of delegation and the limits set both internally by the academy and by ESFA have been adhered to;
- A review of all meeting minutes of the board trustees;
- An examination of financial transactions to identify any unusual items which may be improper; and
- A review of the declaration of interests completed by the trustees.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 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.



.....
Joseph Doggrell ACA

For and on behalf of Albert Goodman LLP, Chartered Accountants

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date: 8/12/2021

KING INA CHURCH OF ENGLAND ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021

(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

| | Note | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | 2020/21 Total £ |
|---|------|----------------------------|-------------------------------------|---|-----------------------|
| Income and endowments from: | | | | | |
| Donations and capital grants | 2 | 16,672 | - | 7,610,768 | 7,627,440 |
| <i>Charitable activities:</i> | | | | | |
| Funding for the Academy trust's educational operations | 3 | - | 1,695,490 | - | 1,695,490 |
| Other trading activities | 4 | 38,467 | - | - | 38,467 |
| Investments | 5 | 51 | - | - | 51 |
| Total | | 55,190 | 1,695,490 | 7,610,768 | 9,361,448 |
| Expenditure on: | | | | | |
| <i>Charitable activities:</i> | | | | | |
| Academy trust educational operations | 7 | 25,872 | 1,706,783 | 1,638,973 | 3,371,628 |
| Net income/(expenditure) | | 29,318 | (11,293) | 5,971,795 | 5,989,820 |
| Transfers between funds | | - | (947) | 947 | - |
| Other recognised gains and losses | | | | | |
| Actuarial losses on defined benefit pension schemes | 22 | - | (94,000) | - | (94,000) |
| Net movement in funds/(deficit) | | 29,318 | (106,240) | 5,972,742 | 5,895,820 |
| Reconciliation of funds | | | | | |
| Total funds/(deficit) brought forward at 1 September 2020 | | 128,908 | (884,665) | 1,588,585 | 832,828 |
| Total funds/(deficit) carried forward at 31 August 2021 | | 158,226 | (990,905) | 7,561,327 | 6,728,648 |

KING INA CHURCH OF ENGLAND ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020

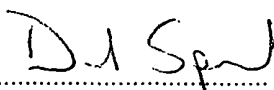
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

| | Note | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | 2019/20 Total £ |
|---|------|----------------------------|-------------------------------------|---|-----------------------|
| Income and endowments from: | | | | | |
| Donations and capital grants | 2 | 7,154 | - | 11,446 | 18,600 |
| <i>Charitable activities:</i> | | | | | |
| Funding for the Academy trust's educational operations | 3 | - | 1,486,321 | - | 1,486,321 |
| Other trading activities | 4 | 93,786 | - | - | 93,786 |
| Investments | 5 | 151 | - | - | 151 |
| Total | | 101,091 | 1,486,321 | 11,446 | 1,598,858 |
| Expenditure on: | | | | | |
| <i>Charitable activities:</i> | | | | | |
| Academy trust educational operations | 7 | 85,992 | 1,504,437 | 66,992 | 1,657,421 |
| Net income/(expenditure) | | 15,099 | (18,116) | (55,546) | (58,563) |
| Other recognised gains and losses | | | | | |
| Actuarial losses on defined benefit pension schemes | 22 | - | (142,000) | - | (142,000) |
| Net movement in funds/(deficit) | | 15,099 | (160,116) | (55,546) | (200,563) |
| Reconciliation of funds | | | | | |
| Total funds/(deficit) brought forward at 1 September 2019 | | 113,809 | (724,549) | 1,644,131 | 1,033,391 |
| Total funds/(deficit) carried forward at 31 August 2020 | | 128,908 | (884,665) | 1,588,585 | 832,828 |

