

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021



ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

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ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Rev Mark Poskitt Ven Claire Wood Ellen Thompson Claire Mitchell-White Diocese of Leicester Educational Trust
Trustees	Claire Mitchell-White, Chair of Trustees Rev Jim Mullin, Vice Chair Elizabeth Seymour, Head Teacher Jonathan Hall (resigned 21 May 2021) Rev Mark Poskitt Andrew Meadwell (resigned 10 February 2021) Natalie Perrett Sarah Hurst Lilian Macleod Adam Wells Michael Phillips Alison Grimshaw Dean Faver (resigned 30 June 2021) Claire Campbell (appointed 16 April 2021, resigned 16 June 2021) Simon Jeffers (appointed 26 February 2021) Gemma Wooster (appointed 20 January 2021)
Company registered number	08295240
Company name	St Peter's Church of England Primary Academy
Principal and registered office	Station Road Market Bosworth Nuneaton Warwickshire CV13 0NP
Senior management team	Elizabeth Seymour, Headteacher Emily Holt, Deputy Headteacher Chris Bailey, School Business Manager
Independent auditors	Magma Audit LLP Chartered Accountants Unit 2, Charnwood Edge Business Park Syston Road Cossington Leicestershire LE7 4UZ
Bankers	HSBC Bank Plc Market Place Market Bosworth Nuneaton Warwickshire CV13 0JR

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

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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 period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trust operates an Academy for pupils aged 4 to 11 serving a catchment area in Market Bosworth and the surrounding villages. It has a pupil capacity of 252 and had a roll of 260 in the school census on 3 October 2020.

Structure, governance and management

• Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of St Peter's Church of England Primary Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as St Peter's Church of England Primary Academy.

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 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 officer's indemnity element from the overall cost of the RPA scheme.

• Method of recruitment and appointment or election of Trustees

In accordance with the Articles of Association, the charitable company has adopted a scheme of governance approved by the Secretary for Education. Details are set out in the Memorandum and Articles of Association of the Trust. The scheme allows for the election of Trustees to represent the Parent Body of the Academy and for the election of Staff Trustees. Foundation Trustees are nominated by their respective constituencies and approved by the Members. Trustees are Directors of the charitable company for the purposes of the Companies Act 2006.

The term of office for any Trustee shall be four years, with the exceptions of the Headteacher and the Incumbent. Trustees shall at the start of each financial year elect a Chairman and Vice Chairman. A Trustee who is employed to work within the Academy shall not be eligible for these posts.

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

Structure, governance and management (continued)

● Policies adopted for the induction and training of Trustees

There is a procedure for the induction process for new Trustees during their first year of governance. Regular training opportunities are available to all Trustees to update their knowledge and skills through electronic learning packages or local authority delivered courses. The Academy is also part of a Teaching School Alliance which provides further networking and training opportunities for Trustees. A skills matrix has been compiled to identify priority areas for further Trustee development.

● Organisational structure

The Academy has three levels: The Members; the Board of Trustees and the Senior Leadership Team. The aim of the structure is to clearly identify responsibilities and accountability.

The Trust's Members meet once a year to receive the accounts and oversee the Academy's performance over the year. Some members elect to receive a copy of approved Governing Body minutes, to keep up to date with governors' work.

Following a review of the effectiveness of the governance structure during the year, the Board of Trustees has voted to continue the 'circle' or 'Full Board' approach for the year 2020/2021. The move was made to avoid duplication of reporting and to increase the knowledge and understanding of Trustees across all areas of responsibility. The Full Board of Trustees meets at least six times a year (once each half term) and often more regularly. It fulfils a strategic role, as well as receiving reports from its committees/monitoring governors on Finance and Audit, Personnel and Pay, and Headteacher Performance Management. In 2020/2021, there was monthly meetings with alternate focus on education performance and finance, to ensure continuity of understanding.

Finance reports are presented to most meetings. School improvement and educational performance were considered throughout the year. Additional sessions are held for whole governing body training, strategy review and review of the effectiveness of the Board of Trustees.

The Board considers recommendations made by the Headteacher and agrees priorities, targets and objectives for the Academy, as well as setting budgets, making capital expenditure decisions and senior staff appointments. The Board monitors performance through the overarching strategic plan, the one year Academy improvement plan, the Headteacher's reports to governors, benchmarking of performance against national data and through regular Trustee monitoring visits to school.

The Senior Leadership team is made up of the Headteacher and Deputy Headteacher/SEND Co. A School Business Manager post, following a staffing review. Together, the team implements the strategic direction set by the Trustees and manages the Academy Trust.

Under the direction of the Academy Financial Handbook and the Academy's Finance Policies, the Headteacher (Accounting Officer) has overall responsibility for the financial management of the Academy. The School Business Manager, Bursar and Office Administration Team work with the Headteacher to undertake the day to day financial procedures and processes.

Day to day management of the Academy is delegated to the Headteacher through an annually agreed delegation authority. The Chair of the Trustees meets with the Headteacher on a regular basis to discuss both strategic and day to day issues.

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

Structure, governance and management (continued)

● Arrangements for setting pay and remuneration of key management personnel

All senior appointments are made by the Board of Trustees which has identified an appropriate range of consecutive points as the pay range for both the Headteacher and Deputy Headteacher posts. Details of the pay ranges are contained in the School's Teachers' Pay Policy which is reviewed annually. The policy states that the Headteacher's range should not exceed the maximum of the school group size by more than 25%, other than in exceptional circumstances. The Board of Trustees takes into account the appropriate school group size, the permanent responsibilities of the job, any challenges specific to the role and other relevant considerations in determining the pay range. An external adviser from the Diocese also takes part in the recruitment process to provide additional expertise and support for Headteacher recruitment.

Annual pay progression is not automatic and is subject to annual review of performance, following the School's Performance Management policy. This applies to all staff. The Headteacher's performance is monitored by a Board of Trustees Committee, with guidance and support from an independent external adviser. Pay awards for members of the leadership team are in line with the policy for all teaching staff. The pay policy does not provide for the payment of bonuses or 'honoraria' in any circumstances.

● Related parties and other connected charities and organisations

St Peter's Church of England Primary Academy is part of an informal group of local primary schools known as the Bosworth Educational Partnership (BEP). We have continued to subscribe to the Forest Way Teaching School Alliance to gain access to staff training and a wider Trustee support network.

The Academy has a close relationship with the Leicester Diocese and St Peter's Church. The buildings occupied by the Academy are owned by the Dixie Educational Foundation Trust and the Diocese act as Trustees for the Trust; they are provided for use at no charge to the Academy.

The Academy is fortunate to have a very successful parents' association and benefits from the support of the Dixie Educational Foundation Trust.

St Peter's employs The Junior Academy of Music to provide curricular and extra curricular music lessons for pupils. The Junior Academy of Music also rents the school hall at an agreed rate to provide music tuition, open to all local children on a paid for basis. The Junior Academy of Music is owned and run by Mr David Carter.

In addition, the Academy has links with Leicestershire County Council, Social Services and other organisations such as the police and family agencies to support work with vulnerable groups.

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

Objectives and activities

• Objects and aims

St Peter's Church of England Primary Academy is committed to inspiring, educating and developing children to fulfil their potential to become lifelong learners, secure in the Christian belief that each person is created in God's image to be unique, special and equally valued.

