

Company Registration No. 09154494 (England and Wales)

**LANESEND PRIMARY**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

# LANESEND PRIMARY

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# LANESEND PRIMARY

## REFERENCE AND ADMINISTRATIVE DETAILS

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**Trustees**

Ian Carrington, Chair<sup>1</sup>  
Laura Augusts, Vice-Chair  
Emma Norton<sup>1</sup>  
Joanna Hunter  
James Hall<sup>1</sup>  
Steven Dixon  
Tara Hopkinson, Staff trustee  
Andrea Flux, Staff trustee  
Caroline Sice, Headteacher & Accounting Officer<sup>1</sup>  
Karen Herbert-Duff (resigned 25<sup>th</sup> October 2021)  
Kate Smythe (appointed 3<sup>rd</sup> December 2021)  
Sue Pilsworth (appointed 24<sup>th</sup> November 2021)  
Sam Newson (resigned 13<sup>th</sup> September 2020)<sup>1</sup>

<sup>1</sup> Money Group

**Members**

Eric Hemming  
Scott Raven  
Gillian Bilbo  
Anne Glentworth

**Senior Leadership Team**  
Chief Executive Officer and Headteacher  
Assistant Headteachers

Caroline Sice  
Nicola Napier  
Tara Hopkinson  
Graham Andre

**Company Secretary**

Angela Cordon

**Company registration number**

09154494 (England and Wales)

**Registered office**

Lanesend Primary  
Love Lane  
Isle of Wight  
PO31 7ES

**Independent auditor**

Baxter & Co  
Lynwood House  
Crofton Road  
Orpington  
Kent BR6 8QE

**Bankers**

Lloyds Bank,  
22 St Thomas' Square,  
Newport,  
Isle of Wight,  
PO30 1SQ

**Solicitors**

Paris Smith,  
1 London Road,  
Southampton,  
Hampshire,  
SO15 2AE

# LANESEND PRIMARY

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 AUGUST 2021*

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The Trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2020/2021 issued by the ESFA.

The Trust operates an academy for pupils aged 4 to 11 serving a catchment area in Cowes. It has a pupil capacity of 450 and had a roll of 438 in the school census on January 2021.

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

##### Constitution

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

The Trustees of Lanesend Primary are also the directors of the charitable company for the purpose of company law. Details of the Trustees who served during 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 or within one year of when they ceased to be a member.

##### Trustees' Indemnities

No indemnities or guarantees have been provided to third parties by the charitable company in respect of any of its Trustees.

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

In accordance with the articles of association, the Trustees of the charitable company are appointed as follows:

- Up to 10 Trustees appointed by the Members
- A minimum of 2 Parent Trustees appointed by parents
- Co-opted trustees as required by the board
- Providing the Headteacher agrees so to act, the Members may appoint the Headteacher as a Trustee.

Trustees serve for four years and are eligible for re-election.

##### Policies and procedures adopted for the induction and training of Trustees

All new Trustees complete in-house induction training and are given the opportunity to attend the Local Authority new Trustee training sessions. Each new Trustee is paired with an experienced Trustee who will provide additional support. All Trustees are provided with access to policies, procedures, minutes, accounts, budgets and other documents that they will need to undertake their role as Trustees. All Trustees are invited to external and in-house training throughout the year. We also provide access to the Hampshire Trustee Portal for all trustees and the school subscribes to Hampshire Trustee Services along with access to GovernorHub and membership of NGA.

# LANESEND PRIMARY

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### Organisational structure

The Board of Trustees, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The Board meets at least three times a year and has a number of sub-committees:

- Money Group (MCG)
- Teaching and Learning Group (TLG)
- Child-centred Group (CCG)

Each committee is formally constituted with terms of reference and comprises appropriately qualified and experienced members. The Trust Board delegates specific responsibilities to its committees, the activities of which are reported to and discussed at full Board of Trustee meetings. Trustees review the number and role of committees on a regular basis.

The Senior Leadership Team consists of the Head Teacher and three Assistant Headteachers. These leaders control the Academy at executive level implementing the policies laid down by the Trustees, regularly reporting back to them. The Head Teacher is the Accounting Officer and is responsible for the authorisation of spending within agreed budgets and the appointment of staff, although the appointment of senior leader posts is referred to Trustees. The school Finance Manager is the Chief Financial Officer

Curriculum co-ordinators are responsible for learning areas within the curriculum, in particular organising and reviewing the essential knowledge, understanding and skills that primary age children need in order to make progress and fulfil their potential.

