

Company Registration Number: 08322813 (England & Wales)

**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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# SEVERNBANKS PRIMARY SCHOOL

(A Company Limited by Guarantee)

## REFERENCE AND ADMINISTRATIVE DETAILS

### Members

Mrs A Czajkowski  
Mr R Johnson  
Mrs A McCoy (appointed 8 October 2019)  
Mr L Cooksley  
Mr G Davies  
Mrs K Weaver (resigned 8 October 2019)

### Trustees

Mr R Johnson, Chair, Member  
Mrs C Morgan, Staff Governor  
Mrs P Howell, Head Teacher (resigned 31 December 2019)  
Ms S Poole, Acting Head Teacher (from 1st January 2020)  
Mrs A Czajkowski, Vice Chaire, Member  
L Cooksley, Parent Governor  
Mrs K Weaver, Governor Appointed (appointed 8 October 2019)  
Mr S Bowen, Governor Appointed  
Mr T Gilbertson, Governor Appointed  
Mrs S Howell, Teacher Governor (appointed 1 January 2020)  
Vacancy Governor appointed (Mrs J Barnett agreed 3rd June 2020 but not appointed officially due to Covid 19)  
Vacancy Parent Governor (Mr B Wildin agreed on 5th February 2020 but not appointed officially due to Covid 19)  
Mrs A McCoy, Parent Governor (resigned 8 October 2019)

### Company registered number

08322813

### Principal and registered office

Naas Lane  
Lydney

### Chief executive officer

Mrs P Howell to  
31/12/2019 then Ms Sara  
Poole from 01/01/2020

P Howell, , Head Teacher until 31st December 2019

### Senior management team

S Poole, , Deputy Head teacher until 31st December 2019 the Acting Head Teacher fr  
K McQueen Oliver, , Acting Deputy Head from 1st January 2020  
C Morgan, , School Business Manager  
S Powell, , EYFS and KS1 lead  
S Howell, , SENDCO  
R Chamberlain, - Associate Member  
J Challenger, - PSW - Associate Member

### Independent auditors

Randall & Payne LLP  
Shurdington Road  
Cheltenham  
Gloucestershire  
GL51 4GA

**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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

**Bankers**

Lloyds Bank Plc  
55 Newerne Street  
Lydney  
Gloucestershire  
GL15 5RA

**Solicitors**

Harrison Clark Rickerbys LLP  
Ellenborough House  
Wellington Street  
Cheltenham  
GL50 1YD

## **SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

The trustees present their annual report together with the financial statements and Auditor's report of the academy for the period from 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report and a directors' report including a strategic report under company law.

Severnbanks operates an academy for pupils aged 3 to 11 serving a catchment of the eastern part of Lydney which is in the 30% most deprived neighbourhoods in the country (indices of Deprivation 2015). It has a pupil capacity of 210 and had a roll of 221 on the school census in Jan 2020, the increase above our PAN was due to the Local Authority asking us to take extra 15 pupils for 2017-18 reception intake. Starlets' nursery is available for 3 - 4 year olds, on census day we had 14 registered pupils with 2 having an EHCP. At Severnbanks, we recognise that children have a variety of strengths and skills. Although we emphasise academic achievement, every effort is made to provide a full, varied and interesting curriculum, preparing pupils for their future education and giving them skills and enthusiasm to pursue learning for the rest of their lives. We are committed to placing the United Nations Convention on the Rights of the child at the heart of our core values and ethos.

#### **Structure, governance and management**

##### **. Constitution**

The charitable company known as Severnbanks Primary School, is a single academy trust a company limited by guarantee and an exempt charity. The charitable company's Memorandum of Association is the primary governing document of the academy trust. The Trustees of Severnbanks Primary School are also the directors of the charitable company for the purpose of company law.

Details of the Trustees who served throughout the year 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 School has Trustees Liability insurance in place. There are no qualifying third party indemnity provisions to report.

##### **. Method of recruitment and appointment or election of Trustees**

The Members may appoint Governors in accordance with the Memorandum and Articles. The Members may appoint Staff Governors provided that the total number of Staff Governors (including the Head Teacher) does not exceed one third of the total number of Governors. Parent Governors shall be elected by parents of registered pupils at the School by secret ballot and a Parent Governor must be a parent of a pupil at the School at the time when they are elected, there must be a minimum of two but not exceed a third of the total number. The Members may appoint up to eight additional governors. Additional Governors may, if deemed necessary, be appointed by the Secretary of State. The term of office for any Governor, other than the Head Teacher, is four years.

## **SEVERN BANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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

#### **Structure, governance and management (continued)**

##### **. Policies adopted for the induction and training of Trustees**

Prior to appointment Governors take part in an induction programme which includes a school visit and meeting with the Chair of Governors. New Governors are given access to the school's governors portal, which give access to all relevant information required to undertake their role as a Governor. A mentor is assigned from the governing body for help and guidance. On-going training is given to Governors through a combination of Local Authority courses, online training courses and talks or seminars given by local professional firms. A training log is kept by the Clerk.

##### **. Organisational structure**

The Governors with guidance from the senior leadership team are responsible for setting strategic direction and general policy. They adopt an annual Development Plan and budget and monitor the development of the School through these. Each Governor elects to have responsibility for a curriculum subjects and they meet with teachers regularly and report on their findings at a main meeting, unfortunately this year, these were unable to take place between March and August due to Covid 19 restrictions. They make decisions about the future direction of the School, capital expenditure and on staff appointments. The Board of Governors meets at least once a term and holds two committee meetings also termly if required, the chair of each committee reports to the main governing body these are known as resources committee and standards committee, meetings were held remotely during lockdown and the partial closure of schools. Terms of Reference are reviewed annually. On a day to day basis the operational running of the School has been delegated to the Head Teacher. The Head Teacher is the Accounting Officer; the School Business Manager is the Chief Financial Officer.

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

Staff have a performance review once a year completed by their line manager, the Head Teacher's is performed by a director panel including one external advisor. The staff are paid in accordance with the pay policy and incremented as necessary, this is for all staff including key management personnel. This is conversed at meetings, any staff directors who are paid for an employed role in school, will leave the meeting when this is being discussed.

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

The academy did not have more than 49 full time equivalent employees within any months during the period and therefore no further disclosure is made in relation to trade union facility time.

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**SEVERNBANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)**

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

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**Structure, governance and management (continued)****. Connected organisations, including related party relationships**

There are no related parties that either control or influence the decisions of the school. The school is connected through training with the West Gloucestershire Support Partnership, and they have an office onsite. The School Business Manager works with the other schools to develop best practice and reduce costs and as a member of the Gloucestershire Association of School Business Management, continues to collaborate for better efficiency in managing schools.

The school's commitment and dedication to supporting others gives the staff opportunities to work with other school's gaining valuable knowledge and skills to better educate and aspire our young learners. The school participated in challenger partners during the year, where schools collaborate to improve each other and the education system as a whole, so all children benefit, focusing on school improvement, leadership development and knowledge exchange.

Severnbanks School is the lead organisation for Schools Direct an ITT provider and works with The University of Gloucestershire to facilitate this.

## SEVERNBANKS PRIMARY SCHOOL

(A Company Limited by Guarantee)

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

(continued)

#### Objects and aims

To advance for the public benefit, education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a School and Nursery offering a broad and balanced curriculum for pupils of different abilities between the ages of 3 - 11.

The Governors and Staff at Severnbanks School have agreed the following vision for Severnbanks School:

'Severnbanks School; 'Where Stars Shine'  
Successful Learners,  
Teamwork,  
Aspire and Achieve,  
Rights Respect and Responsibilities  
SHINE

At Severnbanks we aim to establish a school where children and adults use the values and language of the convention on the Rights of the Child to help them become Rights Respecting Citizens.

**Equal Opportunities:** In accordance with the school's Equal Opportunities, Special Educational Needs and Disabilities, and Inclusion Policies; all children will be given full access to the Early Years Foundation Stage Curriculum and National Curriculum. Staff will endeavour to help all children to reach their full potential irrespective of race, physical ability, gender, age or learning ability.

#### The School Aims:

- To enable each child to achieve his or her full potential. We aim to meet each child's social, academic, spiritual and emotional needs, and to develop a sense of right and wrong.
- To provide a happy place where children enjoy learning and developing their skills.
- To lay the foundations that enables our children to meet the challenges of their future in learning and in life.
- To teach the National Curriculum to all children and develop an awareness of life outside school including the variety of cultures, religions and the wider world of work.
- To fit the curriculum to the needs of the child by providing appropriate experiences according to age and ability.
- To value each child's natural strengths and interests as the basis for the extension of their learning, responding to the children's interests in a variety of ways.
- To provide a wide variety of opportunities and experiences so that each child reaches their full potential.
- To encourage caring and respect for themselves, others, their environment and property.
- To give each child the support and resources he/she needs to take part in all aspects of school life.
- To welcome and encourage parents and carers as partners in their child's education, building links between home and school – working together to make things better.
- To create a supportive and caring community in which children are encouraged to gain confidence and develop their talents.
- To help children develop a knowledge, understanding and respect for their own and other cultures.
- To help children develop a knowledge and respect for individuals.
- To teach children to keep themselves and others safe both in and outside of school.
- To develop a sense of fair play and team spirit, where individual achievement and group effort are equally valued.