St Peter's Church of England Primary Academy aims to provide the highest quality learning and teaching for all the children in our community, delivering a creative curriculum in a safe and caring, distinctively Christian environment where children feel they belong and are happy to learn. We aim to inspire our children to be confident, successful and independent learners who care for their surroundings and make a visible contribution in their community.

The impact of the COVID-19 pandemic has affected the education of the pupils as well as having financial implications for the academy. The objectives have been written to reflect this impact.

• Objectives, strategies and activities

Our objectives for the year and for the coming year are:

- To work towards becoming an outstanding Church of England Academy providing education of the highest quality based on core Christian principles through a diverse and challenging curriculum.
- To ensure high quality remote learning is in place should school closures occur for pupils in self isolation, bubbles required to self isolate, local or national lockdown.
- To be financially observant in relation to the extra costs caused by the pandemic.
- To enable targeted diagnostic assessment to ensure targeted academic support for one to one or small group support.
- To support the pupils' and staff social, emotional and behavioural needs.
- To ensure rapid and sustained progress across all year groups, all abilities and in all subjects that closes the gap created by COVID-19 school closures.
- To reduce the attainment gap between disadvantaged pupils and their peers.
- To strengthen leadership and management by devising more robust monitoring systems for all leaders, including Trustees, to ensure consistency and further develop high quality teaching.
- To improve standards in writing so all pupils across the school increase their knowledge and understanding to enable more pupils to reach age related expectations in every year group.
- To improve progress through effective consistent assessment.
- To enhance the professional development opportunities for teachers and other staff to promote outstanding teaching throughout the Academy.
- To run the Academy prudently and to attract additional resources from third parties for the benefit of the learners and the community.

• Public benefit

The Trustees of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The Trustees believe that the Academy's admission policy and performance in the year provides clear evidence that the Academy is meeting its obligations as a charity to deliver public benefit.

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

Strategic report

Achievements and performance

• Key performance indicators

The academic year started well with high attendance from the pupils and staff. The school worked with parents to review the Remote Education provision to ensure high quality remote learning remained in place for all pupils in case of self isolation or lockdown. A further high priority for the school was the targeted diagnostic assessment to ensure support for 1:1 pupils or small groups to address their gaps in knowledge and understanding. These became a priority for the use of the COVID-19 Catch Up Fund.

During the Spring Term 2021 there was a further lockdown (January – March). The attendance at school was higher than in the previous lockdown so all staff (not those shielding) remained in school supporting the education of pupils in school and at home.

National assessments were cancelled due to the pandemic so performance targets have been considered from the previous year's results. The school joined the PiXL network of schools to provide clarity of assessments and to be able to compare assessment data with schools across the country.

Ofsted (March 2018) judged St Peter's as continuing to be a good school. They judged that: "The leadership team has maintained the good quality of education in the school since the last inspection". The Academy has "developed the curriculum thoughtfully. It provides engaging topics and places a high emphasis on pupils' spiritual, moral, social and cultural development". They also stated that "Pupils' behaviour and personal development remains a strength of the school. Pupils are polite, well mannered and courteous".

The National Society Statutory Inspection of Anglican and Methodist Schools report (June 2019) also judged the Academy as a good Church of England school: "The school's Christian vision is based on its local context. It uses the life of St Peter as a model and is articulated well by school leaders. The headteacher provides strong leadership rooted in Christian principles. She is moving the school forward with passion, commitment and drive. This is an inclusive school where everyone is valued as a unique individual and the needs of all pupils are being met, ensuring all flourish. Relationships are strong across the school community including the relationship with the local church. The teaching of religious education (RE) is a strength and is making a good contribution to the Christian vision. Children are enthusiastic and engaged and the RE lead is providing good leadership."

The following data is sourced from the Department for Education and the Local Authority and supplemented by the school's own data, case studies and tracking evaluations.

National assessments did not take place in 2019-20 due to the COVID-19 pandemic.

2018-19 EYFS Performance

60% of children reached a good level of development. These outcomes are below the national figure of 71.5%. Data shows that those children who scored below expected levels had started from low entry points.

2018-19 Year 1 Phonics Screening

93.5% of pupils reached or exceeded the expected mark, above the national average of 85%.

2018-19 Key Stage 1 Performance

Reading – 76.9% of pupils achieved the expected or greater than the expected standard, this was above the national average of 74.9%. 23.1% achieved a greater depth in reading just below the national average of 25%. Writing – 74.4% of pupils achieved the expected or greater than the expected standard, this is above the national average of 69.2%. 15.4% achieved a greater depth in writing above the national average of 14.8%.

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

Strategic report (continued)

Achievements and performance (continued)

Maths – 82.1% of pupils achieved the expected or greater than the expected standard, this was above the national average of 75.6%. 28.2% achieved a greater depth in maths above the national average of 21.7%.

Science 89.7% achieved the expected standard above the national average of 82.3%.

Reading, Writing and Maths combined – 74.4% achieved the expected standard above the national average of 64.9%.

2018-19 Key Stage 2 Performance

Reading – 78.1% of children achieved the expected standard, this was above the national average of 73.1%. 40.6% achieved a greater depth in reading compared to the national average of 27%.

Writing – 65.6% of children achieved the expected standard, this was below the national average of 78.4%. 18.8% achieved a greater depth in writing compared to the national average of 20.1%.

Grammar, Punctuation and Spelling– 71.9% of children achieved the expected standard, this was below the national average of 77.9%. 31.3% achieved a greater depth compared to the national average of 35.7%.

Maths– 84.4% of children achieved the expected standard, this was above the national average of 78.6%. 34.4% achieved a greater depth in maths compared to the national average of 26.6%.

Science – 81.3% achieved at the expected standard, this was just below the national average of 82.8%.

Reading, Writing and Maths combined – 56.3% achieved at the expected standard which was below the national average of 64.8%.

● Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust 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. Despite the global pandemic which was ongoing at the balance sheet date and subsequently, there are no material uncertainties over the Academy Trust's ability to continue as a going concern. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Financial review

● Financial review

The Academy had a net increase in funds for the year ended 31 August 2021 of £194,600 (2020 - £71,631) including fixed assets movements but excluding pension reserve movements. As at 31 August 2021 the Academy held £73,916 (2020 - £57,569) of unrestricted reserves plus £78,017 (2020 - £13,210) of unspent (non-fixed asset) restricted funds. The Academy therefore held combined unrestricted and non fixed asset restricted funds, being its available reserves of £151,933 (2020 - £70,779).

The Academy Trust had a pension deficit on their Local Government Pension Scheme of £1,031,000 at 31 August 2021 (2020 - £717,000) and a fixed asset reserve of £1,184,532 (2020 - £1,071,086) being the book value of past purchases plus unspent funds.

Despite the global pandemic, there are no significant factors going forward that are expected to impact on the normal continuing operation of the Academy, as core funding from both the Government and Local Authorities is currently expected to continue. The principal financial management policies adopted in the period are included in the Academy's internal financial policies and are typical for an Academy Trust of this size and type. There were no unusual significant events worthy of comment during the year other than the aforementioned pandemic.

The principal sources of funding for the Academy are the General Annual Grant (GAG) and other DfE Group

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

grants, such as Pupil Premium. This funding has been used to support the key educational objectives of the academy trust, subject to any remaining reserves.

The Academy's investment policy is only to hold cash reserves on deposit with major holding banks so as to minimise risk.