KING INA CHURCH OF ENGLAND ACADEMY
(REGISTRATION NUMBER: 08120037)
BALANCE SHEET AS AT 31 AUGUST 2021

| | Note | 2021 £ | 2020 £ |
|--|------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 11 | 7,549,742 | 1,566,429 |
| Current assets | | | |
| Debtors | 12 | 45,245 | 81,997 |
| Cash at bank and in hand | | <u>521,344</u> | <u>342,948</u> |
| | | 566,589 | 424,945 |
| Creditors: Amounts falling due within one year | 13 | <u>(96,683)</u> | <u>(99,546)</u> |
| Net current assets | | <u>469,906</u> | <u>325,399</u> |
| Total assets less current liabilities | | <u>8,019,648</u> | <u>1,891,828</u> |
| Net assets excluding pension liability | | 8,019,648 | 1,891,828 |
| Pension scheme liability | 22 | <u>(1,291,000)</u> | <u>(1,059,000)</u> |
| Net assets including pension liability | | <u>6,728,648</u> | <u>832,828</u> |
| Funds of the Academy: | | | |
| Restricted funds | | | |
| Restricted general fund | | (990,905) | (884,665) |
| Restricted fixed asset fund | | <u>7,561,327</u> | <u>1,588,585</u> |
| | | 6,570,422 | 703,920 |
| Unrestricted funds | | | |
| Unrestricted general fund | | <u>158,226</u> | <u>128,908</u> |
| Total funds | | <u>6,728,648</u> | <u>832,828</u> |

The financial statements on pages 22 to 47 were approved by the Trustees, and authorised for issue on 24.10.21 and signed on their behalf by:


D Speed
Trustee

KING INA CHURCH OF ENGLAND ACADEMY
STATEMENT OF CASH FLOWS

| | Note | 2021 £ | 2020 £ |
|---|-------------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 17 | 190,210 | 81,600 |
| Cash flows from investing activities | 18 | <u>(11,814)</u> | <u>11,597</u> |
| Change in cash and cash equivalents in the year | | 178,396 | 93,197 |
| Cash and cash equivalents at 1 September | | <u>342,948</u> | <u>249,751</u> |
| Cash and cash equivalents at 31 August | 19 | <u><u>521,344</u></u> | <u><u>342,948</u></u> |

KING INA CHURCH OF ENGLAND ACADEMY

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.

Basis of preparation

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

Going concern

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

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 year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised 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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

KING INA CHURCH OF ENGLAND ACADEMY

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

(CONTINUED)

1 Accounting policies (continued)

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

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.

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 financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be 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.

Expenditure

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

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.

KING INA CHURCH OF ENGLAND ACADEMY

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

(CONTINUED)

1 Accounting policies (continued)

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.

Tangible fixed assets

Assets costing £1,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

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.

| Asset class | Depreciation method and rate |
|--------------------------|-------------------------------------|
| Long leasehold land | Over the lease term |
| Long leasehold buildings | 2% |
| Fixtures and fittings | 20% |
| Computer equipment | 20%-33% |
| Motor vehicle | 20% |

KING INA CHURCH OF ENGLAND ACADEMY

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

(CONTINUED)

1 Accounting policies (continued)

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.

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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

Leased assets

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

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.

KING INA CHURCH OF ENGLAND ACADEMY

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

(CONTINUED)

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated 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 of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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/(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.

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 trustees.

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

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

Critical accounting estimates and areas of judgement

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

KING INA CHURCH OF ENGLAND ACADEMY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****(CONTINUED)****1 Accounting policies (continued)*****Critical accounting estimates and assumptions***

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

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

2 Donations and capital grants

| | Unrestricted funds £ | Restricted fixed asset funds £ | 2020/21 Total £ | 2019/20 Total £ |
|-------------------------|-------------------------------------|---|--------------------------------|--------------------------------|
| Capital grants DfE/ESFA | - | 11,725 | 11,725 | 11,446 |
| Other donations | 16,672 | 7,599,043 | 7,615,715 | 7,154 |
| | <u>16,672</u> | <u>7,610,768</u> | <u>7,627,440</u> | <u>18,600</u> |

3 Funding for the Academy Trust's educational operations

| | Restricted funds £ | 2020/21 Total £ | 2019/20 Total £ |
|--------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| DfE/ESFA revenue grants | | | |
| General Annual Grant (GAG) | 1,264,602 | 1,264,602 | 1,135,188 |
| Pupil Premium | 89,672 | 89,672 | 89,144 |
| UIFSM | 41,793 | 41,793 | 43,482 |
| Other DfE/ESFA Grants | 101,068 | 101,068 | 125,904 |
| | <u>1,497,135</u> | <u>1,497,135</u> | <u>1,393,718</u> |