## SEVERNBANKS PRIMARY SCHOOL

(A Company Limited by Guarantee)

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

(continued)

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

To achieve our vision, aims and objectives the School is governed, led and managed to facilitate effectual selfevaluation; realistic strategic planning; prudent budgeting and successful development planning. The school also employs a School Improvement Partner, participates in Peer Reviews with other Head Teachers as well as commissioning external reviews including Pupil Premium and SEND. These external measures assist us in reviewing progress and impact of our School Development Plan and initiatives. We are an outward looking school using local and national initiatives to enhance our provision in order to raise our pupils' outcomes and life opportunities; e.g. Challenge Partners, School Direct, Teach First, EEF Project Partner and liaising with LA to drive forward education priorities within the Forest of Dean.

Management and Educational Objectives for 2019-20 included:

#### **Successful Learners**

**To develop the effectiveness of EYFS provision**

5.2 – In the Moment

5.3 – Develop Early Language skills

5.6 – To improve outcomes at EYFS

#### **Teamwork**

**To develop Leadership through Challenge Partners.**

1.1 - CPD

1.2 - Build Leadership capacity

1.3 - External Peer Review

2.2 – Teaching over Time

#### **Aspire and Achieve**

**To raise the standard of English**

4.2 – Reading

4.3 – Vocabulary

4.4 – Writing

4.5 – Handwriting & Presentation

#### **Rights Respect and Responsibilities**

**To work towards becoming a Thinking School**

2.4 – Thinking Skills

3.3 – Growth Mindset

3.4 – P4C EEF Project

#### **SHINE**

**To strive towards outstanding teaching and learning**

2.1 – continue to improve teaching and learning

2.3 – develop questioning

**SEVERN BANKS PRIMARY SCHOOL**

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

**(continued)**

**. Financial Objectives**

- To provide value for money for funds expended for the benefit of current pupil needs.
- Manage cash flow and continue to maintain a balanced budget year on year.
- Benchmark with other schools to look at deploying resources effectively to allow sustained improvement.
- Invest in the maintenance and renewal of the school facilities and infrastructure to provide an excellent teaching and learning environment.
- To meet all audit and statutory requirements.

**. Public benefit**

All the activities undertaken by Severnbanks School are for the education of its pupils and the good of the wider local community. As such the primary objective of the school is to support those objectives and there is no financial return to any shareholders.

## SEVERNBANKS PRIMARY SCHOOL

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

#### Strategic report

##### Review of activities and performance

All information about the School can be found on the website:

In November 2018 the School was inspected by OFSTED, there was no change to the school's current overall effectiveness grade of good as a result of the inspection.

What the school should do to improve further: Leaders and those responsible for governance should ensure that:

- teaching improves in the early years and key stage 1, particularly in phonics and writing, so that more pupils make effective progress and attain well
- teaching in all key stages and subjects is consistently matched to pupils' needs, so that it routinely challenges and supports pupils to achieve well
- well-planned interventions help disadvantaged pupils and pupils who have SEN and/or disabilities to make strong progress, so that they catch up
- they improve the attendance of those pupils who are frequently absent.

##### Additional External Reviews / Support for 2019 – 2020

Mr John Coles – School Improvement Partner Sept – Dec 2019

Mr Huw Evans School improvement partner Jan – August 2020

Mrs Helen Tate – EYFS

Hearts of the Forest – SEND

Challenge Partners Review

Mr Stephen Mitchell - Senior resource management advisor

The deputy has taken on the role as acting head during the year, she brings fresh ideas to school improvement, with enthusiasm and drive to be an outstanding school, coupled with new management and staff changes in EYFS department, we are in a good position to drive further improvement to progress pupils to attain well.

Staff have had guided reading training which has had an impact on context, predictions and vocabulary, increasing the knowledge on decoding and blending in phonics. Books have been re-classed to match phonics sounds in line with the government guidelines to further improve teaching in phonics and writing.

Senior leadership team have performed lesson observations to identify pupil progress to make sure it is consistently matched in all classes for the pupils needs. Book moderations have also been performed as evidence that pupils progress is challenged.

To improve the outcomes of disadvantaged pupils, during the year we have committed to work with Achievement for All during 2020-22, and excited this will further embed good quality interventions, teach the pupils resilience and independence, give them the opportunity to reflect on their attainment to inspire pupils to achieve and celebrate success.

Provision mapping and CPOMS have been purchased during the year. Provision Map is a comprehensive tool, which enables the SENCO to map and manage provision for pupils with SEND effectively and efficiently. We have higher than average SEND at our school, this is extremely good value for money saving time for the SENDCO. CPOMS is a software solution for monitoring Safeguarding, wellbeing and all pastoral issues. Working alongside our existing safeguarding processes, CPOMS is an intuitive system which helps to ensure that children, young people and adults are safe and fully supported.

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

**Strategic report (continued)**

**Review of activities and performance (continued)**

**2019-2020 End of Year Data**

Due to Covid 19, we cannot report on the usual year end data, however we can confirm that approx. 100 pupils accessed our online learning platforms during the lockdown. Appropriate work was uploaded to class pages on the website for parents to download, supported by Teacher/parental engagement via Dojo, an app for parents to upload pupils work for the teachers to check and feedback. Pupils will be assessed during the Autumn term of 2020 and appropriate interventions will take place from the Spring term to target pupils requiring catch up lessons.

The academic year 2019 2020 at Severnbanks School has been an unusual year, staff and pupils have adapted well to the new way of education which was forced upon us. Staff worked on a rota basis in school to allow the school to stay open during the lockdown period, whilst staff working from home supported parents and carers on home learning by planning engaging and exciting activities, thinking outside of the box for pupils to maintain a learning regime at home, and answering questions and providing feedback with parents. Training has been completed by all staff during lockdown to comply with safeguarding and health and safety compliance.

During the year staff have updated curriculum policies; A curiosity curriculum file has been developed in which all subject's intent and implementation is documented; which includes overviews of each subject, objectives, policies and then the curriculum overviews and planning. There is now a consistency of approach and commonality of language used throughout every subject by every subject leader.

The school worked together to identify possible 'Cultural Capital' opportunities for pupils to provide new knowledge, skills and experiences. This now forms part of the subject overviews and therefore focuses staff to think of opportunities for their children in all subjects.

Prior to lockdown it was a very busy time for the pupils, opportunities provided have included a theatre company visiting the school to perform Robin Hood. Pupils visited a local colliery, a local steam train attraction to see father Christmas, a national museum of history in Wales, a literacy festival, young voices and cinema visits. They have taken part in a remembrance parade, Knex Challenge, Poetry Workshop and a STEM Project with the local secondary school. After school clubs were provided with access for all pupils and catered for a variety of experiences, stay & play and singing for KS1 and iPad club, STEM, allotment, book club, choir and Football for KS2. Pupil also had weekly dance lessons by an external dance company, yoga sessions by a fitness instructor, cricket and badminton lessons. Bikeability was also provided as well as drum lessons to pupils who requested them.

Charity Days provide knowledge of charity, build empathy and compassion in our pupils and provide an extended opportunity for pupils to vary their experiences. Some charities they supported this year were The Shoe Box Appeal, Comic Relief, Wear a hat day, Maggie's and CoppaFeel!, both Cancer Charities and NSPCC. The pupils also helped organise a disco as part of the school's enterprise initiative.

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**SEVERNBANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)**

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

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**Strategic report (continued)****Review of activities and performance (continued)****. Key performance indicators**

Financial targets have been met to stay within agreed budget, especially during the challenging times we faced this year. The governors set the budgets in line with the needs of the school looking at the school's development plan and premises issues. Unfortunately, while we are coping with extra challenging needs of our pupils being in a deprived area and the high levels of SEND, extra funding is being allocated to staffing to run intervention groups and provide support in the classrooms for pupils due to the severity of the cohorts needs in every year group. Carry forward money is being utilised to fund this. With four maternities during the year we also had to look at staffing costs to deploy staff in the best possible way to maximise efficiency.

We worked with the ESFA who encouraged a visit from a Senior Resource Management Advisor who said 'there are not significant financial savings to be had in the school, without compromising the quality of education provision in the classroom. There are high levels of support in classrooms, with more TAs and support staff than would ordinarily be expected, but the high level of SEN need dictates this resource allocation', he gave recommendations to reduce support staff levels when we could, which I have benchmarked against similar schools. The graphs below show we are in fact similar to schools with the same free school meals and high needs percentage as our pupils.