● Reserves policy

The Trustees have developed a reserves policy for the school which is reviewed at least annually. The Academy needs to hold reserves to allow for contingencies such as unfunded building repairs, unexpected staffing costs and to allow for some uncertainty in future government funding. The Trustees have determined that the appropriate level of free reserves, which it considers to be unrestricted funds plus unspent General Annual Grant (GAG), should be approximately 10% of next years budgeted annual GAG income, being approximately £102,000.

Actual free reserves plus unspent GAG as at 31 August 2021 were £117,188 (2020 - £57,569), being slightly above the target level set by the Trustees. The Academy also held other available restricted funds at the year end of £34,745 (2020 - £13,210) in relation to PE Sports Grant, Dixie Foundation funding, COVID-19 Catch up premium and COVID-19 Holiday funding. Total available reserves, being both the above figures at 31 August 2021 were £151,933 (2020 - £70,779). Cash at bank at 31 August 2021 was £55,882 higher than total available reserves due principally to invoices for costs relating to the period paid after the year end and income received in advance of the Autumn term.

At 31 August 2021 the Academy's fixed asset reserve of £1,184,532 represented funds which could only be realised if the assets were sold plus unspent funds of £6,185.

The only reserve in deficit at the year end was the pension reserve (deficit of £1,031,000) which will be addressed via contribution rates decided on from time to time by the pension scheme actuaries. This deficit has arisen, as with many other schemes of this type, mainly due to increased life expectancies and reduced investment returns.

● Investment policy

The Full Board monitored cash flow regularly throughout the year. If the Academy were to make any investments the appropriate safeguards have been put in place to ensure that any investments made are secure.

● Principal risks and uncertainties

A full risk management exercise, undertaken by members of the Finance and Audit Committee and the Headteacher and which was subsequently approved by the Board of Trustees, took place in 2017/2018. The exercise involved identifying the types of risk the Academy faces, prioritising them in terms of operational and financial impact, and assessing their likelihood of occurrence, thus identifying means of mitigating any risks. During the year, each of these risks is reviewed and the control measures monitored to ensure the risks are kept to a minimum acceptable level. The register is updated to reflect new risks or to remove any which no longer apply.

Risk management is embedded in the day to day processes of the charitable company. Principal risk areas for the charitable company are fluctuating pupil numbers, which have an impact on the finances of a small academy; the protection of pupils, employees and of assets. Systems and procedures to minimise these are constantly being reviewed and updated.

In common with all other schools, regular business was placed on hold for some of this accounting period, due to the Government's instruction to 'lockdown'. As a result, new detailed risk assessments have been produced and implemented at key stages of the year (i.e. school closure and full return to school) to ensure the safety of staff, pupils and visitors.

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

As Trustees, we acknowledge that we have overall responsibility for ensuring that the Academy has an effective and appropriate system of control, financial and otherwise. We are also responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Academy and enable us to ensure the financial statements comply with the Companies Act 2006.

In accordance with our Finance Regulations, we are required to undertake a regular review of audit service suppliers every five years. The review was due in 2018 and we sought alternative suppliers as per our stated policy. Following a full review, Trustees identified a suitable candidate, which offered better value for money and Members voted to accept the new supplier at the Annual General Meeting in December 2018.

The scale of future funding from the Department for Education for Academies is a major uncertainty, and small variations in pupil numbers are critical. The Trustees are aware of this uncertainty and are taking steps to market and promote the Academy. St Peter's has an on going agreement with a local Ofsted graded 'good' pre school to provide a permanent home on the Academy premises in the expectation that this will secure our foundation stage intake as well as providing rental income.

The principal risks facing the Academy are:

Reputational risk – mitigated by: strong emphasis on the quality of education offered to pupils; good communication with supporters and pupils; good quality reporting of the Academy's activities and financial situation; implementation of a robust complaints procedures (both internal and external);

- Performance Risk – mitigated by: senior leaders and Board of Trustees creating an overarching Strategic Plan and Academy improvement plan which sets out the school's key aims, objectives and priorities; regularly reviewed policies; Senior Leadership Team and Board of Trustees creating financial plans and budgets; Board of Trustees use job plans and targets to monitor financial and operational performance; Board of Trustees getting feedback from pupils, staff, strategic partners and funders.
- Financial Risk – The principal financial risks are a reduction in pupil numbers, reduction in central government funding, unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs. The burdens placed upon the budget due to increased costs in relation to providing emergency cover for teachers or 1:1 staff when needing to self isolate or suffering from COVID-19 need to be monitored and funds allocated to account for this. There are also the increased costs of cleaning and sanitising to be monitored and funds allocated for this. The cost of providing support for pupils in receipt of funding for special needs also needs to be monitored.
- The risks presented here are mitigated by: linked budgets to business planning and objectives; frequent monitoring and reporting in a timely and accurate way; ensuring an adequate skills base to produce and interpret budgetary and financial reports; agreeing procedures to review and action budget/cash flow variances and monitor and control costs; reviewing premises' development priorities and agreeing the programme of improvement annually; regularly reviewing reserves and investments; and using actuarial valuations to review pension scheme arrangements.

Risks associated with personnel – loss of key staff mitigated by: succession planning; documented systems, plans and projects; implement training programmes; agreed notice periods and handovers; review and agree recruitment processes.

The Academy Trust practices through its Board, namely the Board of Trustees and the constituted subcommittees, risk management principles. Major risks highlighted at any sub committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Board of Trustees accepts managed risk as an inevitable part of its operations but maintains an objective

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

not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Board of Trustees collectively, whilst more minor risks are dealt with by senior executive officers.

● Fundraising

The Board of Trustees supports and welcomes the raising of additional funds to benefit the school, providing they do not compromise the school's reputation or integrity. Donations were received during the year from the Friends' of St Peter's Association an independent parent teacher organisation which raises money through extracurricular events for pupils such as discos, fetes and film nights. The senior leaders meet regularly with representatives of the Association to discuss planned activities and to ensure request to parents and supporters are balanced and appropriate. The Association is a registered charity and we are satisfied its returns have been submitted to date with the Charity Commission. We are not aware of any individuals being bound by voluntary schemes in respect of activities on behalf of the charity. The fundraising activities have been reduced due to the COVID-19 pandemic and the Friends Association are planning remote fundraising activities to support the academy.

The Breakfast Club was re-established for the Autumn term ensuring it is operating in a safe bubble system. There has been an increase in the numbers attending.

The Dixie Educational Foundation Trust makes grants to the school, following an application process, for specific projects. The Trust provided funds to increase the numbers of iPads to support pupils with SEN to allow access to an intervention app and also for pupils to use in class for research.

The Board of Trustees is satisfied that all grants are awarded in good faith and generated through the Trust in a balanced and appropriate way. No complaints have been received during the year about any organisation or the methods they use to raise funds. No professional fund raisers or commercial participators are engaged by the School. All donations are used to fund agreed capital items with the donors and all monies are spent fully for the benefit of pupils. No donations are used to fund regular expenditure or school costs.

● Plans for the future

The Board of Trustees reviewed the strategic plan for the period 2017-21 and will be under review. The strategic plan focuses on 5 themes:

1. The highest standards of teaching and learning;
2. Confidence in all areas of IT;
3. Personal integrity;
4. Creativity; and
5. Personal wellbeing.