KING INA CHURCH OF ENGLAND ACADEMY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****(CONTINUED)****3 Funding for the Academy Trust's educational operations (continued)**

| | Restricted funds £ | 2020/21 Total £ | 2019/20 Total £ |
|---------------------------------|-----------------------------------|--------------------------------|--------------------------------|
| Other government grants | | | |
| Individually assigned resources | 75,247 | 75,247 | 5,739 |
| Early Years Funding | 87,348 | 87,348 | 84,864 |
| Non Government grants | 5,000 | 5,000 | - |
| Catch-up premium | 30,760 | 30,760 | - |
| | <u>198,355</u> | <u>198,355</u> | <u>90,603</u> |
| Total grants | <u>1,695,490</u> | <u>1,695,490</u> | <u>1,484,321</u> |

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

The catch up premium income, associated expenditure and carried forward balance to be spent in 2021-22 is detailed in the Funds note.

4 Other trading activities

| | Unrestricted funds £ | 2020/21 Total £ | 2019/20 Total £ |
|----------------------------------|-------------------------------------|--------------------------------|--------------------------------|
| Facilities and services income | 11,910 | 11,910 | 26,100 |
| Educational Trips and Activities | 7,062 | 7,062 | 9,439 |
| Other income | 19,495 | 19,495 | 58,247 |
| | <u>38,467</u> | <u>38,467</u> | <u>93,786</u> |

5 Investment income

| | Unrestricted funds £ | 2020/21 Total £ | 2019/20 Total £ |
|---------------------|-------------------------------------|--------------------------------|--------------------------------|
| Short term deposits | <u>51</u> | <u>51</u> | <u>151</u> |

KING INA CHURCH OF ENGLAND ACADEMY

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

(CONTINUED)

6 Expenditure

| | Non Pay Expenditure | | | 2021 | 2020 |
|---|---------------------|---------------|------------------|------------------|------------------|
| | Staff costs | Premises | Other costs | Total | Total |
| | £ | £ | £ | £ | £ |
| Academy's educational operations | | | | | |
| Direct costs | 1,313,157 | - | 57,487 | 1,370,644 | 1,189,790 |
| Allocated support costs | 151,489 | 10,706 | 1,838,789 | 2,000,984 | 467,631 |
| | <u>1,464,646</u> | <u>10,706</u> | <u>1,896,276</u> | <u>3,371,628</u> | <u>1,657,421</u> |

Net income/(expenditure) for the year includes:

| | 2020/21 | 2019/20 |
|---|------------------|----------|
| | £ | £ |
| Operating lease rentals | 3,771 | 3,417 |
| Depreciation | 122,025 | 67,337 |
| Fees payable to auditor - audit | 6,500 | 5,150 |
| - other audit services | 2,532 | 2,800 |
| (Gain)/loss on disposal of fixed assets | <u>1,515,912</u> | <u>-</u> |

7 Charitable activities

| | 2020/21 | 2019/20 |
|--|------------------|------------------|
| | £ | £ |
| Direct costs - educational operations | 1,370,644 | 1,189,790 |
| Support costs - educational operations | 2,000,984 | 467,631 |
| | <u>3,371,628</u> | <u>1,657,421</u> |

| | Educational operations | 2020/21 | 2019/20 |
|--|------------------------|------------------|------------------|
| | £ | Total | Total |
| | | £ | £ |
| Analysis of direct costs | | | |
| Teaching and educational support staff costs | 1,313,157 | 1,313,157 | 1,129,217 |
| Educational supplies | 52,248 | 52,248 | 55,960 |
| Staff development | 5,239 | 5,239 | 4,613 |
| Total direct costs | <u>1,370,644</u> | <u>1,370,644</u> | <u>1,189,790</u> |