## SEVERNBANKS PRIMARY SCHOOL

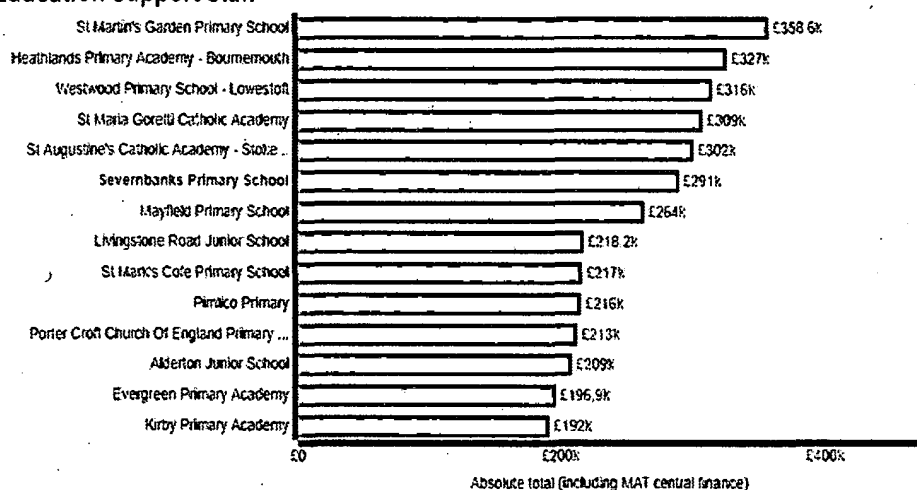
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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

#### Strategic report (continued)

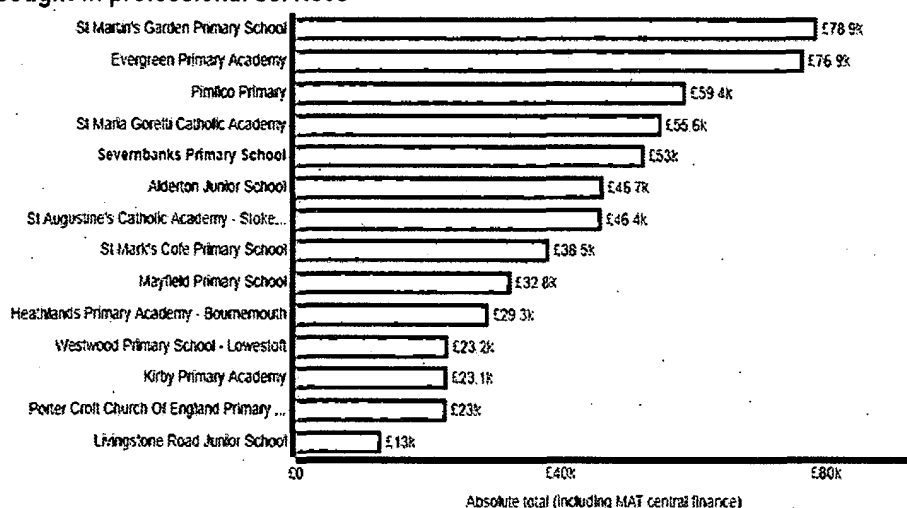
#### Review of activities and performance (continued)

##### Education support staff



With educational support staff average being £259K, if shows we are higher than the average at £291K, this is an area of concern and will be scrutinised over the coming year to see if we can be more efficient in deployment of staff.

##### Bought-in professional services



Professional services are over the average of £42.8K and the school will look at the contracts currently in place, which was also a recommendation from the Senior Resource Management Advisor to see if we can reduce our £53K spend closer to the average.

#### Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. COVID 19 will affect us going forward especially with less letting income and extra expenditure on cleaning supplies, but the trustees are satisfied with the reserves we have, and savings already identified for the future we remain in a good position financially.

## **SEVERNBANKS PRIMARY SCHOOL**

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

#### **Strategic report (continued)**

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

##### **. Financial review**

Most of the School's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31st August 2020 and the associated expenditure are shown as Restricted Funds in the statement of financial activities. The School also receives grants for fixed assets from the ESFA in accordance with the Charities Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the Restricted Fixed Asset Fund. This fund is reduced by annual depreciation charges over the expected useful life of the assets concerned. The School's nonteaching staff are entitled to membership of the Local Government Pension Scheme and under Accounting Standard FRS102, it is necessary to charge projected deficits on the Local Government Pension Scheme that is provided to support staff, to the restricted fund. Included in the accounts is a pension deficit, this was expected to reduce year on year with the increase in employer's contributions, based on triennial valuations.

For 2019/20 the academy has achieved a £20K surplus on restricted and unrestricted funds, after transfers, which is a marked improvement from the original budget plan of £30K deficit, predicted in July 2019. Senior staff have changed during the year creating significant savings, however we lost around £5K due to letting income reduced during COVID 19 restrictions. The governors, however, are still concerned with budget pressures, we are an expanding school having already increased pupil numbers over the last 3 years, and due to increase further in September 2020. We are almost full and oversubscribed in some year groups due to a large development of housing in our area and no places available for these pupil to go. The Local education authority have had discussions with us regarding expanding to a two form entry within 3-5 years. Any increase in staff costs are concerning and will be one of the major expenditure areas to be put under scrutiny in the coming years, especially with the new teachers pay scales due to be implemented. Our 3year budget plan is tight but hopefully we have devised a plan moving forward, to ensure an in year balance moving forward, this will not be instant and 2020-21 is expected to show a slight in-year deficit, and hopefully with further increases in pupil numbers and working towards an action plan agreed between the governors and the ESFA a balanced budget should be achieved again from 2021-22 onwards. There is a large housing development currently building family homes to the rear of our school field and the school will at some point need to expand to allow for the extra pupils. This makes it difficult for the school to plan financially, but a 3year plan has been designed with our expected staffing and pupil levels remaining a one form entry school.

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

The Full Governing Body will aim to carry forward sufficient funds to meet the School's long term aims and objectives, ensuring that this does not affect its current operational activities, with the level of restricted and unrestricted reserves, excluding pension, sitting at £186,000 at the year end. Any revenue reserves carried forward at the end of the year represent unspent resources once the School has met its commitments and covered its other planned expenditure.

##### **. Material investment policy**

The School's current account will hold enough funding to cover the monthly outgoings on any surplus funds will be transferred to a high interest account on a termly basis.

## **SEVERNBANKS PRIMARY SCHOOL**

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

#### **. Principal risks and uncertainties**

The Governors has assessed the major risks to which the School is exposed and identified and implemented strategies for addressing these risks. Significant risks and the measures in place to reduce these risks have been formally documented in the Risk Register, which is subject to continuing review by the governor's internal assurance officer, who will report to the new risk and audit committee when set up in September 2020.

The School managed well all of the operational risks affected by COVID 19 sometimes at short notice and within current guidelines. We were able to implement online learning activities for all pupils. The uncertainties of parental engagement and the risks of vulnerable pupils was a high priority, the Leadership team worked together to ensure pupils welfare and education was the utmost importance whilst keeping everyone safe.

#### **. Risk Management**

The Governors are responsible for the management of risks faced by the School. The Governors are assisted in this task within the Resources committee. Internal audit arrangements are in place the Governors have appointed an internal assurance peer to peer reviewer from the governing body and have a reciprocal arrangement with another school to scrutinise the financial systems in place.

Health & Safety (incorporating Risk Management) features as a termly standing item on the agenda for both Governors and Resources committee Meetings. Continuity between these is maintained through the Health and safety appointed Governor.

Through the risk management processes established, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

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

The risk management policy forms part of the Academy's internal control and corporate governance arrangements. It explains the Academy's underlying approach to risk management, documents the roles and responsibilities of the academy and other key parties.

Any risks that can adversely affect the academy's ability to achieve its current and future objectives have been documented. Risks are assessed annually and objectives are set if required.

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**SEVERN BANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)**

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

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**Fundraising**

The Directors recognise that they have responsibility and accountability for charity donations and fundraising. The school will make sure that all guidelines are followed in practice and reflects their charity's values.

Operating effective control over fundraising is a vital part of the school's compliance with our legal duties. The Governors have

- acted in the best interests of the school
- managed our charity's resources responsibly, which includes protecting and safeguarding its reputation
- acted with reasonable care and skill

The school runs an enterprise group that raises funds for the school and also seeks external support through writing bids to other charities, however COVID 19 impacted on the ability to fundraise after lockdown and generated income was lower than expected this year. Trustees and senior leaders will look at ways for further income generation during the next year to be able to give our pupils more varied and purposeful activities to enrich the curriculum and their skills for the future.

All fundraising has been carefully planned, had effective systems of control, strong management of the funds, identified and ensure compliance with the laws or regulations that apply to our particular fundraising project, complied with the code of fundraising practice to meet the standards designed to ensure that fundraising is open, honest and respectful and used reporting to demonstrate that the fund is well run and effective.

**Streamlined Energy Carbon Reporting**

As the trust has not consumed more than 40,000 Kwh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

**SEVERN BANKS PRIMARY SCHOOL**

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

**Future developments**

Our future vision is to provide quality education for all. Lifting the barriers for some of the disadvantaged pupils, increase parental engagement and develop wider outcomes and opportunities. Further develop an online learning community so each pupil will have access to a device and quality programmes to engage and learn.