The immediate plans for the future, under the current Academy Improvement Plan, include:

- ensuring high quality remote learning is in place and accessible for all pupils;
- ensuring high quality teaching and learning is in place to support catch up due to lockdown;
- developing targeted diagnostic assessment to ensure targeted academic support for pupils;
- providing support and guidance to ensure good mental health for pupils and colleagues;
- ensuring the curriculum resources support teaching and learning;
- developing the grounds to support and develop learning across the curriculum; and
- developing and strengthening the links with St Peter's Church.

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

Funds held as custodian on behalf of others

St Peter's Church of England Primary Academy and its Trustees do not act as custodian Trustees for any assets of any other charity.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

Auditors

The auditors, Magma Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 8 December 2021 and signed on its behalf by:



Rev Jim Mullin
Vice Chair of Trustees

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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that St Peter's Church of England Primary 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.

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

The Board of Trustees has delegated the day-to-day responsibility to the headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Peter's Church of England Primary 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 10 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
Claire Mitchell-White, Chair of Trustees	8	10
Rev Jim Mullin, Vice Chair	8	10
Elizabeth Seymour, Head Teacher	10	10
Jonathan Hall	6	8
Rev Mark Poskitt	8	10
Andrew Meadwell	0	5
Natalie Perrett	9	10
Sarah Hurst	10	10
Lilian Macleod	8	10
Adam Wells	7	10
Michael Phillips	9	10
Alison Grimshaw	10	10
Dean Faver	8	10
Claire Campbell	2	2
Simon Jeffers	4	4
Gemma Wooster	5	6

During the year, four governors stepped down, unable to give the time needed to carry out the role of governor effectively. Andrew Meadwell, Jonathan Hall, Claire Campbell and Dean Faver vacated two foundation and two co-opted governor places respectively. Gemma Wooster started her term of office on 20 January 2021 elected by the parents and Simon Jeffers started his term of office on the 26 February 2021 as a foundation governor. Adverts for governors on Inspiring Governance will be placed in the Autumn Term 2021.

Governance reviews:

The Board proposes to continue working with 'Inspiring Governance', 'Governors for Schools' and the Diocese to fill the remaining vacancies. A skills audit is driving training requirements and also expertise sought in the recruitment of new Trustees.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Each year, the Board of Trustees typically carries out two formal reviews to consider its effectiveness and impact, and to identify areas for further development. An annual return is completed for the Diocese during the Autumn term, which requires us to submit details of our structure, skills audit and results, impact, challenge to school leaders, Trustee development undertaken and strategic vision.

Several governors were designated as finance linked governors and as such received delegated authority to lead on audit checks on behalf of the Full Governing Body. They reported back to governors on a termly basis. Full oversight of audit and finance responsibilities remained with the Governing Body however, which discussed financial performance through its half termly meetings. Governors reviewed the audit requirements laid out in the Academies Financial Handbook to monitor compliance with the conditions. Work to address the action points is ongoing.

Attendance during the year at board meetings where finance, including personnel and pay, was discussed was as follows:

Trustee	Meetings attended	Out of a possible
Jonathan Hall	8	10
Andrew Meadwell	0	6
Rev Mark Poskitt	8	12
Elizabeth Seymour	12	12
Sarah Hurst	10	12
Lillian MacLeod	8	12
Gemma Wooster	5	7
Dean Faver	8	12
Simon Jeffers	4	5
Claire Mitchell-White	10	12
Mike Phillips	10	12
Rev Jim Mullin	8	12
Adam Wells	9	12
Alison Grimshaw	11	12
Natalie Perrett	9	12

Review of value for money

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

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

Improving educational results:

To ensure that educational standards continue to improve for the benefit of pupils and wider society, and that all pupils have the opportunity to raise their individual levels of attainment. The Trust has redefined the organisational structure of the Academy, trying to increase its number on roll to a size that best enhances the use of buildings to give pupils the most suitable learning environment.

Targeted improvement:

The Trust has kept its staffing structure under review and deployed staff efficiently to support an improved curriculum, especially to target areas of the curriculum which are in priority need of development, e.g. progress in Writing and Mathematics, implementing the changed EYFS framework, a focus on assessment for learning, and

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

marking and feedback. The Senior Leadership Team review the outcomes from Ofsted and also the Self Evaluation Form which identifies areas for targeted improvement.

Focus on individual pupils:

The Trust has managed the differing needs of pupils, such as those requiring one to one support, and those requiring additional challenge, by targeting learning support and teacher led interventions towards these children, whilst broadening the range of opportunities for pupils.

As the Academy has a high proportion of children with Special Educational Needs, 24.6% compared to 12.2% nationally (June 21), the Trust has to allocate a funding for support for SEN. 4.4% have an Education, Health Care Plan compared to 2.1% nationally (June 21). In the current year, demand is higher for one to one support with 6% of pupils receiving top up funding or EHCP funding.

Throughout the lockdown period (January – March 2021) the Academy remained opened to children of key workers and vulnerable pupils. Pupils remaining at home were educated through an online platform to which the teachers uploaded work and commented on completed work. Senior leaders made contact with families throughout this period focusing on those not engaging with learning through the online platform. During the summer term two class bubbles were closed for a week due to COVID-19 infections and all pupils learnt from home from their teachers (also at home). Parents were very supportive with the work and interaction from the staff during these periods.

The Trust has engaged with other educational providers and experts to share delivery and good practice through the collaboration of The Bosworth Education Partnership (BEP). This comprises seven primary schools and one secondary Academy, driving up standards for the lowest cost as we pool resources. This includes shared Continuing Professional Development (CPD), teacher curricular support groups focused on improving pedagogy, pupil workshops, and sharing of support between Headteacher's and Trustees. The Academy Trust continues to partner with the Benefice of Market Bosworth and The Diocese of Leicester in maintaining the Christian distinctiveness of St Peter's as a Church Academy. The after school care that we host provided by Cadeby Lane Stepping Stones enables pupils to experience high quality supervision and nurture for our own children and those belonging to other BEP schools. We have continued to work with The Forest Way Teaching School Alliance to develop CPD for teachers and support staff. This also provides support and development groups for teachers, support staff and Trustees.

Financial governance and oversight:

The Trust's system of financial governance includes strong oversight by the Trustees and Accounting Officer. All trustees are kept well informed by regular reports from our Academy Bursar and the School Business Manager, and based on this information and their own monitoring, they have advised and challenged decision makers within the Trust on the cost and effectiveness of spending proposals in order to achieve value for money. They continue to scrutinise whether funding has been best deployed, or whether it could have been used to better educational or economic effect elsewhere. We continue to engage an Internal Audit Service from the local authority annually, as well as an audit as part of the compilation of these annual accounts, to further check our policies and procedures.

Better purchasing:

The Trust made changes to get more for its money and accommodate additional activities whilst living within its means. For example:

Fitness for purpose:

Services and contracts are being re-appraised for the provision of premises management and the provision of school meals to get the best mix of quality and effectiveness for the least cost. Larger investments were challenged on guarantee terms and a better deal sought elsewhere.

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

Benchmarking:

The Trust has benchmarked its costs against similar organisations to identify areas for making savings and compares favourably in terms of running of premises and staffing, but is liable for a well above average cost regarding repairs and maintenance due to the condition of the Academy buildings.