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

Pay and remuneration for key management is determined under the Performance Management Policy. The Headteacher's pay is determined by a performance management panel which is made up of 3 trustees and an independent consultant (who acts as an advisor to the panel). The panel decides the Headteacher's pay and is put forward for ratification to the Money Group who have been delegated powers by the Full Board of trustees. All other staff are invited to a Performance Management review against targets set and overall school performance. The Headteacher will present the evidence from these meetings to the Money Group at a Performance Management and Pay review meeting. The members of the Money Group will then decide pay changes for staff. These decisions have been delegated to the Money Group by the Full Board of trustees.

#### **Trade Union Facility Time**

##### **Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

##### **Percentage of time spent on facility time**

Percentage of time	Number of Employees
0%	0
1% - 50%	0
51% - 99%	0
100%	0

##### **Percentage of pay bill spent on facility time**

Total Cost of facility time	£1673.71
Total Pay bill	£2,067k
Percentage of the total pay bill spent on facility time	0.08%

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# LANESEND PRIMARY

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### **Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0%
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### Related Parties and other Connected Charities and Organisations

Lanesend Primary is a standalone academy without any organisational connections to other schools, charities or companies.

### **Objectives and activities**

#### Objects and aims

The company was set up on the 1st September 2014. The principal objective and activity of the Charitable Company is the operation of Lanesend Primary School. Our school ethos is to embed a love of learning; we want our children to foster a lifelong love of learning and truly believe that every member of staff within our team are responsible for supporting the children in this goal. For this to be achieved:

- Children should feel safe and secure in a caring and stimulating environment
- Have access to the whole curriculum and more
- The personal wellbeing and all round development of our children is given high priority
- ICT use to support children's learning and access to the curriculum
- Opportunities to help them engage in their learning and play
- A highly skilled and dedicated team
- Standout teaching and learning
- An outward looking school
- Strong parental partnerships
- Strategic vision and development from Members and Trustees through clear communication and insight into the school's strengths and development areas
- We do what needs to be done for all children

#### **Visions and Ethos**

- Love Learning – Our Teachers Love Teaching and Teach our Children to Love Learning.
- We do what needs to be done for every child.
- Growing successful adults through opportunities to experience diverse aspects of learning and life.
- An Island school with boundless opportunities.
- Curriculum innovation for the twenty-first century.
- Inspiring a love of learning through positive choices
- Team Lanesend supporting each other always.

#### Objectives, strategies and activities

Our objectives for the year ended 31 August 2021 were as follows:

- 1 Maths – to secure and develop reasoning skills and acquisition of core number knowledge including tables to raise outcomes for all children with an increased enjoyment and confidence.
- 2 To further improve assessment, identifying gaps and reviewing the intervention cycle to support progress and raise outcomes for all.
- 3 Post Lockdown support to further improve curriculum to ensure it continues to offer children engaging, broad and relevant learning opportunities with clear progression and appropriate levels of learning.
- 4 A focus of developing an awareness of diversity and engagement in challenging stereotypes

# LANESEND PRIMARY

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### Public benefit

Every activity that Lanesend Primary engages in is always for the sole purpose of benefiting the children and enhancing the academy's reputation for delivering outstanding learning and extra-curricular experiences for all our children.

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

#### **Strategic Report**

#### Achievements and performance

Performance against targets and objectives:

1 Focus on maths included weekly maths challenges, 2 members of staff were further trained in maths mastery and implemented an action plan for maths. We have invested in the White Rose programme of learning and enhanced resources.

We work closely with the Solent Maths Hub to support training and development of staff in mastery.

We have brought into Rock Star Maths.

We have revamped our maths days and learning plan.

We have flexible groupings.

We are working with Kieran Markle maths consultant for our CPD, training and support. We completed a training day in school with Kieran, one review day and demonstration lessons.

We have enhanced our action plan.

Years 1-3 are in-line with expected attainment and expected progress, with Year 2 being slightly below. Years 4-6 are below expected outcomes, except for Year 5 who are at the required progress rate. This has been recognised as less objectives are being covered.

2 improve assessment purchased Puma, Pira and Gaps using MARK to standardise scores against national and identify targeted children. Our Inclusion Officer is currently studying for Dyslexic assessment qualification. We have re-assessed children as identified as high ability to confirm specific provision support and next steps in learning. We used ACEs and Boxall Profile to identify the barriers for our PPG children and identify support and intervention. We took part in the early adopters of the EYFS. We trained in the new engagement model. Began to assess using a small steps curriculum and on Edukey developed an assessment tool on the effectiveness of interventions.