KING INA CHURCH OF ENGLAND ACADEMY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****(CONTINUED)****7 Charitable activities (continued)**

| | Educational operations £ | 2020/21 Total £ | 2019/20 Total £ |
|---------------------------------------|---|--------------------------------|--------------------------------|
| Analysis of support costs | | | |
| Support staff costs | 151,489 | 151,489 | 203,690 |
| Depreciation | 123,408 | 123,408 | 67,337 |
| Recruitment and support | 4,121 | 4,121 | 1,166 |
| Rent and rates | 5,866 | 5,866 | 6,020 |
| Energy costs | 26,941 | 26,941 | 22,037 |
| Insurance | 6,675 | 6,675 | 5,791 |
| Catering | 44,092 | 44,092 | 46,081 |
| Maintenance of premises and equipment | 10,706 | 10,706 | 13,234 |
| Cleaning | 4,759 | 4,759 | 9,500 |
| Technology costs | 3,091 | 3,091 | 993 |
| Professional fees | 61,431 | 61,431 | 48,328 |
| Other support costs | 28,344 | 28,344 | 35,354 |
| Governance costs | 14,149 | 14,149 | 8,100 |
| Loss on disposal of fixed assets | <u>1,515,912</u> | <u>1,515,912</u> | <u>-</u> |
| Total support costs | <u>2,000,984</u> | <u>2,000,984</u> | <u>467,631</u> |

KING INA CHURCH OF ENGLAND ACADEMY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****(CONTINUED)****8 Staff****Staff costs**

| | 2020/21 £ | 2019/20 £ |
|--|------------------|------------------|
| Staff costs during the year were: | | |
| Wages and salaries | 1,012,785 | 940,546 |
| Social security costs | 66,263 | 65,328 |
| Operating costs of defined benefit pension schemes | 372,932 | 309,771 |
| | <u>1,451,980</u> | <u>1,315,645</u> |
| Supply staff costs | 12,666 | 17,262 |
| | <u>1,464,646</u> | <u>1,332,907</u> |

Staff numbers

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

| | 2021 No | 2020 No |
|------------------------------|------------|------------|
| Charitable Activities | | |
| Teachers | 17 | 15 |
| Administration and support | 57 | 49 |
| Management | 2 | 2 |
| | <u>76</u> | <u>66</u> |

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

| | 2021 No | 2020 No |
|-------------------|------------|------------|
| £60,001 - £70,000 | <u>1</u> | <u>1</u> |

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £390,345 (2020: £339,107).

KING INA CHURCH OF ENGLAND ACADEMY

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

(CONTINUED)

9 Related party transactions - trustees' remuneration and expenses

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

S Svenson (Headteacher and trustee):

Remuneration: £65,000 - £70,000 (2020 - £60,000 - £65,000)

Employer's pension contributions: £15,000 - £20,000 (2020 - £15,000 - £20,000)

J Walmsley (Staff trustee):

Remuneration: £0 - £5,000 (2020 - £10,000 - £15,000)

Employer's pension contributions: £0 - £5,000 (2020 - £0 - £5,000)

Other related party transactions involving the trustees are set out in note 23.

10 Trustees' and officers' insurance

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

KING INA CHURCH OF ENGLAND ACADEMY

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

(CONTINUED)

11 Tangible fixed assets

| | Leasehold land and buildings £ | Furniture and equipment £ | Computer equipment £ | Motor vehicles £ | Total £ |
|-------------------------|---|--|-------------------------------------|---------------------------------|--------------------|
| Cost | | | | | |
| At 1 September 2020 | 1,885,406 | 70,189 | 72,513 | 1,700 | 2,029,808 |
| Additions | 7,415,000 | 100,876 | 106,757 | - | 7,622,633 |
| Disposals | <u>(1,885,406)</u> | <u>(63,651)</u> | <u>(19,766)</u> | <u>(1,700)</u> | <u>(1,970,523)</u> |
| At 31 August 2021 | <u>7,415,000</u> | <u>107,414</u> | <u>159,504</u> | <u>-</u> | <u>7,681,918</u> |
| Depreciation | | | | | |
| At 1 September 2020 | 330,862 | 68,239 | 62,578 | 1,700 | 463,379 |
| Charge for the year | 99,463 | 9,638 | 14,307 | - | 123,408 |
| Eliminated on disposals | <u>(369,541)</u> | <u>(63,605)</u> | <u>(19,765)</u> | <u>(1,700)</u> | <u>(454,611)</u> |
| At 31 August 2021 | <u>60,784</u> | <u>14,272</u> | <u>57,120</u> | <u>-</u> | <u>132,176</u> |
| Net book value | | | | | |
| At 31 August 2021 | <u>7,354,216</u> | <u>93,142</u> | <u>102,384</u> | <u>-</u> | <u>7,549,742</u> |
| At 31 August 2020 | <u>1,554,544</u> | <u>1,950</u> | <u>9,935</u> | <u>-</u> | <u>1,566,429</u> |

During the year, the academy trust has moved premises, therefore surrendering the leases on old premises (juniors and infants) and have recognised the new premises as donated leasehold property. The new premises were donated to the academy trust as a cost value of £7,415,000. King Ina Academy occupies land and buildings provided to it by the local authority under a 125 year lease.