Options appraisal: Tendering was used appropriately and effectively to get the best deal on our proposed wireless network installation and the related laptop computers to use with it.

Better income generation: Opportunities have been taken to explore the generation of additional and reliable revenue streams from regular hires of our hall and a mobile classroom.

Reviewing controls and managing risks: The Trust has organised its internal controls to maximise its use of assets. All governors receive regular budget reports, and act on them to best utilise spare resources and prevent waste.

The purpose of the system of internal control

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

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2020 to 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.

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The Board of Trustees has decided to buy-in an internal audit service from Leicestershire County Council's Internal Audit Service as internal auditor.

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

- testing of payroll systems;
- testing of purchase systems;
- testing of control account/bank reconciliations.

On an annual basis, the internal auditor reports to the Board of Trustees through the Full Governing Body, on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The latest internal audit visit was in February 2021. They reported Substantial Assurance with some minor improvements required with medium risk issues to be addressed. These have been addressed and reviewed by the Trustees. Internal checks on procedures took place by a member of the Board of Trustees responsible for Finance and Audit. The FGB continued to scrutinise the budget at their virtual meetings.

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

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GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Trustees on 8 December 2021 and signed on their behalf by:

Rev Jim Mullin
Vice Chair

A handwritten signature in black ink, appearing to read 'J. Mullin', with a horizontal line underneath.

Elizabeth Seymour
Accounting Officer

A handwritten signature in black ink, appearing to read 'E Seymour', with a horizontal line underneath.

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of St Peter's Church of England Primary Academy I have considered my responsibility to notify the Academy 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, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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



Elizabeth Seymour
Accounting Officer

Date: 8 December 2021

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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 then apply them consistently;
- observe the methods and principles of 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 8 December 2021 and signed on its behalf by:

Rev Jim Mullin
Vice Chair



ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

Opinion

We have audited the financial statements of St Peter's Church of England Primary Academy (the 'academy') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 financial statements are 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.

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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.

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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:

Based on our understanding of the Academy Trust and the industry, we have identified that the principal risks of non-compliance with laws and regulations related to UK Tax and legislation and breaches of the Academy's funding agreement with the Secretary of State for Education, the Academies Financial Handbook, and we have considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the, Companies Act 2006 and the Charities SORP. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries, and management bias in accounting estimates. Audit procedures performed included:

- Enquiries with management for consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions made by management in their accounting estimates, in particular in relation to accruals provisions;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, journal entries crediting revenue, journal entries crediting cash and journal entries with specific defined descriptions.

There are inherent limitations in the audit procedures described above. The more removed non-compliance with laws and regulations is, from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by forgery or intentional misrepresentation, for example, or through 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 Auditors' Report.

Use of our report

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

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY (CONTINUED)**

Magma Audit LLP

Luke Turner ACA FCCA (Senior Statutory Auditor)

for and on behalf of

Magma Audit LLP

Chartered Accountants

Statutory Auditors

Unit 2, Charnwood Edge Business Park

Syston Road

Cossington

Leicestershire

LE7 4UZ

Date:

15/12/21

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 20 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Peter's Church of England Primary Academy during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of St Peter's Church of England Primary Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St Peter's Church of England Primary Academy's funding agreement with the Secretary of State for Education dated 30 November 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 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work under taken to draw our conclusion includes:

- On a sample basis testing transactions and balances;
- Making enquiries of the academy regarding systems and controls in place that are relevant to our regularity conclusion;
- On a sample basis reviewing records for evidence of those systems and controls in operation.

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

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

Conclusion

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

Magma Audit LLP

Reporting Accountant

Magma Audit LLP

Chartered Accountants

Unit 2, Charnwood Edge Business Park

Syston Road

Cossington

Leicestershire

LE7 4UZ

Date:

15/12/21

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

		Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
	Note					
Income from:						
Donations and capital grants	3	-	14,154	169,468	183,622	148,282
Other trading activities	5	16,347	-	-	16,347	23,303
Charitable activities	4	-	1,292,640	-	1,292,640	1,150,968
Total income		16,347	1,306,794	169,468	1,492,609	1,322,553
Expenditure on:						
Raising funds		-	-	-	-	7,930
Charitable activities		-	1,352,396	53,613	1,406,009	1,332,992
Total expenditure	6	-	1,352,396	53,613	1,406,009	1,340,922
Net income/ (expenditure)		16,347	(45,602)	115,855	86,600	(18,369)
Transfers between funds	15	-	2,409	(2,409)	-	-
Net movement in funds before other recognised gains/(losses)		16,347	(43,193)	113,446	86,600	(18,369)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	22	(206,000)	-	-	(206,000)	(12,000)
Net movement in funds		(189,653)	(43,193)	113,446	(119,400)	(30,369)

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

		Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
	Note					
Reconciliation of funds:						
Total funds brought forward		57,569	(703,790)	1,071,086	424,865	<i>455,234</i>
Net movement in funds		(189,653)	(43,193)	113,446	(119,400)	<i>(30,369)</i>
Total funds carried forward	15	(132,084)	(746,983)	1,184,532	305,465	<i>424,865</i>

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

The notes on pages 31 to 58 form part of these financial statements.

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

**(A Company Limited by Guarantee)
REGISTERED NUMBER: 08295240**

**BALANCE SHEET
AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	1,178,347	1,064,250
		<u>1,178,347</u>	<u>1,064,250</u>
Current assets			
Debtors	13	20,105	129,069
Cash at bank and in hand		207,815	103,085
		<u>227,920</u>	<u>232,154</u>
Creditors: amounts falling due within one year	14	(69,802)	(154,539)
Net current assets		<u>158,118</u>	<u>77,615</u>
Total assets less current liabilities		<u>1,336,465</u>	<u>1,141,865</u>
Net assets excluding pension liability		<u>1,336,465</u>	<u>1,141,865</u>
Defined benefit pension scheme liability	22	(1,031,000)	(717,000)
Total net assets		<u><u>305,465</u></u>	<u><u>424,865</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset fund	15	1,184,532	1,071,086
Restricted income fund	15	78,017	13,210
		<u>1,262,549</u>	<u>1,084,296</u>
Restricted funds excluding pension liability	15	1,262,549	1,084,296
Pension reserve	15	(1,031,000)	(717,000)
Total restricted funds	15	<u>231,549</u>	<u>367,296</u>
Unrestricted income funds	15	<u>73,916</u>	<u>57,569</u>
Total funds		<u><u>305,465</u></u>	<u><u>424,865</u></u>

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

The financial statements on pages 26 to 58 were approved by the Trustees, and authorised for issue on 08 December 2021 and are signed on their behalf, by:

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)
REGISTERED NUMBER: 08295240

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021



Rev Jim Mullin
Vice Chair

The notes on pages 31 to 58 form part of these financial statements.

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	17	102,972	(15,326)
Cash flows from investing activities	18	1,758	6,835
Change in cash and cash equivalents in the year		104,730	(8,491)
Cash and cash equivalents at the beginning of the year		103,085	111,576
Cash and cash equivalents at the end of the year	19, 20	207,815	103,085

The notes on pages 31 to 58 form part of these financial statements

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

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), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

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

St Peter's Church of England Primary Academy meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust 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. Despite the global pandemic which was ongoing at the balance sheet date and subsequently, there are no material uncertainties over the Academy Trust's ability to continue as a going concern. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

All incoming resources are recognised when the Academy 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 year is deducted from income and recognised as a liability.