Through working with achievement for all we will be able to

- focus on the outcomes,
- build on successes,
- develop sustainable solutions
- strengthen provision that has the most impact
- bring wider benefits for learners
- Narrow the attainment gaps for vulnerable groups

We have been investigating the future of our school status as a Stand-alone Academy Trust and looking into the possibility of joining an existing Multi Academy Trust, this has to be the correct fit for both Severnbanks and the trust we join to embed further our aims and values and provide the best quality education for our community.

The school will continue to work with parents and the Local Authority to raise attendance rates and punctuality; ensuring that low attenders are improving their attendance over time.

We will measure ourselves against progress towards clearly stated School Aims & Objectives as outlined in both the Funding Agreement and the Memorandum of Association.

**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.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 8 December 2020 and signed on its behalf by:



.....  
**R Johnson**  
Chair of Trustees

**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

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

The Board of Trustees has delegated the day-to-day responsibility to the Head Teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Severnbanks Primary School 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.

**SEVERN BANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)****GOVERNANCE STATEMENT (CONTINUED)****Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year.

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

| Trustee                                                 | Meetings attended | Out of a possible |
|---------------------------------------------------------|-------------------|-------------------|
| Mr R Johnson, Chair, Member                             | 6                 | 6                 |
| Mrs C Morgan, Staff Governor                            | 6                 | 6                 |
| Mrs P Howell, Head Teacher                              | 2                 | 3                 |
| Ms S Poole, Acting Head Teacher (from 1st January 2020) | 5                 | 6                 |
| Mrs A Czajkowski, Vice Chair, Member                    | 6                 | 6                 |
| L Cooksley, Parent Governor                             | 4                 | 6                 |
| Mrs K Weaver, Governor Appointed                        | 5                 | 5                 |
| Mr S Bowen, Governor Appointed                          | 5                 | 6                 |
| Mr T Gilbertson, Governor Appointed                     | 3                 | 6                 |
| Mrs S Howell, Teacher Governor                          | 3                 | 3                 |
| Mrs A McCoy, Parent Governor                            | 0                 | 2                 |

The directors have planned effective meetings every term and also hold resources and standards meetings to cover all basis of compliance within the school environment. Reports are sent out in advance of meetings, these are internal, Head Teacher and School Business Manager reports and external reports such as external SIP reviews, premises and H&S reviews and data from Standards testing agency, these cover the information directors need to challenge the school effectively. To comply with GDPR all information is now sent via a governor's online portal through the education collective and has proved useful for both governors and compliance.

Being in a deprived and remote area there is a major challenge to recruit vacancies within the directors. Two directors were sourced during the year, however due to COVID 19 restrictions it was decided they would join in the new school year as meeting were limited online and was deemed unfair to join new member this way. We have performed a skills audit, however to find directors with certain skills is very difficult. We are registered with Governors for schools in order to try to recruit and train Governors.

A review has taken place using the DfE governance toolkit and a governance development plan has been put in place, from this several governors have received recent training and we will continue to evaluate the plan, which will be reviewed annually. All governors are fully compliant with Safeguarding training that we undertake through SSS learning.

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**SEVERNBANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

The resources and standards Committees are sub committees of the main board of Trustees. Its purpose is to assist the decision making of the board of trustees, by enabling more detailed consideration to be given to the best means of fulfilling the board of trustees' responsibility to ensure sound management of the Academy's finances, including proper planning, monitoring and probity.

Attendance at resources committee meetings in the year was as follows:

| Trustee            | Meetings attended | Out of a possible |
|--------------------|-------------------|-------------------|
| L Cooksley (Chair) | 4                 | 4                 |
| R Johnson          | 4                 | 4                 |
| P Howell           | 0                 | 1                 |
| C Morgan           | 4                 | 4                 |
| S Poole            | 4                 | 4                 |
| S Bowen            | 4                 | 4                 |

Attendance at standards committee meetings in the year was as follows:

| Trustee      | Meetings attended | Out of a possible |
|--------------|-------------------|-------------------|
| R Johnson    | 5                 | 5                 |
| P Howell     | 1                 | 2                 |
| A Czajkowski | 5                 | 5                 |
| S Poole      | 5                 | 5                 |
| T Gilbertson | 4                 | 5                 |
| S Howell     | 1                 | 3                 |

## **SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

### **GOVERNANCE STATEMENT (CONTINUED)**

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

I accept that as Accounting Officer of Severnbanks Primary School I am responsible and accountable for ensuring that the school trust delivers good value in the use of public resources. I am aware of the guide to academy value for money statements published by the ESFA and understand that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

I set out below how I have ensured that the academy trust's use of its resources has provided good value for money during the academic year.

Value for money is about achieving the best possible educational and wider social outcomes through the economic, efficient and effective use of all the resources in the school's charge. The Governors meet every term to challenge, compare, consult and compete on all school matters; they receive various reports in advance from the Head Teacher and School Business manager to discuss, all directors receive a monthly update report. The pupils' best interest is always the driving factor for decisions so may not always be the cheapest option.

The school has focused its resources mainly on staffing during 2019-20, to continue to improve the outcomes for our pupils; we have a higher than average pupil premium which has driven the need for extra support in the classroom. Excellent deployment of staff has meant that we have managed to cover extra ECHP pupils without the need to greatly increase the staffing levels. During the lockdown, staff worked in school on a rota basis and worked from home supporting online learning in-between, this worked well and saved the need to deploy agencies to cover staff. The school is committed to providing the best educational experiences for our pupils within the constraints of the budget given.

Governors and school leaders consider the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for teaching & learning and use by the wider community, e.g. the hall / gym / IT suite. The school is also used as a training venue by West Gloucestershire Schools Partnership (WGSP). A thorough premises report has been discussed with the Governing body that indicate plans for the future especially with the rising population of the local community.

This year started with the idea to improve the outdoor area for year 1, however the restrictions meant this was postponed until the new school year. We have been improving our lettings facility and have been fortunate to be able to provide a new boiler to just run in the evening to allow the hall and the gym areas to be isolated to be heated in the evenings to save on fuel costs and less impact on the environment moving forward.

The school needs to continue to benchmark against other similar schools, this is not always easy as each school has different priorities within their school setting. We need to budget strategically to allow the school to continue thriving in allowing each pupil to develop their individual potential within a safe, caring and stimulating environment.

#### **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 Severnbanks Primary School for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

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**SEVERNBANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**The risk and control framework**

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

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

The Board of Trustees has decided not to appoint an internal auditor. However, the trustees have appointed L Cooksley, a Trustee, to carry out a programme of internal checks.

The peer reviewer's role includes giving advice on financial matters and performing a range of checks on the school trust's financial systems and discussing the risk register. Each governors meeting, the peer reviewer reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

On a quarterly basis, the reviewer reports to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

We confirm that the internal assurance function has been delivered in line with the ESFA's requirements. There have been no material control issues arising from the internal assurance reports so far. Also there is a reciprocal arrangement with another academy primary school to test the systems of internal controls within both schools.

**SEVERN BANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**Review of effectiveness**

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

- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the reviewer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 8 December 2020 and signed on their behalf by:



.....  
**R Johnson**  
Chair of Trustees



.....  
**S Poole**  
Accounting Officer

**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As accounting officer of Severnbanks Primary School 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 2019.

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

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



**S Poole**

Accounting Officer

Date: 8 December 2020

**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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

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 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 2020 and signed on its behalf by:



.....  
**R Johnson**  
Chair of Trustees

**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
SEVERNBANKS PRIMARY SCHOOL**

**Opinion**

We have audited the financial statements of Severnbanks Primary School (the 'academy') for the year ended 31 August 2020 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', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2020 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 2019 to 2020 issued by the Education and Skills Funding Agency.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
SEVERNBANKS PRIMARY SCHOOL (CONTINUED)**

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report, and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report 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.

**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
SEVERNBANKS PRIMARY SCHOOL (CONTINUED)**

**Responsibilities of trustees**

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

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

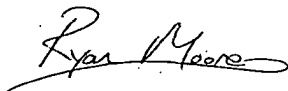
**Auditors' responsibilities for the audit of the financial statements**

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.