12 Debtors

| | 2021 £ | 2020 £ |
|--------------------------------|-------------------|-------------------|
| Trade debtors | - | 19,426 |
| VAT recoverable | 11,887 | 9,662 |
| Other debtors | 20,698 | 35,894 |
| Prepayments and accrued income | <u>12,660</u> | <u>17,015</u> |
| | <u>45,245</u> | <u>81,997</u> |

KING INA CHURCH OF ENGLAND ACADEMY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****(CONTINUED)****13 Creditors: amounts falling due within one year**

| | 2021 | 2020 |
|--|-----------------|---------------|
| | £ | £ |
| Trade creditors | 7,031 | 13,370 |
| Other taxation and social security | 44,106 | 39,721 |
| Accruals and deferred income | 45,546 | 46,455 |
| | <u>96,683</u> | <u>99,546</u> |
| | 2021 | 2020 |
| | £ | £ |
| Deferred income | | |
| Deferred income at 1 September 2020 | 29,376 | 23,708 |
| Resources deferred in the period | 30,489 | (23,708) |
| Amounts released from previous periods | <u>(29,376)</u> | <u>29,376</u> |
| Deferred income at 31 August 2021 | <u>30,489</u> | <u>29,376</u> |

At the balance sheet date the academy trust was holding £24,379 (2020: £25,806) received in advance for Universal Infant Free School Meals and £6,110 for school trips in 2022.

KING INA CHURCH OF ENGLAND ACADEMY

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

(CONTINUED)

14 Funds

| | Balance at 1 September 2020 £ | Incoming resources £ | Resources expended £ | Gains, losses and transfers £ | Balance at 31 August 2021 £ |
|--|---|----------------------------|----------------------------|---|---|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 133,222 | 1,264,602 | (1,150,007) | (947) | 246,870 |
| Other DfE/ESFA grants | - | 66,458 | (66,458) | - | - |
| Individually Assigned Resources | - | 75,247 | (75,247) | - | - |
| Early Years Grant | - | 87,348 | (87,348) | - | - |
| Other Local Authority Grant | 3,677 | - | (3,677) | - | - |
| Other restricted funds | - | 5,000 | (5,000) | - | - |
| Pupil Premium | 400 | 89,672 | (90,072) | - | - |
| PE Grant | 37,036 | 34,610 | (32,243) | - | 39,403 |
| UIFSM | - | 41,793 | (41,793) | - | - |
| Covid Grant | - | 30,760 | (16,938) | - | 13,822 |
| Pension reserve | (1,059,000) | - | (138,000) | (94,000) | (1,291,000) |
| | <u>(884,665)</u> | <u>1,695,490</u> | <u>(1,706,783)</u> | <u>(94,947)</u> | <u>(990,905)</u> |
| Restricted fixed asset funds | | | | | |
| Inherited fixed assets | 1,401,383 | 7,599,043 | (1,477,503) | - | 7,522,923 |
| DfE/ESFA capital grants | 163,566 | 11,725 | (142,700) | - | 32,591 |
| Capital expenditure from GAG | 4,867 | - | (4,105) | 947 | 1,709 |
| Capital expenditure from other restricted funds | 917 | - | (917) | - | - |
| Somerton Educational Trust Funding | 17,852 | - | (13,748) | - | 4,104 |
| | <u>1,588,585</u> | <u>7,610,768</u> | <u>(1,638,973)</u> | <u>947</u> | <u>7,561,327</u> |
| Total restricted funds | <u>703,920</u> | <u>9,306,258</u> | <u>(3,345,756)</u> | <u>(94,000)</u> | <u>6,570,422</u> |
| Unrestricted funds | | | | | |
| General | 128,132 | 55,190 | (25,525) | - | 157,797 |
| Capital expenditure | 776 | - | (347) | - | 429 |
| Total unrestricted funds | <u>128,908</u> | <u>55,190</u> | <u>(25,872)</u> | <u>-</u> | <u>158,226</u> |
| Total funds | <u>832,828</u> | <u>9,361,448</u> | <u>(3,371,628)</u> | <u>(94,000)</u> | <u>6,728,648</u> |