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

- **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.

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**

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

- **Transfer on conversion**

Where assets and liabilities are received by the Academy on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- **Donated fixed assets (excluding transfers on conversion or into the Academy)**

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 Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's accounting policies.

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.6 Taxation

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.7 Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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.

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, as follows:

Long leasehold land	- 125 years over the life of the lease
Furniture and equipment	- 20% straight line per annum
Computer equipment	- 33% straight line per annum
Property improvements	- 2% straight line per annum

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

1.8 Cash at bank and in hand

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

1.9 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 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.

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.10 Provisions

Provisions are recognised when the Academy 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.

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.13 Pensions

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

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

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

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

1.14 Licence to occupy

The Trustees of St Peter's Church of England Primary Academy, in agreement with the Board of Education of the Diocese of Leicester, occupy buildings on a rent free licence. Full details of the arrangement are detailed in note 12.

The Directors have considered the guidance in the Academies Accounts Direction in relation to properties occupied under licence. Having considered the arrangements under which the Academy Trust is occupying the buildings, for the reasons given in note 12, the Directors have concluded that the arrangement should not be included as an asset on the Balance Sheet and the Directors have not included any value of buildings in the financial statements.

1.15 Fund accounting

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

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

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

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(A Company Limited by Guarantee)

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

2. Critical accounting estimates and areas of judgment

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

The Academy 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.

Defined benefit pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property plant and equipment, and note 1.7 for the useful economic lives for each class of assets.

3. Income from donations and capital grants

	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	14,154	20,000	34,154	17,674
Capital grants	-	149,468	149,468	130,608
Total 2021	14,154	169,468	183,622	148,282
Total 2020	17,674	130,608	148,282	

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

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

4. Funding for the Academy Trust's educational operations

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DfE/ESFA grants			
General annual grant (GAG)	975,000	975,000	909,304
Other DfE/ESFA grants			
UIFSM	29,620	29,620	29,728
Pupil Premium	44,015	44,015	37,861
Teachers' Pay Grant	45,720	45,720	45,929
Others	23,506	23,506	23,344
	<hr/> 1,117,861	<hr/> 1,117,861	<hr/> 1,046,166
Other Government grants			
Local authority grants	141,175	141,175	91,747
	<hr/> 141,175	<hr/> 141,175	<hr/> 91,747
Other income from the academy trust's educational operations	3,029	3,029	9,553
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	19,680	19,680	-
	<hr/> 19,680	<hr/> 19,680	<hr/> -
COVID-19 additional funding (non-DfE/ESFA)			
Other COVID-19 funding	10,895	10,895	3,502
	<hr/> 10,895	<hr/> 10,895	<hr/> 3,502
Total 2021	<hr/> <hr/> 1,292,640	<hr/> <hr/> 1,292,640	<hr/> <hr/> 1,150,968
Total 2020	<hr/> <hr/> 1,150,968	<hr/> <hr/> 1,150,968	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy's funding for Universal Infant Free School Meals (UIFSM) 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.

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

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

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Hire of facilities	5,007	5,007	5,736
Club income	10,970	10,970	9,637
Other income	370	370	7,930
Total 2021	<u>16,347</u>	<u>16,347</u>	<u>23,303</u>
<i>Total 2020</i>	<u>23,303</u>	<u>23,303</u>	

6. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Expenditure on raising funds:					
Direct costs	-	-	-	-	7,930
Educational operations:					
Direct costs	1,037,460	40,151	36,463	1,114,074	1,044,784
Allocated support costs	116,712	46,758	128,465	291,935	288,208
Total 2021	<u>1,154,172</u>	<u>86,909</u>	<u>164,928</u>	<u>1,406,009</u>	<u>1,340,922</u>
<i>Total 2020</i>	<u>1,047,746</u>	<u>92,854</u>	<u>200,322</u>	<u>1,340,922</u>	

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

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

7. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational operations	1,114,074	291,935	1,406,009	1,332,992
<i>Total 2020</i>	<u>1,044,784</u>	<u>288,208</u>	<u>1,332,992</u>	

Analysis of direct costs

	Total funds 2021 £	Total funds 2020 £
LGPS pension interest cost (£29,000) less return on assets (£16,000)	13,000	13,000
Staff costs	1,037,460	938,774
Depreciation	40,210	39,086
Educational supplies	7,878	18,105
Staff development	2,374	5,522
Other direct costs	5,318	21,427
Insurance	7,834	8,870
	<u>1,114,074</u>	<u>1,044,784</u>

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY**(A Company Limited by Guarantee)**

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

7. Analysis of expenditure by activities (continued)**Analysis of support costs**

	Total funds 2021 £	Total funds 2020 £
Staff costs	116,712	108,972
Depreciation	13,403	13,028
Maintenance of premises and equipment	19,271	21,565
Cleaning	6,532	4,471
Rent and rates	2,814	8,023
Insurance	4,680	6,681
Catering	42,063	42,077
(Profit)/Loss on disposal of fixed assets	(1,350)	-
Legal and professional fees	12,014	16,528
Other support costs	36,444	27,740
Security and transport	823	3,376
Technology costs	10,885	11,063
Energy costs	14,688	15,114
Governance	12,956	9,570
	291,935	288,208

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	768	878
Depreciation of tangible fixed assets	53,613	52,114
Fees paid to auditors for:		
- audit	6,900	6,700
- other services	2,227	1,650

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

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

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021	2020
	£	£
Wages and salaries	811,254	741,394
Social security costs	60,677	54,928
Pension costs	282,241	251,424
	1,154,172	1,047,746

b. Staff numbers

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

	2021	2020
	No.	No.
Management	1	1
Teaching	12	12
Administration and support	38	35
	51	48

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

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

9. Staff (continued)

c. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	1	1

d. Key management personnel

The key management personnel of the Academy 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 was £243,177 (2020 - £223,541). These figures include salary costs of all Trustees employed by the Academy, even where they have no management role within their employment.

10. Trustees' remuneration and expenses

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

Elizabeth Seymour (Headteacher and Trustee)

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

Employer's pension contributions £15,000 - £20,000 (2020: £10,000 - £15,000)

Sarah Hurst (Staff Trustee)

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

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

Natalie Perrett (Staff Trustee)

Remuneration £35,000 - £40,000 (2020: £35,000 - £40,000)

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

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

11. Trustees' and Officers' insurance

The Academy 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 membership.

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

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

12. Tangible fixed assets

	Long leasehold land £	Furniture and equipment £	Computer equipment £	Property improvements £	Total £
Cost or valuation					
At 1 September 2020	510,000	167,470	68,445	566,650	1,312,565
Additions	-	-	18,495	149,215	167,710
Disposals	-	-	(2,260)	-	(2,260)
At 31 August 2021	510,000	167,470	84,680	715,865	1,478,015
Depreciation					
At 1 September 2020	31,620	122,600	64,435	29,660	248,315
Charge for the year	4,080	25,591	9,625	14,317	53,613
On disposals	-	-	(2,260)	-	(2,260)
At 31 August 2021	35,700	148,191	71,800	43,977	299,668
Net book value					
At 31 August 2021	474,300	19,279	12,880	671,888	1,178,347
At 31 August 2020	478,380	44,870	4,010	536,990	1,064,250

Included above is long leasehold land valued at £510,000 (2020 - £510,000) on conversion in 2012 by Graham Tyerman MRICS, using the depreciated replacement cost method. The freehold of the land is owned by Leicestershire County Council. The Academy holds a 125 year lease on a peppercorn rent from 2012.