3 Post lockdown support employment of specific LSAs on the recovery programme, Mental Health First Aid training, PEACH accreditation on hold due to COVID. TRICKs box videos and assemblies enhanced the personal development of our children. Completed wellbeing surveys. All children in school were reassessed after lockdown to gauge where they were and what was needed to support any gaps. We participated in extra curriculum activities as soon as permitted including swimming lessons, trip to Bournemouth, visitors in school, whole school curriculum visits to local Roman Villas. We continued with inhouse training to enhance writing, maths, art and PE. Before children returned from lockdown staff completed training in Shame and Trauma to support children who may have been affected by the lockdown and being away from school. We engaged in a series of activities in positive childhood experiences to support the curriculum. We were awarded Island Schools Mental Charter accredited award and were the first school on the Isle of Wight. We also received the SEND award for Early Years.

4 Diversity – achieved Kitemark for Gender Diversity. A range of virtual visitors from around the world to engage the children in diverse experiences. We had lessons in African drums and a whole school topic on the history of slavery. Keep promoting in the community gender and diversity. Debate assemblies every week even virtually on themes linked to diversity. We invested £1500 in books relating to gender and diversity. Developed languages in school including Latin and a link with a school in Turkey. Bronze award for Global School Alliance working towards Silver. We have been accepted on the Connecting Schools project but COVID has delayed this. International students visited the school. Our MFL curriculum lead has been accepted to visit Uganda as part of the Connecting Schools project.

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## TRUSTEES' REPORT

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#### Key Financial Performance Indicators

Under the Companies Act 2006 requirements for a strategic report this must include an analysis against key financial performance indicators and, where appropriate, an analysis using other key performance indicators including information relating to environmental and employee matters.

For example this could include, but may not be limited to, Ofsted inspection outcomes, examination / key stage results, pupil attendance data and pupil recruitment data, in addition to financial and investment performance. It could be presented as both achievements against objectives for the current accounting period, and as trends over time.

Teaching staff spend (% of total expenditure) in 19/20 42.5% and in 20/21 45.4% sitting comfortably within the range.

Pupil teacher ratio (range 22-24) in 19/20 19.3 in 20/21 19.6 – we aim to be below the range due to the needs of our children and consciously deciding to have small classes for the benefit of learning and the workload of our staff.

Leadership costs are 11% which is green in the matrix data

#### Key Performance Indicators for attainment in school.

Due to the ongoing COVID 19 pandemic all key stage assessments were cancelled and therefore we don't have any KPIs to report on this year.

Throughout the year and the pandemic our attendance continued to be above national average. At the height of the pandemic nearly 60% of the children in school due to being keyworkers, identified as vulnerable and EHCPs.

#### Going concern

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

#### **Financial review**

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as other government grants. Such income is collectively referred to as "Restricted Funds".

Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the Trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of Trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

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# LANESEND PRIMARY

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2021**

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The following balances held were held at 31 August:

<b>Fund</b>	<b>Category</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
GAG	Restricted General Funds	-	-
Other DfE/ESFA Grants	Restricted General Funds	-	-
Other Government Grants	Restricted General Funds	-	-
Other restricted funds	Restricted General Funds	-	-
	<b><i>Sub-total – General Restricted Funds</i></b>	<b>-</b>	<b>-</b>
Unspent Capital Grants	Restricted Fixed Asset Fund	-	-
Other Income	Unrestricted General Fund	155	165
	<b><i>Sub-Total – Spendable Funds</i></b>	<b>155</b>	<b>165</b>
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	2,052	2,077
Share of LGPS Deficit	Restricted Pension Reserve	(1,663)	(963)
	<b><i>Total – All Funds</i></b>	<b><u>544</u></b>	<b><u>1,279</u></b>

During the year under review, general restricted funds remained the same (2020: no changes) and unrestricted general funds decreased by £10k (2020: increased by £64k). After LGPS valuation adjustments, depreciation and capital income and expenditure, overall funds decreased by £735k (2020: decreased by £13k).