KING INA CHURCH OF ENGLAND ACADEMY

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

(CONTINUED)

14 Funds (continued)

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

| | Balance at 1 September 2019 £ | Incoming resources £ | Resources expended £ | Gains, losses and transfers £ | Balance at 31 August 2020 £ |
|--|---|----------------------------|----------------------------|---|---|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 62,964 | 1,135,188 | (1,064,930) | - | 133,222 |
| Other DfE/ESFA grants | 440 | 70,588 | (71,028) | - | - |
| Individually Assigned Resources | - | 5,768 | (5,768) | - | - |
| Early Years Grant | - | 84,863 | (84,863) | - | - |
| Other Local Authority Grant | 3,677 | 2,000 | (2,000) | - | 3,677 |
| Pupil Premium | 1,000 | 89,144 | (89,744) | - | 400 |
| PE Grant | 30,340 | 34,460 | (27,764) | - | 37,036 |
| UIFSM | - | 43,482 | (43,482) | - | - |
| Covid Grant | - | 20,859 | (20,859) | - | - |
| Pension reserve | (823,000) | - | (94,000) | (142,000) | (1,059,000) |
| | <u>(724,579)</u> | <u>1,486,352</u> | <u>(1,504,438)</u> | <u>(142,000)</u> | <u>(884,665)</u> |
| Restricted fixed asset funds | | | | | |
| Inherited fixed assets | 1,425,799 | - | (24,416) | - | 1,401,383 |
| DfE/ESFA capital grants | 185,526 | 11,446 | (33,406) | - | 163,566 |
| Capital expenditure from GAG | 8,904 | - | (4,037) | - | 4,867 |
| Capital expenditure from other restricted funds | 1,227 | - | (310) | - | 917 |
| Somerton Educational Trust Funding | 22,675 | - | (4,823) | - | 17,852 |
| | <u>1,644,131</u> | <u>11,446</u> | <u>(66,992)</u> | <u>-</u> | <u>1,588,585</u> |
| Total restricted funds | <u>919,552</u> | <u>1,497,798</u> | <u>(1,571,430)</u> | <u>(142,000)</u> | <u>703,920</u> |
| Unrestricted funds | | | | | |
| General | 112,686 | 101,091 | (85,645) | - | 128,132 |
| Capital expenditure | 1,123 | - | (347) | - | 776 |
| Total unrestricted funds | <u>113,809</u> | <u>101,091</u> | <u>(85,992)</u> | <u>-</u> | <u>128,908</u> |
| Total funds | <u>1,033,361</u> | <u>1,598,889</u> | <u>(1,657,422)</u> | <u>(142,000)</u> | <u>832,828</u> |

KING INA CHURCH OF ENGLAND ACADEMY

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

(CONTINUED)

14 Funds (continued)

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

General Annual Grant (GAG) – Funding from the Education and Skills Funding Agency to support the education and running costs of the academy. 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 – Grants from the Education and Skills Funding Agency to support PE and sport costs, non-staff insurance costs and pupils from low income families and provide universal infant free school meals.

Early years funding – Funding from Somerset County Council for children that have a specific requirement for additional support and for children attending nursery.

Individually assigned resources – A grant from the local authority to support costs associated with supporting pupils with special educational needs.

Other local authority grants – Funding from Somerset County for the Quality learning Hub and infants.

Pension Reserve – This fund represents the pension deficit for the Local Government Pension Scheme and its associated costs for the period.

Inherited Fixed Assets – Represents the building and equipment donated to the school from the County Council and The Bath and Wells Diocesan on conversion to an academy.

DfE/ESFA capital grants – This is funding from the DfE/ESFA to support capital projects undertaken by the academy.