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



**Ryan Moore CA (Senior Statutory Auditor)**

for and on behalf of  
**Randall & Payne LLP**

Shurdington Road

Cheltenham

Gloucestershire

GL51 4GA

14 December 2020

**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
SEVERNBANKS PRIMARY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 19 September 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Severnbanks Primary School during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Severnbanks Primary School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Severnbanks Primary School's funding agreement with the Secretary of State for Education dated 27 July 2012 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

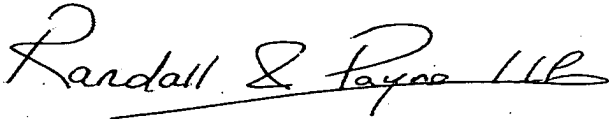
**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
SEVERNBANKS PRIMARY SCHOOL 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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Randall & Payne LLP**

Date: 14 December 2020

**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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

|                                                                                 | Note | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Restricted<br>fixed asset<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|---------------------------------------------------------------------------------|------|------------------------------------|----------------------------------|-------------------------------------------------|-----------------------------|-----------------------------|
| <b>Income from:</b>                                                             |      |                                    |                                  |                                                 |                             |                             |
| Donations and capital<br>(grants)                                               | (3)  | (1,567)                            | (6,887)                          | (6,611)                                         | (15,065)                    | (216,559)                   |
| Charitable activities                                                           | (4)  | (54,329)                           | (1,379,122)                      | (-)                                             | (1,433,451)                 | (1,315,532)                 |
| Investments                                                                     | 6    | 96                                 | -                                | -                                               | 96                          | 138                         |
| Other income                                                                    | 7    | -                                  | 3,137                            | -                                               | 3,137                       | 4,080                       |
| <b>Total income</b>                                                             |      | <b>55,992</b>                      | <b>1,389,146</b>                 | <b>6,611</b>                                    | <b>1,451,749</b>            | <b>1,536,309</b>            |
| <b>Expenditure on:</b>                                                          |      |                                    |                                  |                                                 |                             |                             |
| Charitable activities                                                           |      | -                                  | 1,489,865                        | 129,092                                         | 1,618,957                   | 1,649,651                   |
| Other expenditure                                                               | 9    | -                                  | 591                              | -                                               | 591                         | 560                         |
| <b>Total expenditure</b>                                                        |      | <b>-</b>                           | <b>1,490,456</b>                 | <b>129,092</b>                                  | <b>1,619,548</b>            | <b>1,650,211</b>            |
| <b>Net<br/>income/(expenditure<br/>)</b>                                        |      | <b>55,992</b>                      | <b>(101,310)</b>                 | <b>(122,481)</b>                                | <b>(167,799)</b>            | <b>(113,902)</b>            |
| Transfers between<br>funds                                                      | 19   | (1,151)                            | (11,006)                         | 12,157                                          | -                           | -                           |
| <b>Net movement in<br/>funds before other<br/>recognised<br/>gains/(losses)</b> |      | <b>54,841</b>                      | <b>(112,316)</b>                 | <b>(110,324)</b>                                | <b>(167,799)</b>            | <b>(113,902)</b>            |
| <b>Other recognised<br/>gains/(losses):</b>                                     |      |                                    |                                  |                                                 |                             |                             |
| Actuarial<br>gains/(losses) on<br>defined benefit<br>pension schemes            | 26   | -                                  | 36,000                           | -                                               | 36,000                      | (349,000)                   |
| <b>Net movement in<br/>funds</b>                                                |      | <b>54,841</b>                      | <b>(76,316)</b>                  | <b>(110,324)</b>                                | <b>(131,799)</b>            | <b>(462,902)</b>            |
| <b>Reconciliation of<br/>funds:</b>                                             |      |                                    |                                  |                                                 |                             |                             |
| Total funds brought<br>forward                                                  |      | 130,762                            | (940,578)                        | 953,551                                         | 143,735                     | 606,637                     |
| Net movement in<br>funds                                                        |      | 54,841                             | (76,316)                         | (110,324)                                       | (131,799)                   | (462,902)                   |

**SEVERNBANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)****STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
(CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2020**

| Note                               | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Restricted<br>fixed asset<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|------------------------------------|------------------------------------|----------------------------------|-------------------------------------------------|-----------------------------|-----------------------------|
| <b>Total funds carried forward</b> | <b>185,603</b>                     | <b>(1,016,894)</b>               | <b>843,227</b>                                  | <b>11,936</b>               | <b>143,735</b>              |

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

The notes on pages 35 to 59 form part of these financial statements.

**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

**REGISTERED NUMBER: 08322813**

**BALANCE SHEET  
AS AT 31 AUGUST 2020**

|                                                | Note | 2020<br>£            | 2019<br>£             |
|------------------------------------------------|------|----------------------|-----------------------|
| <b>Fixed assets</b>                            |      |                      |                       |
| Tangible assets                                | 15   | 745,247              | 846,310               |
|                                                |      | <u>745,247</u>       | <u>846,310</u>        |
| <b>Current assets</b>                          |      |                      |                       |
| Debtors                                        | 16   | 73,951               | 155,927               |
| Cash at bank and in hand                       |      | 307,522              | 195,982               |
|                                                |      | <u>381,473</u>       | <u>351,909</u>        |
| Creditors: amounts falling due within one year | 17   | (97,784)             | (79,484)              |
| <b>Net current assets</b>                      |      | <u>283,689</u>       | <u>272,425</u>        |
| <b>Total assets less current liabilities</b>   |      | <u>1,028,936</u>     | <u>1,118,735</u>      |
| <b>Net assets excluding pension liability</b>  |      | <u>1,028,936</u>     | <u>1,118,735</u>      |
| Defined benefit pension scheme liability       | 26   | (1,017,000)          | (975,000)             |
| <b>Total net assets</b>                        |      | <u><u>11,936</u></u> | <u><u>143,735</u></u> |
| <b>Funds of the Academy</b>                    |      |                      |                       |
| <b>Restricted funds:</b>                       |      |                      |                       |
| Fixed asset funds                              | 19   | 843,227              | 953,551               |
| Restricted income funds                        | 19   | 106                  | 34,422                |
|                                                |      | <u>843,333</u>       | <u>987,973</u>        |
| Restricted funds excluding pension asset       | 19   | 843,333              | 987,973               |
| Pension reserve                                | 19   | (1,017,000)          | (975,000)             |
| <b>Total restricted funds</b>                  | 19   | <u>(173,667)</u>     | <u>12,973</u>         |
| <b>Unrestricted income funds</b>               | 19   | <u>185,603</u>       | <u>130,762</u>        |
| <b>Total funds</b>                             |      | <u><u>11,936</u></u> | <u><u>143,735</u></u> |

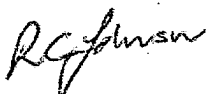
**SEVERN BANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)  
REGISTERED NUMBER: 08322813**

**BALANCE SHEET (CONTINUED)  
AS AT 31 AUGUST 2020**

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

The financial statements on pages 30 to 59 were approved by the Trustees, and authorised for issue on 08 December 2020 and are signed on their behalf, by:



**Mr R Johnson**  
(Chair of Trustees)

The notes on pages 35 to 59 form part of these financial statements.

**SEVERNBANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)****STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2020**

|                                                         | Note   | 2020<br>£      | 2019<br>£      |
|---------------------------------------------------------|--------|----------------|----------------|
| <b>Cash flows from operating activities</b>             |        |                |                |
| Net cash provided by/(used in) operating activities     | 21     | 132,957        | (242,525)      |
| <b>Cash flows from investing activities</b>             | 22     | (21,417)       | 341,228        |
| <b>Change in cash and cash equivalents in the year</b>  |        | 111,540        | 98,703         |
| Cash and cash equivalents at the beginning of the year  |        | 195,982        | 97,279         |
| <b>Cash and cash equivalents at the end of the year</b> | 23, 24 | <u>307,522</u> | <u>195,982</u> |

The notes on pages 35 to 59 form part of these financial statements

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**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

Severnbanks Primary School 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 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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

1. Accounting policies (continued)

1.3 Income

All incoming resources are recognised when the 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.

• **Sponsorship income**

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

• **Donations**

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

• **Other income**

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

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.

• **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.

# SEVERNBANKS PRIMARY SCHOOL

(A Company Limited by Guarantee)

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

### 1. Accounting policies (continued)

#### 1.4 Expenditure (continued)

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.

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

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

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

|                         |            |
|-------------------------|------------|
| Freehold property       | - 15 years |
| Furniture and equipment | - 6 years  |
| Computer equipment      | - 3 years  |
| Motor vehicles          | - 5 years  |

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

**SEVERN BANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.8 Debtors**

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

**1.9 Cash at bank and in hand**

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

**1.10 Liabilities**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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.

**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 16. 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 17. 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.

## **SEVERN BANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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

#### **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 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.

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

**SEVERN BANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**3. Income from donations and capital grants**

|           | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Restricted<br>fixed asset<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|-----------|------------------------------------|----------------------------------|-------------------------------------------------|-----------------------------|
| Donations | 1,567                              | 6,887                            | -                                               | 8,454                       |
| Grants    | -                                  | -                                | 6,611                                           | 6,611                       |
|           | <u>1,567</u>                       | <u>6,887</u>                     | <u>6,611</u>                                    | <u>15,065</u>               |
|           |                                    |                                  |                                                 |                             |
|           | Unrestricted<br>funds<br>2019<br>£ | Restricted<br>funds<br>2019<br>£ | Restricted<br>fixed asset<br>funds<br>2019<br>£ | Total<br>funds<br>2019<br>£ |
| Donations | 4,944                              | 1,191                            | -                                               | 6,135                       |
| Grants    | -                                  | -                                | 210,424                                         | 210,424                     |
|           | <u>4,944</u>                       | <u>1,191</u>                     | <u>210,424</u>                                  | <u>216,559</u>              |