### Financial Review

Our financial lead – after returning from maternity leave – re-established strong financial procedures and because of these procedures and having accurate monthly files in paper copies, when the cyber-attack hit, and everything was lost, we had rigorous accounts to the end of June that enabled us to re-establish accounting to the end of the financial year. As an organisation our financial management was proved to be effective from an SMRA review and we have acted upon advice within the report. The financial situation of the school is monitored at monthly Trustee 'Money Group' meetings, which consists of strong and experienced trustees and lead by a chartered accountant. The impact from the cyber-attack continues to be evident every day and has been reflected in our schools 'Risk Register', our financial management and procuring a new financial management system that is cloud based and robust that will help rebuild our financial management to the high standards that were in place before.

### Reserves policy

The Academy Trust Board reviews the level of reserves annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. Our aim is to use the allocated funding each year for the full benefit of the children currently attending the school. However we do budget a small amount each year for unforeseen circumstances, to support planned projects to benefit the future development plans of the school and the upkeep of the building. The Trustees will ensure that the reserves policy continues to conform to the requirements laid down in the Academies Financial Handbook produced by the Education and Skills Funding Agency.

### Investment policy

Our funds are held in 2 bank accounts with Lloyds Bank and accrue interest. We currently do not invest in any investment activities which could pose a risk. Any investments are made with regard to the Charity Commission guidance in relation to investments.

# LANESEND PRIMARY

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to academic performance / finances / child welfare / admissions. The Trustees have implemented a number of systems to assess risks that the Trust faces, and have developed policies and procedures to mitigate those risks. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The principal financial risk faced by the company is that ongoing pressure on funding results in a risk that deficits may be experienced. The budgeting and reporting process, including scrutiny by the Trustees of actual financial performance, mitigates the risk.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), Trustees consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

Most of the company's income is obtained from the DfE (via the Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

A significant risk was identified this year when our IT provider was hit by a cyber attack which in turn meant we lost all our systems and data. The risk register was used to identify the risk and build an action plan to deal with the situation.

COVID 19 continues to put pressure on the budget with increased costs in areas such as cleaning

### **Our fundraising practices**

The trust and individual academies within it organise fundraising events and appeals and co-ordinate the activities of our supporters both in the academies and in the wider community on behalf of the trust.

The trust does not use professional fundraisers or involve commercial participators.

There have been no complaints about fundraising activity this year.

The trust complies with the Fundraising Regulator's Code of Fundraising Practice).

All fundraising is undertaken by the trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, academy newsletters, our websites and via students. All fundraising material contains clear instructions on how a person can be removed from mailing lists.

The Trust complies with the Fundraising Regulator's Code of Fundraising Practice and UK law.

### Streamlined energy and carbon reporting (SECR)

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.

# LANESEND PRIMARY

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### Plans for the future

The Trustees will continue working with the learners, staff and families of the school, to enhance provision in the local area to outstanding. We are committed to improving the educational and wellbeing outcomes for all our children, ensuring positive futures.

The school knows its strengths and development areas based on continual self-assessment and the most recent Ofsted inspection in September 2016, when it was judged as 'Good'. External moderation and findings from the Ofsted inspection have been used to formulate future developments.

The School Improvement Plan is succinct and focussed on key, strategic developmental areas. Curriculum area leaders assess their outcomes, planning developments accordingly.

Lanesend Primary School is committed to developing education and learning for the 21st century both at a local and national level, planned developments for 2021/2022 are:

- Financial leadership of the school – to ensure we return to a consistent level and all systems provide rigorous monitoring and enhanced systems following the cyber attack.
- To increase the children's knowledge and enthusiasm for STEM subjects
- 20% of the school to have achieved greater depth in reading, writing and maths
- To improve our outcomes for all children in national assessments 2022 that show clear progress from 2019

### Funds held as custodian trustee

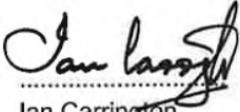
The Academy does not hold funds as custodian trustee on behalf of others.

### Auditor

In so far as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 22 December 2021 and signed on the Board's behalf by:

  
.....  
Ian Carrington  
**Chair of Trustees**

# LANESEND PRIMARY

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Lanesend Primary 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 Headteacher as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Lanesend Primary and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 8 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Karen Herbert-Duff (Chair)	6	8
Jo Hunter (Vice-Chair)	8	8
Laura Augusts	8	8
Andrea Flux	8	8
James Hall	7	8
Tara Hopkinson	8	8
Sam Newson	1	1
Emma Norton	5	8
Ian Carrington	7	8
Steve Dixon	3	8
Caroline Sice (Headteacher)	8	8

There have been no changes to the composition of the Board, other than Sam Newson resigning on 13th September 2020.

### Governance reviews:

The Board of Trustees completed a governance review in December 2020 which comprised a skills audit. Where gaps were identified, plans were implemented to address these through Trustee training and recruitment.