Capital expenditure from GAG – This represents the amount of the General Annual Grant allocated towards capital expenditure during the period and its associated depreciation.

Capital expenditure from other restricted funds – This represents restricted funds allocated towards capital and the associated depreciation.

Somerton Education Trust funding – This represents money given for new equipment in the class rooms at the academy alongside replacement fencing to be installed at the infants school.

During the year the Junior and Infant school merged in to a Single Academy Trust. Therefore all previous funds and costs which were separately disclosed for each school have been reported as a Single Academy Trust.

KING INA CHURCH OF ENGLAND ACADEMY

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

(CONTINUED)

15 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

| | Unrestricted funds £ | Restricted general funds £ | Restricted fixed asset funds £ | Total funds £ |
|--------------------------|----------------------------|-------------------------------------|---|------------------|
| Tangible fixed assets | 429 | - | 7,549,313 | 7,549,742 |
| Current assets | 157,797 | 396,778 | 12,014 | 566,589 |
| Current liabilities | - | (96,683) | - | (96,683) |
| Pension scheme liability | - | (1,291,000) | - | (1,291,000) |
| Total net assets | <u>158,226</u> | <u>(990,905)</u> | <u>7,561,327</u> | <u>6,728,648</u> |

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

| | Unrestricted funds £ | Restricted general funds £ | Restricted fixed asset funds £ | Total funds £ |
|--------------------------|----------------------------|-------------------------------------|---|------------------|
| Tangible fixed assets | 776 | - | 1,565,653 | 1,566,429 |
| Current assets | 128,132 | 273,881 | 22,932 | 424,945 |
| Current liabilities | - | (99,546) | - | (99,546) |
| Pension scheme liability | - | (1,059,000) | - | (1,059,000) |
| Total net assets | <u>128,908</u> | <u>(884,665)</u> | <u>1,588,585</u> | <u>832,828</u> |

16 Long-term commitments, including operating leases

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 | 2,539 | 3,771 |
| Amounts due between one and five years | - | 1,719 |
| | <u>2,539</u> | <u>5,490</u> |

KING INA CHURCH OF ENGLAND ACADEMY

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

(CONTINUED)

17 Reconciliation of net income/(expenditure) to net cash inflow/(outflow) from operating activities

| | 2021 | 2020 |
|--|----------------|---------------|
| | £ | £ |
| Net income/(expenditure) | 5,989,820 | (58,563) |
| Depreciation | 123,408 | 67,337 |
| Capital grants from DfE and other capital income | (11,725) | (11,446) |
| Interest receivable | (51) | (151) |
| Defined benefit pension scheme cost less contributions payable | 122,000 | 79,000 |
| Defined benefit pension scheme finance cost | 16,000 | 15,000 |
| Decrease/(increase) in debtors | 36,752 | (23,402) |
| (Decrease)/increase in creditors | (2,863) | 13,825 |
| Donated assets | (7,599,043) | - |
| Loss on disposal of tangible fixed assets | 1,515,912 | - |
| Net cash provided by Operating Activities | <u>190,210</u> | <u>81,600</u> |

18 Cash flows from investing activities

| | 2021 | 2020 |
|---|-----------------|---------------|
| | £ | £ |
| Dividends, interest and rents from investments | 51 | 151 |
| Purchase of tangible fixed assets | (23,590) | - |
| Capital funding received from sponsors and others | <u>11,725</u> | <u>11,446</u> |
| Net cash (used in)/provided by investing activities | <u>(11,814)</u> | <u>11,597</u> |

19 Analysis of cash and cash equivalents

| | 2021 | 2020 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| Cash in hand and at bank | <u>521,344</u> | <u>342,948</u> |
| Total cash and cash equivalents | <u>521,344</u> | <u>342,948</u> |

KING INA CHURCH OF ENGLAND ACADEMY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****(CONTINUED)****20 Analysis of changes in net debt**

| | At 1 September 2020 | Cash flows | At 31 August 2021 |
|-------|------------------------------------|-------------------|----------------------------------|
| | £ | £ | £ |
| Cash | 342,948 | 178,396 | 521,344 |
| Total | 243,402 | 178,396 | 421,798 |

21 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.