The Trustees of St Peter's Church of England Primary Academy, in agreement with the Board of Education of the Diocese of Leicester, occupy the buildings of the Academy on a rent free licence. This continuing permission of the Board of Education is pursuant to, and subject to, the Board's charitable objects. The licence delegates aspects of the management of the buildings to the Academy Trust for the time being, but does not vest any rights over the buildings in the Academy Trust.

The terms of this licence have been agreed between the Secretary of State and the Trustees of St Peter's Church of England Primary Academy and contain a termination clause on the Trustees of St Peter's Church of England Primary Academy by the Board of Education giving two years notice. The Academy is responsible for the non structural maintenance and insurance of the buildings.

See note 1.3 regarding assets transferred on conversion.

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY**(A Company Limited by Guarantee)**

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

13. Debtors

	2021	2020
	£	£
Trade debtors	916	1,855
VAT recoverable	4,660	17,658
Prepayments and accrued income	14,529	109,556
	20,105	129,069

14. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	13,860	12,514
Other creditors	21,551	19,125
Accruals and deferred income	34,391	122,900
	69,802	154,539

	2021	2020
	£	£
Deferred income at 1 September 2020	20,138	-
Resources deferred during the year	21,308	42,923
Amounts released from previous periods	(20,138)	(22,785)
	21,308	20,138

The closing balance of deferred income relates to Universal Infant Free School Meals, rates reimbursement income, Leicestershire School of Music and SEN income received in advance of the 2021/22 academic year.

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

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

15. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General funds	57,569	16,347	-	-	-	73,916
Restricted general funds						
General Annual Grant (GAG)	-	975,000	(931,728)	-	-	43,272
UIFSM	-	29,620	(29,620)	-	-	-
Pupil Premium	-	44,015	(44,015)	-	-	-
Teachers' Pay grant	-	45,720	(45,720)	-	-	-
Other DfE/ESFA grants	13,210	23,506	(8,811)	-	-	27,905
Local authority grants	-	141,175	(141,175)	-	-	-
Other funding	-	3,029	(3,029)	-	-	-
COVID-19 catch up premium	-	19,680	(17,547)	-	-	2,133
Other COVID-19 funding	-	10,895	(7,436)	-	-	3,459
Donations	-	14,154	(15,315)	2,409	-	1,248
Pension reserve	(717,000)	-	(108,000)	-	(206,000)	(1,031,000)
	(703,790)	1,306,794	(1,352,396)	2,409	(206,000)	(952,983)

ST PETER'S CHURCH OF ENGLAND PRIMARY ACADEMY

(A Company Limited by Guarantee)

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

15. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
Transfer from Local Authority	478,380	-	(4,080)	-	-	474,300
DfE Group capital grants	48,444	6,880	(5,147)	-	-	50,177
Condition Improvement Fund	522,755	142,588	(33,682)	-	-	631,661
Other government grants	2,351	-	(2,351)	-	-	-
Donations	6,485	20,000	(7,107)	(2,409)	-	16,969
Capital expenditure from GAG	12,671	-	(1,246)	-	-	11,425
	<u>1,071,086</u>	<u>169,468</u>	<u>(53,613)</u>	<u>(2,409)</u>	<u>-</u>	<u>1,184,532</u>
Total Restricted funds	<u>367,296</u>	<u>1,476,262</u>	<u>(1,406,009)</u>	<u>-</u>	<u>(206,000)</u>	<u>231,549</u>
Total funds	<u><u>424,865</u></u>	<u><u>1,492,609</u></u>	<u><u>(1,406,009)</u></u>	<u><u>-</u></u>	<u><u>(206,000)</u></u>	<u><u>305,465</u></u>

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15. Statement of funds (continued)

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

Restricted funds

The General Annual Grant (GAG) relates to the school's development and operational activities.

Universal Infant Free School Meals (UIFSM) is funding provided so that the Academy Trust and deliver the requirement to offer free school meals to reception, year 1 and year 2 pupils. All funds were fully spent during the year.

Pupil Premium relates to additional funding received to raise the attainment of disadvantaged pupils of all abilities and to close the gaps between them and their peers. All funds have been fully spent at the year end.

The Teachers' Pay grant provides funding for school to support teachers' pay awards. All funds were fully spent during the year.

The other DfE/ESFA restricted funds consists of rates funding and PE Sport Grant. The closing balance relates to PE Sport Grant funds not spent at the year end.

Local authority grants consist of High Level Needs funding and PEA Funding. All funds have been fully spent within the year.

Other funding consists of parental contributions income in relation to educational visits and staff sickness insurance claims. All funds have been fully spent within the year.

COVID-19 Catch up premium income was received to support children and young people to catch up on missed learning caused by the coronavirus pandemic. The closing balance is the unspent funds to be carried forward to be spent next year.

Other COVID-19 funding is holiday club catch up funding received from local government towards the costs of providing a holiday club during the school holidays. The closing balance is the unspent funds and have been carried forward to be spent next year.

Other donations consists of income received from The Friends of St Peter's, The Dixie Educational Foundation and Market Bosworth Rotary Club. The closing balance is the unspent Dixie Foundation funds to be spent next year.

The pension reserve relates to the school's share of the deficit of the Leicestershire County Council's Local Government Pension Scheme.

Restricted fixed asset funds

The transfer from Local Authority relates to the value of £510,000 (leasehold land) transferred from the Local Authority to the academy on conversion. The closing balance relates to the net book value of the assets concerned.

DfE Group capital grants relate to funding received from these sources to purchase fixed assets. The closing balance relates to the net book value of the assets concerned plus unspent funds.

The Condition Improvement Fund (CIF) relates to funding received towards a mobile replacement, the installation of heating distribution pipework and the flat roofing replacement. The closing balance relates to the net book value of the assets concerned.

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15. Statement of funds (continued)

Other government grants relate to funding received from these sources to purchase fixed assets. The expenditure is in relation to the depreciation charged on the assets. The assets concerned have not been fully depreciated.

Donations consists of income received from The Dixie Educational Foundation towards the cost of an ICT upgrade. The income in the year was received towards the cost of iPads and new interactive whiteboards. The transfer is in relation to unspent funds which have been agreed to be used towards SEN pupils. The closing balance relates to the net book value of the assets concerned.