The Money and Commissioning Group is a committee to which the main Board of Trustees has delegated responsibility. Its purpose is:

Regular monitoring of actual income and expenditure

- Review and recommendation of the annual budget
- Review the reports of the auditors on the effectiveness of the financial procedures and controls
- Fulfil the role of an Audit Committee

Attendance during the year at meetings of the Money and Commissioning Group was as follows:

Trustees	Meetings attended	Out of possible
Emma Norton (Convenor)	11	11
James Hall	10	11
Ian Carrington	5	6
Caroline Sice (Headteacher)	10	11

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# LANESEND PRIMARY

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### Review of Value for Money

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

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

- Talk 4 Writing – to develop writing across the school as per the OFSTED recommendation 2017
- All weather Daily Mile track to increase health and wellbeing of all children
- New leadership structure in place with 2 further Assistant Heads and Year Leads across the school to ensure rigorous monitoring across the year
  
- Lanesend is extremely effective in its deployment of resources because:
  - All individual needs can be and are met both academically and emotionally.
  - The school environment is maintained to a high level.
  - Staff want to work at Lanesend and comprehensive training and development is provided

### The purpose of the system of internal control

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

### Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

### The risk and control framework

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability.

In particular it includes:

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

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

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# LANESEND PRIMARY

## GOVERNANCE STATEMENT

### FOR THE YEAR ENDED 31 AUGUST 2021

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

- Scrutiny of Lanesend budget control processes;
- Review of key risks facing the academy (how managed and progress on actions agreed – discussed at every MCG meeting)
- Review of 2019-20 Annual Report & Financial Statements;
- Review of KPI's and resource allocation
- Annual review and scrutiny of Lanesend Financial Policies;
- Plan 2020-21 internal audit
- Annual report to the Trustees
- Support and advice post Ransomware attack, including review of software system, support and advice

Testing included:

- Procurement
- Month End
- Budget control
- Key Risks Review

On an annual 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 Trustees' financial responsibilities and annually prepares an 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.

The planned schedule of works was completed and no material control issues arose.

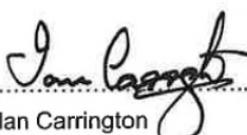
#### Review of effectiveness

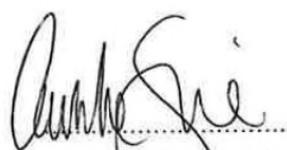
As Accounting Officer the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.
- The SRMA which was carried out this year

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 and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 22 December 2021 and signed on its behalf by:

  
Ian Carrington  
Chair of Trustees

  
Caroline Sice  
Accounting Officer

# LANESEND PRIMARY

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

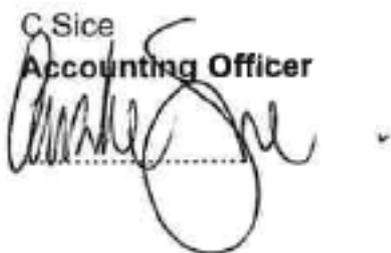
***FOR THE YEAR ENDED 31 AUGUST 2021***

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

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

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

C Sice  
Accounting Officer  


22 December 2021

# LANESEND PRIMARY

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2021**

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

Company law requires the 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 in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that 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 22 December 2021 and signed on its behalf by:

  
I Carrington  
Chair of Trustees

# LANESEND PRIMARY

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LANESEND PRIMARY

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### **Opinion**

We have audited the Financial Statements of Lanesend Primary for the year ended 30 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

### **Basis for opinion**

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

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

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

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

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

### **Other information**

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

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

We have nothing to report in this regard.

# LANESEND PRIMARY

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LANESEND PRIMARY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

- the information given in the Trustees' Report including the incorporated Strategic Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

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

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

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

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

### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the Financial Statements**

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

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal assurance reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

# LANESEND PRIMARY

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LANESEND PRIMARY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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

### **Use of our report**

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



**Louise Hallsworth FCA (Senior Statutory Auditor)**

**For and on behalf of Baxter & Co**

**Chartered Certified Accountants**

Lynwood House

Crofton Road

Orpington

Kent

BR6 8QE

Dated: 23 December 2021

# LANESEND PRIMARY

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LANESEND PRIMARY AND THE EDUCATION AND SKILLS FUNDING AGENCY

**FOR THE YEAR ENDED 31 AUGUST 2021**

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In accordance with the terms of our engagement letter dated 21 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lanesend Primary during the period 31 August 2020 to 30 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Lanesend Primary and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Lanesend Primary 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 Lanesend Primary and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Lanesend Primary's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Lanesend Primary's funding agreement with the Secretary of State for Education dated 1 September 2014 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 31 August 2020 to 30 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure. The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of internal scrutiny implemented by the Academy Trust in order to comply with its obligations under 3.1 of the Academies Financial Handbook 2020, issued by the ESFA.