**SEVERN BANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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

**4. Income from charitable activities**

|                                                            | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|------------------------------------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Income from charitable activities - Educational operations | 54,329                             | 1,379,122                        | 1,433,451                   |
|                                                            | <u>54,329</u>                      | <u>1,379,122</u>                 | <u>1,433,451</u>            |
|                                                            |                                    |                                  |                             |
|                                                            | Unrestricted<br>funds<br>2019<br>£ | Restricted<br>funds<br>2019<br>£ | Total<br>funds<br>2019<br>£ |
| Income from charitable activities - Educational operations | 86,660                             | 1,228,872                        | 1,315,532                   |
|                                                            | <u>86,660</u>                      | <u>1,228,872</u>                 | <u>1,315,532</u>            |

**5. Funding for the Academy's educational operations**

|                                     | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|-------------------------------------|------------------------------------|----------------------------------|-----------------------------|
| <b>DfE/ESFA grants</b>              |                                    |                                  |                             |
| (General Annual Grant)              | (0)                                | (1,022,078)                      | (1,022,078)                 |
| (Pupil Premium and Service Premium) | (0)                                | (123,301)                        | (123,301)                   |
| (Other DfE and ESFA)                | (0)                                | (51,587)                         | (51,587)                    |
| (Other Government Revenue Grants)   | (0)                                | (86,013)                         | (86,013)                    |
| (Non-Government - Revenue Grants)   | (0)                                | (83,754)                         | (83,754)                    |
| (Other income)                      | (54,329)                           | (12,389)                         | (66,718)                    |
|                                     | <u>54,329</u>                      | <u>1,379,122</u>                 | <u>1,433,451</u>            |
| <b>Total 2020</b>                   | <u>54,329</u>                      | <u>1,379,122</u>                 | <u>1,433,451</u>            |

**SEVERN BANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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

**5. Funding for the Academy's educational operations (continued)**

|                                   | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Restricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|-----------------------------------|----------------------------------------------|--------------------------------------------|---------------------------------------|
| <b>DfE/ESFA grants</b>            |                                              |                                            |                                       |
| General Annual Grant              | -                                            | 947,798                                    | 947,798                               |
| Pupil Premium and Service Premium | -                                            | 129,907                                    | 129,907                               |
| Other DfE and ESFA                | -                                            | 15,655                                     | 15,655                                |
| Other Government Revenue Grants   | -                                            | 76,335                                     | 76,335                                |
| Non-Government - Revenue Grants   | -                                            | 53,714                                     | 53,714                                |
| Other income                      | 86,660                                       | 5,463                                      | 92,123                                |
| <b>Total 2019</b>                 | <b>86,660</b>                                | <b>1,228,872</b>                           | <b>1,315,532</b>                      |

**6. Investment income**

|                                | <i>Unrestricted<br/>funds<br/>2020<br/>£</i> | <i>Total<br/>funds<br/>2020<br/>£</i> |
|--------------------------------|----------------------------------------------|---------------------------------------|
| Investment income - local cash | 96                                           | 96                                    |

|                                | <i>Unrestricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|--------------------------------|----------------------------------------------|---------------------------------------|
| Investment income - local cash | 138                                          | 138                                   |

**7. Other trading activities**

|                      | <i>Restricted<br/>funds<br/>2020<br/>£</i> | <i>Total<br/>funds<br/>2020<br/>£</i> |
|----------------------|--------------------------------------------|---------------------------------------|
| Supply reimbursement | 3,137                                      | 3,137                                 |

**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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

**7. Other trading activities (continued)**

|                      | <i>Restricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|----------------------|--------------------------------------------|---------------------------------------|
| Supply reimbursement | 4,080                                      | 4,080                                 |

**8. Expenditure**

|                         | <i>Other<br/>2020<br/>£</i> | <i>Total<br/>2020<br/>£</i> |
|-------------------------|-----------------------------|-----------------------------|
| Educational operations: |                             |                             |
| Direct costs            | 1,052,371                   | 1,052,371                   |
| Allocated support costs | 566,586                     | 566,586                     |
| Other expenditure       | 591                         | 591                         |
| <b>Total 2020</b>       | <b>1,619,548</b>            | <b>1,619,548</b>            |

|                         | <i>Other<br/>2019<br/>£</i> | <i>Total<br/>2019<br/>£</i> |
|-------------------------|-----------------------------|-----------------------------|
| Educational operations: |                             |                             |
| Direct costs            | 974,863                     | 974,863                     |
| Allocated support costs | 674,789                     | 674,789                     |
| Other expenditure       | 560                         | 560                         |

**SEVERN BANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020****9. Other expenditure**

|           | <b>Restricted<br/>funds<br/>2020<br/>£</b> | <b>Total<br/>funds<br/>2020<br/>£</b> |
|-----------|--------------------------------------------|---------------------------------------|
| Donations | 591                                        | 591                                   |

|           | <i>Restricted<br/>funds<br/>2019<br/>£</i> | <i>Total<br/>funds<br/>2019<br/>£</i> |
|-----------|--------------------------------------------|---------------------------------------|
| Donations | 560                                        | 560                                   |

**10. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

|                                       | <b>2020<br/>£</b> | <b>2019<br/>£</b> |
|---------------------------------------|-------------------|-------------------|
| Operating lease rentals               | 6,722             | 6,722             |
| Depreciation of tangible fixed assets | 129,091           | 146,878           |
| Fees paid to auditors for:            |                   |                   |
| - audit                               | 6,050             | 5,850             |
| - other services                      | 2,730             | 2,540             |

**11. Auditors' remuneration**

|                                                                                      | <b>2020<br/>£</b> | <b>2019<br/>£</b> |
|--------------------------------------------------------------------------------------|-------------------|-------------------|
| Fees payable to the Academy's auditor for the audit of the Academy's annual accounts | 6,050             | 5,850             |
| Fees payable to the Academy's auditor in respect of:                                 |                   |                   |
| All non-audit services not included above                                            | 2,730             | 2,540             |

**SEVERNBANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020****12. Staff****a. Staff costs**

Staff costs during the year were as follows:

|                       | 2020<br>£        | 2019<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 808,166          | 769,944          |
| Social security costs | 63,921           | 62,649           |
| Pension costs         | 261,981          | 235,084          |
|                       | <u>1,134,068</u> | <u>1,067,677</u> |
| Agency staff costs    | 20,175           | 5,639            |
|                       | <u>1,154,243</u> | <u>1,073,316</u> |

**b. Staff numbers**

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

|                 | 2020<br>No. | 2019<br>No. |
|-----------------|-------------|-------------|
| Teachers        | 12          | 11          |
| Admin & Support | 33          | 27          |
| Management      | 6           | 6           |
|                 | <u>51</u>   | <u>44</u>   |

**SEVERNBANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020****12. Staff (continued)****c. Higher paid staff**

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

|                               | 2020<br>No. | 2019<br>No. |
|-------------------------------|-------------|-------------|
| In the band £80,001 - £90,000 | -           | 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 £341,336 (2019 £294,948 excluding employer national insurance contributions).

**13. Trustees' remuneration and expenses**

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

|                                                           |                            | 2020<br>£ | 2019<br>£ |
|-----------------------------------------------------------|----------------------------|-----------|-----------|
| Mrs P Howell, Head Teacher (resigned 31 December 2019)    | Remuneration               | 20,000 -  | 70,000 -  |
|                                                           |                            | 25,000    | 75,000    |
|                                                           | Pension contributions paid | 5,000 -   | 10,000 -  |
|                                                           |                            | 10,000    | 15,000    |
| Ms S Poole, Acting Head Teacher (from 1st January 2020)   | Remuneration               | 50,000 -  | 45,000 -  |
|                                                           |                            | 55,000    | 50,000    |
|                                                           | Pension contributions paid | 10,000 -  | 5,000 -   |
|                                                           |                            | 15,000    | 10,000    |
| Mrs C Morgan, Staff Governor                              | Remuneration               | 40,000 -  | 40,000 -  |
|                                                           |                            | 45,000    | 45,000    |
|                                                           | Pension contributions paid | 10,000 -  | 10,000 -  |
|                                                           |                            | 15,000    | 15,000    |
| Mrs S Howell, Teacher Governor (appointed 1 January 2020) | Remuneration               | 20,000 -  |           |
|                                                           |                            | 25,000    |           |
|                                                           | Pension contributions paid | 5,000 -   |           |
|                                                           |                            | 10,000    |           |

During the year ended 31 August 2020, expenses totalling £845 were reimbursed or paid directly to 3 Trustees (2019 - £1,194 to 3 Trustees). [Enter details of the nature of the expenses reimbursed / paid directly].

**SEVERNBANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020****14. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim. It is not possible to quantify the trustees' and officers' indemnity element from the overall cost of the RPA scheme.