Capital expenditure from GAG relates to capitalised expenditure allocated to the GAG within the grant's terms. The income element is shown as a transfer from restricted funds, where the GAG is received, to restricted fixed assets fund where it has been spent.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds						
General funds	61,253	23,303	(7,930)	(19,057)	-	57,569
Restricted general funds						
General Annual Grant (GAG)	-	909,304	(933,250)	23,946	-	-
UIFSM	-	29,728	(29,728)	-	-	-
Pupil Premium	-	37,861	(37,861)	-	-	-
Teachers' Pay grant	-	45,929	(45,929)	-	-	-
Other DfE/ESFA grants	11,500	23,344	(21,634)	-	-	13,210
Local authority grants	-	91,747	(91,747)	-	-	-
Other funding	-	9,553	(9,553)	-	-	-
Other COVID-19 funding	-	3,502	(3,502)	-	-	-
Pension reserve	(615,000)	-	(90,000)	-	(12,000)	(717,000)
	<u>(603,500)</u>	<u>1,150,968</u>	<u>(1,263,204)</u>	<u>23,946</u>	<u>(12,000)</u>	<u>(703,790)</u>

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Restricted fixed asset funds						
Transfer from Local Authority	482,460	-	(4,080)	-	-	478,380
DfE Group capital grants	56,354	6,835	(9,856)	(4,889)	-	48,444
Condition Improvement Fund	426,280	123,773	(27,298)	-	-	522,755
Other government grants	6,379	-	(4,028)	-	-	2,351
Donations	10,671	-	(4,186)	-	-	6,485
Capital expenditure from GAG	15,337	-	(2,666)	-	-	12,671
	<u>997,481</u>	<u>130,608</u>	<u>(52,114)</u>	<u>(4,889)</u>	<u>-</u>	<u>1,071,086</u>
Total Restricted funds	<u>393,981</u>	<u>1,281,576</u>	<u>(1,315,318)</u>	<u>19,057</u>	<u>(12,000)</u>	<u>367,296</u>
Total funds	<u>455,234</u>	<u>1,304,879</u>	<u>(1,323,248)</u>	<u>-</u>	<u>(12,000)</u>	<u>424,865</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	1,178,347	1,178,347
Current assets	73,916	147,819	6,185	227,920
Creditors due within one year	-	(69,802)	-	(69,802)
Pension scheme liability	-	(1,031,000)	-	(1,031,000)
Total	73,916	(952,983)	1,184,532	305,465

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	1,064,250	1,064,250
Current assets	57,569	167,749	6,836	232,154
Creditors due within one year	-	(154,539)	-	(154,539)
Pension scheme liability	-	(717,000)	-	(717,000)
Total	57,569	(703,790)	1,071,086	424,865

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021	2020
	£	£
Net income/(expenditure) for the year (as per Statement of Financial Activities)	86,600	(18,369)
Adjustments for:		
Depreciation	53,613	52,114
Capital grants from DfE and other capital income	(169,468)	(130,608)
Defined benefit pension scheme cost less contributions payable	95,000	77,000
Defined benefit pension scheme finance cost	13,000	13,000
Decrease in stocks	-	3,953
Decrease/(increase) in debtors	108,964	(106,881)
(Decrease)/increase in creditors	(84,737)	94,465
Net cash provided by/(used in) operating activities	102,972	(15,326)

18. Cash flows from investing activities

	2021	2020
	£	£
Purchase of tangible assets	(167,710)	(123,773)
Capital grants	169,468	130,608
Net cash provided by investing activities	1,758	6,835

19. Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand and at bank	207,815	103,085
Total cash and cash equivalents	207,815	103,085

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

20. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	103,085	104,730	207,815
	<u>103,085</u>	<u>104,730</u>	<u>207,815</u>

21. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	148,230
	<u>-</u>	<u>148,230</u>

22. Pension commitments

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

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

Contributions amounting to £20,849 were payable to the schemes at 31 August 2021 (2020 - £18,818) 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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

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

22. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £104,549 (2020 - £99,216).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £106,000 (2020 - £90,000), of which employer's contributions totalled £86,000 (2020 - £73,000) and employees' contributions totalled £ 20,000 (2020 - £17,000). The agreed contribution rates for future years are 22.8 - 23.8 per cent for employers and 5 - 12 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 academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

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22. Pension commitments (continued)

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.4	2.7
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.7	1.7
Inflation assumption (CPI)	2.9	2.2
Commutation of pensions to lump sums	50	50

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	21.7	21.5
Females	24.2	23.8
<i>Retiring in 20 years</i>		
Males	22.6	22.2
Females	25.9	25.2

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate -0.1%	60	45
Salary increase rate +0.1%	7	5
Pension increase rate +0.1%	52	39

Share of scheme assets

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

	2021	2020
	£	£
Equities	706,000	536,000
Bonds	353,000	264,000
Property	85,000	73,000
Cash	73,000	36,000
Total market value of assets	1,217,000	909,000

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NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments (continued)

The actual return on scheme assets was £210,000 (2020 - £1,000).

Expected returns on assets are calculated as follows:

The figures shown in the standard FRS 102 report for fund employers are based on the actuary's recommended return assumptions which are derived from the Hymans Robertson Asset Model (HRAM) the proprietary stochastic asset model developed and maintained by Hymans Robertson LLP.

Asset model

The HRAM type of model is known as an economic scenario generator and uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variables. Some of the parameters of the model are dependent on the current state of financial markets and are updated each month (for example, the current level of equity market volatility) while other more subjective parameters do not change with different calibrations of the model.

Key subjective assumptions are:

- the average excess equity return over the risk free asset (tending to approximately 3% p.a. as the investment horizon is increased).
- the volatility of equity returns (approximately 18% p.a. over the long term) and the level and the volatility of yields, credit spreads, inflation and expected (breakeven) inflation, which affect the projected value placed on the liabilities and bond returns.
- the output of the model is also affected by other more subtle effects, such as the correlations between economic and financial variables.

The only exception to the use of HRAM is in deriving the expected return on bond assets: instead of the HRAM output, the actuary has used the yields applicable at the accounting date on suitable bond indices. The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 September 2020 for the year to 31 August 2021, or date of joining the fund if later).

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

	2021 £	2020 £
Current service cost	(181,000)	(150,000)
Interest income	16,000	16,000
Interest cost	(29,000)	(29,000)
Total amount recognised in the Statement of Financial Activities	(194,000)	(163,000)

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	1,626,000	1,439,000
Current service cost	181,000	150,000
Interest cost	29,000	29,000
Employee contributions	20,000	17,000
Actuarial losses/(gains)	400,000	(3,000)
Benefits paid	(8,000)	(6,000)
At 31 August	2,248,000	1,626,000

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

	2021 £	2020 £
At 1 September	909,000	824,000
Interest income	16,000	16,000
Actuarial gains/(losses)	194,000	(15,000)
Employer contributions	86,000	73,000
Employee contributions	20,000	17,000
Benefits paid	(8,000)	(6,000)
At 31 August	1,217,000	909,000

23. Operating lease commitments

At 31 August 2021 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	2,045	768
Later than 1 year and not later than 5 years	6,644	2,303
	8,689	3,071

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24. Members' liability

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

25. Related party transactions

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

Income related party transaction

The Dixie Educational Foundation - a charity in which, Rev Mark Poskitt is also a Trustee.

- During the previous year the charity awarded a grant of £19,725 to fund the cost of employing a Business Manager for one year. The Business Manager was recruited in March 2020, therefore £9,860 of income was deferred and included in income this year.
- During the year the charity awarded a grant of £21,250 to fund ICT and the cost of new iPads and interactive whiteboards.

No further related party transactions took place in the period of accounts other than certain Trustees remuneration and expenses as disclosed in note 9.

26. Connected charities

The Friends of St Peter's raises money for the school and then, in line with its own board decisions, donates funds for particular projects or assets for the benefit of the school. The charity's net assets/reserves at 31 August 2021 were £2,463 (2020 - £5,015). The charity's gross income for the year to 31 August 2021 was £1,074 (2020 - £9,116), its expenditure was £3,626 (2020 - £11,063) and its deficit for the year was £2,552 (2020 - £1,947).