22 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 . Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £30,891 were payable to the schemes at 31 August 2021 (2020: £23,482) and are included within creditors.

Teachers' Pension Scheme

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

The TPS is an unfunded scheme to which both 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.

KING INA CHURCH OF ENGLAND ACADEMY

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

(CONTINUED)

22 Pension and similar obligations (continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £138,020 (2020: £129,000).

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 contribution made for the year ended 31 August 2021 was £120,000 (2020 - £104,000), of which employer's contributions totalled £97,000 (2020 - £83,000) and employees' contributions totalled £23,000 (2020 - £21,000). The agreed contribution rates for future years are 21 per cent for employers and 5.5 per cent for employees.

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

Principal actuarial assumptions

| | 2021 | 2020 |
|--|-------------|-------------|
| | % | % |
| Rate of increase in salaries | 4.40 | 3.80 |
| Rate of increase for pensions in payment/inflation | 2.90 | 2.30 |
| Discount rate for scheme liabilities | 1.70 | 1.60 |
| Inflation assumptions (CPI) | <u>2.90</u> | <u>2.30</u> |

KING INA CHURCH OF ENGLAND ACADEMY

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

(CONTINUED)

22 Pension and similar obligations (continued)

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

| | 2021 | 2020 |
|------------------------------|--------------|--------------|
| Retiring today | | |
| Males retiring today | 23.10 | 23.30 |
| Females retiring today | 24.60 | 24.80 |
| Retiring in 20 years | | |
| Males retiring in 20 years | 24.40 | 24.70 |
| Females retiring in 20 years | <u>26.10</u> | <u>26.20</u> |

Sensitivity analysis

| | 2021 | 2020 |
|--|------------------|------------------|
| | £ | £ |
| Discount rate +0.1% | 2,189,000 | 1,718,000 |
| Discount rate -0.1% | 2,301,000 | 1,805,000 |
| Mortality assumption – 1 year increase | 2,335,000 | 1,827,000 |
| Mortality assumption – 1 year decrease | <u>2,156,000</u> | <u>1,698,000</u> |

The academy trust's share of the assets in the scheme were:

| | 2021 | 2020 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Equities | 694,000 | 489,000 |
| Gilts | 54,000 | 49,000 |
| Other bonds | 99,000 | 76,000 |
| Property | 68,000 | 51,000 |
| Cash and other liquid assets | <u>38,000</u> | <u>37,000</u> |
| Total market value of assets | <u>953,000</u> | <u>702,000</u> |

The actual return on scheme assets was £155,000 (2020 - £22,000).

Amounts recognised in the statement of financial activities

| | 2021 | 2020 |
|-------------------------------------|------------------|----------------|
| | £ | £ |
| Current service cost | 2,190,000 | 162,000 |
| Interest cost | <u>16,000</u> | <u>15,000</u> |
| Total amount recognized in the SOFA | <u>2,206,000</u> | <u>177,000</u> |

KING INA CHURCH OF ENGLAND ACADEMY**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****(CONTINUED)****22 Pension and similar obligations (continued)****Changes in the present value of defined benefit obligations were as follows:**

| | 2021 | 2020 |
|------------------------|------------------|------------------|
| | £ | £ |
| At start of period | 1,761,000 | 1,494,000 |
| Current service cost | 219,000 | 162,000 |
| Interest cost | 28,000 | 28,000 |
| Employee contributions | 23,000 | 21,000 |
| Actuarial (gain)/loss | 237,000 | 63,000 |
| Benefits paid | <u>(24,000)</u> | <u>(7,000)</u> |
| At 31 August | <u>2,244,000</u> | <u>1,761,000</u> |

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

| | 2021 | 2020 |
|------------------------|-----------------|----------------|
| | £ | £ |
| At start of period | 702,000 | 671,000 |
| Interest income | 12,000 | 13,000 |
| Actuarial gain/(loss) | 143,000 | (79,000) |
| Employer contributions | 97,000 | 83,000 |
| Employee contributions | 23,000 | 21,000 |
| Benefits paid | <u>(24,000)</u> | <u>(7,000)</u> |
| At 31 August | <u>953,000</u> | <u>702,000</u> |

23 Related party transactions

Owing to the nature of the academy trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest.

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 9.