**15. Tangible fixed assets**

|                          | Freehold<br>property<br>£ | Furniture<br>and<br>equipment<br>£ | Computer<br>equipment<br>£ | Motor<br>vehicles<br>£ | Total<br>£ |
|--------------------------|---------------------------|------------------------------------|----------------------------|------------------------|------------|
| <b>Cost or valuation</b> |                           |                                    |                            |                        |            |
| At 1 September 2019      | 1,423,231                 | 121,956                            | 85,357                     | 12,101                 | 1,642,645  |
| Additions                | 6,400                     | 12,935                             | 8,693                      | -                      | 28,028     |
| At 31 August 2020        | 1,429,631                 | 134,891                            | 94,050                     | 12,101                 | 1,670,673  |
| <b>Depreciation</b>      |                           |                                    |                            |                        |            |
| At 1 September 2019      | 670,675                   | 48,472                             | 68,208                     | 8,980                  | 796,335    |
| Charge for the year      | 90,375                    | 17,913                             | 19,243                     | 1,560                  | 129,091    |
| At 31 August 2020        | 761,050                   | 66,385                             | 87,451                     | 10,540                 | 925,426    |
| <b>Net book value</b>    |                           |                                    |                            |                        |            |
| At 31 August 2020        | 668,581                   | 68,506                             | 6,599                      | 1,561                  | 745,247    |
| At 31 August 2019        | 752,556                   | 73,484                             | 17,149                     | 3,121                  | 846,310    |

Included in land and buildings is freehold land at valuation of £74,000 (2019: £74,000) which is not depreciated.

**SEVERNBANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020****16. Debtors**

|                                | 2020<br>£     | 2019<br>£      |
|--------------------------------|---------------|----------------|
| <b>Due within one year</b>     |               |                |
| Trade debtors                  | 504           | 5,360          |
| Other debtors                  | 13,798        | 55,631         |
| Prepayments and accrued income | 59,649        | 94,936         |
|                                | <u>73,951</u> | <u>155,927</u> |

**17. Creditors: Amounts falling due within one year**

|                                    | 2020<br>£     | 2019<br>£     |
|------------------------------------|---------------|---------------|
| Trade creditors                    | 40            | 1,520         |
| Other taxation and social security | -             | 40            |
| Other creditors                    | 35,240        | 33,318        |
| Accruals and deferred income       | 62,504        | 44,606        |
|                                    | <u>97,784</u> | <u>79,484</u> |

|                                        | 2020<br>£     | 2019<br>£     |
|----------------------------------------|---------------|---------------|
| Deferred income at 1 September 2019    | 15,503        | 24,230        |
| Resources deferred during the year     | 15,975        | 15,503        |
| Amounts released from previous periods | (15,503)      | (24,230)      |
|                                        | <u>15,975</u> | <u>15,503</u> |

Deferred income at 31 August 2020 consisted of:

- Universal Infant Free School Meals grant £14,005 (2019: £12,746)
- Trip income £1,970 (£2,757)

**SEVERNBANKS PRIMARY SCHOOL**

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

**18. Financial instruments**

|                                                                        | <b>2020</b>    | <b>2019</b>    |
|------------------------------------------------------------------------|----------------|----------------|
|                                                                        | <b>£</b>       | <b>£</b>       |
| <b>Financial assets</b>                                                |                |                |
| Financial assets measured at fair value through income and expenditure | <b>307,522</b> | <b>195,982</b> |

Financial assets measured at fair value through income and expenditure comprise....

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

**19. Statement of funds**

|                                                | Balance at 1<br>September<br>2019<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2020<br>£ |
|------------------------------------------------|----------------------------------------|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| <b>Unrestricted<br/>funds</b>                  |                                        |                  |                    |                          |                         |                                      |
| General Funds<br>- all funds                   | 130,762                                | 55,992           | -                  | (1,151)                  | -                       | 185,603                              |
| <b>Restricted<br/>general funds</b>            |                                        |                  |                    |                          |                         |                                      |
| General Annual<br>Grant (GAG)                  | 34,316                                 | 1,022,078        | (1,045,388)        | (11,006)                 | -                       | -                                    |
| Private trip fund                              | -                                      | 6,181            | (6,181)            | -                        | -                       | -                                    |
| BHLP                                           | 106                                    | -                | -                  | -                        | -                       | 106                                  |
| Other DfE and<br>ESFA                          | -                                      | 216,396          | (216,396)          | -                        | -                       | -                                    |
| Other govt<br>revenue grants                   | -                                      | 128,259          | (128,259)          | -                        | -                       | -                                    |
| Other restricted<br>income                     | -                                      | 16,232           | (16,232)           | -                        | -                       | -                                    |
| Pension<br>reserve                             | (975,000)                              | -                | (78,000)           | -                        | 36,000                  | (1,017,000)                          |
|                                                | <u>(940,578)</u>                       | <u>1,389,146</u> | <u>(1,490,456)</u> | <u>(11,006)</u>          | <u>36,000</u>           | <u>(1,016,894)</u>                   |
| <b>Restricted<br/>fixed asset<br/>funds</b>    |                                        |                  |                    |                          |                         |                                      |
| Class II<br>Restricted<br>Funds - all<br>funds | 846,310                                | -                | (129,092)          | 28,028                   | -                       | 745,246                              |
| Devolved<br>Formula Capital                    | 9,260                                  | 6,611            | -                  | (15,871)                 | -                       | -                                    |
| Sale of school<br>house                        | 73,621                                 | -                | -                  | -                        | -                       | 73,621                               |
| CIF roof and<br>lights                         | 24,360                                 | -                | -                  | -                        | -                       | 24,360                               |
|                                                | <u>953,551</u>                         | <u>6,611</u>     | <u>(129,092)</u>   | <u>12,157</u>            | <u>-</u>                | <u>843,227</u>                       |

**SEVERNBANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020****19. Statement of funds (continued)**

|                                       | Balance at 1<br>September<br>2019<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2020<br>£ |
|---------------------------------------|----------------------------------------|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| <b>Total<br/>Restricted<br/>funds</b> | <b>12,973</b>                          | <b>1,395,757</b> | <b>(1,619,548)</b> | <b>1,151</b>             | <b>36,000</b>           | <b>(173,667)</b>                     |

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

Restricted GAG fund, other DFE/ESFA grants & other government grants - this fund represents grants received for the Academy's operational activities and development

Private trips fund - this is income from students to pay for educational trips and school activities in the future.

Fixed asset fund - this fund shows the net book value of fixed assets and any unspent capital grants.

Pension reserve - this fund relates solely to the LGPS pension reserve.

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 2020.

**SEVERN BANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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

**19. Statement of funds (continued)**

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

|                                       | Balance at<br>1 September<br>2018<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Balance at<br>31 August<br>2019<br>£ |
|---------------------------------------|----------------------------------------|------------------|--------------------|--------------------------|--------------------------------------|
| <b>Unrestricted funds</b>             |                                        |                  |                    |                          |                                      |
| General Funds - all funds             | 43,732                                 | 91,743           | -                  | (4,713)                  | 130,762                              |
| <b>Restricted general funds</b>       |                                        |                  |                    |                          |                                      |
| General Annual Grant (GAG)            | -                                      | 947,798          | (1,179,609)        | 266,127                  | 34,316                               |
| Private trip fund                     | -                                      | 5,463            | (5,463)            | -                        | -                                    |
| BHLP                                  | 486                                    | -                | (380)              | -                        | 106                                  |
| Other DfE and ESFA                    | -                                      | 75,528           | (75,528)           | -                        | -                                    |
| Other govt revenue grants             | -                                      | 70,175           | (70,175)           | -                        | -                                    |
| Pupil premium                         | -                                      | 129,907          | (129,907)          | -                        | -                                    |
| Donations                             | -                                      | 1,191            | (1,191)            | -                        | -                                    |
| Reimbursements                        | -                                      | 4,080            | (4,080)            | -                        | -                                    |
| Pension reserve                       | (589,000)                              | -                | (37,000)           | (349,000)                | (975,000)                            |
|                                       | <u>(588,514)</u>                       | <u>1,234,142</u> | <u>(1,503,333)</u> | <u>(82,873)</u>          | <u>(940,578)</u>                     |
| <b>Restricted fixed asset funds</b>   |                                        |                  |                    |                          |                                      |
| Class II Restricted Funds - all funds | 1,123,993                              | -                | (146,878)          | (130,804)                | 846,311                              |
| Devolved Formula Capital              | -                                      | 16,294           | -                  | (7,034)                  | 9,260                                |
| Sale of school house                  | -                                      | -                | -                  | 73,621                   | 73,621                               |
| CIF roof and lights                   | -                                      | 194,130          | -                  | (169,771)                | 24,359                               |
| CIF income                            | 27,426                                 | -                | -                  | (27,426)                 | -                                    |
|                                       | <u>1,151,419</u>                       | <u>210,424</u>   | <u>(146,878)</u>   | <u>(261,414)</u>         | <u>953,551</u>                       |
| <b>Total Restricted funds</b>         | <u>562,905</u>                         | <u>1,444,566</u> | <u>(1,650,211)</u> | <u>(344,287)</u>         | <u>12,973</u>                        |
| <b>Total funds</b>                    | <u>606,637</u>                         | <u>1,536,309</u> | <u>(1,650,211)</u> | <u>(349,000)</u>         | <u>143,735</u>                       |

**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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

**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

|                                        | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Restricted<br>fixed asset<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|----------------------------------------|------------------------------------|----------------------------------|-------------------------------------------------|-----------------------------|
| Tangible fixed assets                  | -                                  | -                                | 745,247                                         | 745,247                     |
| Current assets                         | 185,606                            | 97,890                           | 97,980                                          | 381,476                     |
| Creditors due within one year          | -                                  | (97,784)                         | -                                               | (97,784)                    |
| Provisions for liabilities and charges | -                                  | (1,017,000)                      | -                                               | (1,017,000)                 |
| Difference                             | (3)                                | -                                | -                                               | 3                           |
| <b>Total</b>                           | <b>185,603</b>                     | <b>(1,016,894)</b>               | <b>843,227</b>                                  | <b>11,936</b>               |

**Analysis of net assets between funds - prior period**

|                                        | Unrestricted<br>funds<br>2019<br>£ | Restricted<br>funds<br>2019<br>£ | Restricted<br>fixed asset<br>funds<br>2019<br>£ | Total<br>funds<br>2019<br>£ |
|----------------------------------------|------------------------------------|----------------------------------|-------------------------------------------------|-----------------------------|
| Tangible fixed assets                  | -                                  | -                                | 846,310                                         | 846,310                     |
| Current assets                         | 210,246                            | 34,422                           | 107,242                                         | 351,910                     |
| Creditors due within one year          | (79,484)                           | -                                | -                                               | (79,484)                    |
| Provisions for liabilities and charges | -                                  | (975,000)                        | -                                               | (975,000)                   |
| <b>Total</b>                           | <b>130,762</b>                     | <b>(940,578)</b>                 | <b>953,552</b>                                  | <b>143,736</b>              |

**SEVERNBANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020****21. Reconciliation of net expenditure to net cash flow from operating activities**

|                                                                           | 2020<br>£        | 2019<br>£        |
|---------------------------------------------------------------------------|------------------|------------------|
| Net expenditure for the period (as per Statement of Financial Activities) | <b>(167,799)</b> | <b>(113,902)</b> |
| <b>Adjustments for:</b>                                                   |                  |                  |
| Depreciation                                                              | <b>129,091</b>   | <b>146,878</b>   |
| Capital grants from DfE and other capital income                          | <b>(6,611)</b>   | <b>(210,424)</b> |
| FRS 102 pension adjustments                                               | <b>78,000</b>    | <b>37,000</b>    |
| Decrease/(increase) in debtors                                            | <b>81,976</b>    | <b>(76,395)</b>  |
| Increase/(decrease) in creditors                                          | <b>18,300</b>    | <b>(25,682)</b>  |
| <b>Net cash provided by/(used in) operating activities</b>                | <b>132,957</b>   | <b>(242,525)</b> |

**22. Cash flows from investing activities**

|                                                            | 2020<br>£       | 2019<br>£       |
|------------------------------------------------------------|-----------------|-----------------|
| Purchase of tangible fixed assets                          | <b>(28,028)</b> | <b>(59,196)</b> |
| Proceeds from the sale of tangible fixed assets            | <b>-</b>        | <b>190,000</b>  |
| Capital grants from DfE Group                              | <b>6,611</b>    | <b>210,424</b>  |
| <b>Net cash (used in)/provided by investing activities</b> | <b>(21,417)</b> | <b>341,228</b>  |

**23. Analysis of cash and cash equivalents**

|                                        | 2020<br>£      | 2019<br>£      |
|----------------------------------------|----------------|----------------|
| Cash in hand                           | <b>307,522</b> | <b>195,982</b> |
| <b>Total cash and cash equivalents</b> | <b>307,522</b> | <b>195,982</b> |

**SEVERN BANKS PRIMARY SCHOOL**  
(A Company Limited by Guarantee)

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

**24. Analysis of changes in net debt**

|                          | At 1<br>September<br>2019<br>£ | Cash flows<br>£ | At 31<br>August 2020<br>£ |
|--------------------------|--------------------------------|-----------------|---------------------------|
| Cash at bank and in hand | 195,982                        | 111,540         | 307,522                   |
|                          | <u>195,982</u>                 | <u>111,540</u>  | <u>307,522</u>            |

**25. Capital commitments**

|                                                                      | 2020<br>£     | 2019<br>£     |
|----------------------------------------------------------------------|---------------|---------------|
| <b>Contracted for but not provided in these financial statements</b> |               |               |
| Acquisition of tangible fixed assets                                 | <u>14,866</u> | <u>29,514</u> |

**26. 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 Gloucestershire County Council Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £21,265 were payable to the schemes at 31 August 2020 (2019 - £18,296) 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 2020

#### 26. 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 £109,959 (2019 - £78,902).

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 2020 was £108,000 (2019 - £93,000), of which employer's contributions totalled £91,000 (2019 - £78,000) and employees' contributions totalled £ 17,000 (2019 - £15,000). The agreed contribution rates for future years are 31.2 per cent for employers and 5.5-7.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

**SEVERNBANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020****26. Pension commitments (continued)****Principal actuarial assumptions**

|                                                    | 2020<br>% | 2019<br>% |
|----------------------------------------------------|-----------|-----------|
| Rate of increase in salaries                       | 2.5       | 2.6       |
| Rate of increase for pensions in payment/inflation | 2.2       | 2.3       |
| Discount rate for scheme liabilities               | 1.7       | 1.8       |

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

|                             | 2020<br>Years | 2019<br>Years |
|-----------------------------|---------------|---------------|
| <i>Retiring today</i>       |               |               |
| Males                       | 21.7          | 22.4          |
| Females                     | 23.9          | 24.6          |
| <i>Retiring in 20 years</i> |               |               |
| Males                       | 22.4          | 24            |
| Females                     | 25.3          | 26.4          |

**Sensitivity analysis**

|                             | 2020<br>£000 | 2019<br>£000 |
|-----------------------------|--------------|--------------|
| Discount rate -0.5%         | 265          | 254          |
| Salary increase rate +0.5%  | 33           | 43           |
| Pension increase rate +0.5% | 227          | 205          |

**Share of scheme assets**

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

|                                     | 2020<br>£        | 2019<br>£        |
|-------------------------------------|------------------|------------------|
| Equities                            | 785,000          | 657,000          |
| Corporate bonds                     | 273,000          | 252,000          |
| Property                            | 95,000           | 81,000           |
| Cash and other liquid assets        | 26,000           | 20,000           |
| <b>Total market value of assets</b> | <b>1,179,000</b> | <b>1,010,000</b> |

**SEVERNBANKS PRIMARY SCHOOL****(A Company Limited by Guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020****26. Pension commitments (continued)**

The actual return on scheme assets was £25,000 (2019 - £64,000).

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

|                                                                         | 2020<br>£      | 2019<br>£        |
|-------------------------------------------------------------------------|----------------|------------------|
| Current service cost                                                    | 151,000        | (98,000)         |
| Interest income                                                         | 19,000         | 25,000           |
| Interest cost                                                           | (37,000)       | (42,000)         |
| <b>Total amount recognised in the Statement of Financial Activities</b> | <b>133,000</b> | <b>(115,000)</b> |

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

|                        | 2020<br>£        | 2019<br>£        |
|------------------------|------------------|------------------|
| <b>At 1 September</b>  | <b>1,985,000</b> | <b>1,460,000</b> |
| Interest cost          | 37,000           | 42,000           |
| Employee contributions | 17,000           | 15,000           |
| Actuarial losses       | 29,000           | 383,000          |
| Benefits paid          | (13,000)         | (13,000)         |
| Current service cost   | 151,000          | 98,000           |
| <b>At 31 August</b>    | <b>2,206,000</b> | <b>1,985,000</b> |

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

|                        | 2020<br>£        | 2019<br>£        |
|------------------------|------------------|------------------|
| <b>At 1 September</b>  | <b>1,010,000</b> | <b>871,000</b>   |
| Interest income        | 19,000           | 25,000           |
| Actuarial gains        | 65,000           | 34,000           |
| Employer contributions | 91,000           | 78,000           |
| Employee contributions | 17,000           | 15,000           |
| Benefits paid          | (13,000)         | (13,000)         |
| <b>At 31 August</b>    | <b>1,189,000</b> | <b>1,010,000</b> |

**SEVERNBANKS PRIMARY SCHOOL**

**(A Company Limited by Guarantee)**

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

**27. Operating lease commitments**

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

|                                              | 2020<br>£     | 2019<br>£     |
|----------------------------------------------|---------------|---------------|
| Not later than 1 year                        | 6,722         | 6,722         |
| Later than 1 year and not later than 5 years | 3,533         | 8,103         |
|                                              | <u>10,255</u> | <u>14,825</u> |

**28. Members' liability**

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

**29. 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.

Expenditure related party transactions

Wayne Howell, husband of Pam Howell, head teacher and trustee (to 31 December 2019), commenced employment with the academy during the year ended 31 August 2018. This appointment was made in open competition and Pam Howell was not involved in the decision making process regarding appointment. Wayne Howell is paid an hourly rate based on timesheets submitted and this contract is based on standard terms available to all employees on an hourly support contract.

Kirstie McQueen-Oliver, spouse of Scott Bowen who was appointed as trustee in March 2018, is employed by the academy as a teacher and was employed by the academy prior to Mr Bowen's appointment as trustee. Kirstie McQueen-Oliver is employed on a standard teaching contract in line with all teaching staff.