# LANESEND PRIMARY

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LANESEND PRIMARY AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2021*

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### **Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 31 August 2020 to 30 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Baxter & Co**  
**Independent Reporting Accountants**  
**Chartered Certified Accountants**

Lynwood House  
Crofton Road  
Orpington  
Kent  
BR6 8QE

Dated: 23 December 2021

# LANESEND PRIMARY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds	Restricted funds:		Total 2021	Total 2020 as restated
	Notes	£'000	General £'000	Fixed asset £'000	£'000	£'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	10	-	29	39	78
Charitable activities:						
- Funding for educational operations	4	62	2,465	-	2,527	2,482
Other trading activities	5	78	-	-	78	41
<b>Total</b>		<u>150</u>	<u>2,465</u>	<u>29</u>	<u>2,644</u>	<u>2,601</u>
<b>Expenditure on:</b>						
Raising funds	6	-	20	-	20	-
Charitable activities:						
- Educational operations	7	131	2,653	83	2,867	2,819
<b>Total</b>	<b>6</b>	<u>131</u>	<u>2,673</u>	<u>83</u>	<u>2,887</u>	<u>2,819</u>
<b>Net income/(expenditure)</b>		19	(208)	(54)	(243)	(218)
Transfers between funds	17	(29)	-	29	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial (losses)/gains on defined benefit pension schemes	19	-	(492)	-	(492)	195
<b>Net movement in funds</b>		(10)	(700)	(25)	(735)	(23)
<b>Reconciliation of funds</b>						
Total funds brought forward		165	(963)	2,077	1,279	1,302
Total funds carried forward		<u>155</u>	<u>(1,663)</u>	<u>2,052</u>	<u>544</u>	<u>1,279</u>

# LANESEND PRIMARY

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 30 August 2020 As restated	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2020 £'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	10	-	68	78
Charitable activities:					
- Funding for educational operations	4	101	2,381	-	2,482
Other trading activities	5	41	-	-	41
<b>Total</b>		<u>152</u>	<u>2,381</u>	<u>68</u>	<u>2,601</u>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	7	69	2,681	69	2,819
<b>Total</b>	6	<u>69</u>	<u>2,681</u>	<u>69</u>	<u>2,819</u>
<b>Net income/(expenditure)</b>		83	(300)	(1)	(218)
Transfers between funds	17	(19)	82	(63)	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	19	-	195	-	195
<b>Net movement in funds</b>		64	(23)	(64)	(23)
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>101</u>	<u>(940)</u>	<u>2,141</u>	<u>1,302</u>
Total funds carried forward		<u>165</u>	<u>(963)</u>	<u>2,077</u>	<u>1,279</u>

# LANESEND PRIMARY

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

		2021		2020 as restated	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	11		2,052		2,087
<b>Current assets</b>					
Stocks	12	8		14	
Debtors	13	109		81	
Cash at bank and in hand		265		252	
		<u>382</u>		<u>347</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	(206)		(165)	
<b>Net current assets</b>			176		182
<b>Total assets less current liabilities</b>			2,228		2,269
Creditors: amounts falling due after more than one year	15		(21)		(27)
<b>Net assets before defined benefit pension scheme liability</b>			2,207		2,242
Defined benefit pension scheme liability	19		(1,663)		(963)
<b>Total net assets</b>			<u>544</u>		<u>1,279</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	17				
- Fixed asset funds			2,052		2,077
- Pension reserve			(1,663)		(963)
<b>Total restricted funds</b>			389		1,114
<b>Unrestricted income funds</b>	17		155		165
<b>Total funds</b>			<u>544</u>		<u>1,279</u>

The Financial Statements on pages 20 to 43 were approved by the Trustees and authorised for issue on 22 December 2021 and are signed on their behalf by:

  
I Carrington  
Chair of Trustees

Company Number 09154494

# LANESEND PRIMARY

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

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		2021		2020 as restated	
	Notes	£'000	£'000	£'000	£'000
<b>Cash flows from operating activities</b>					
Net cash provided by/(used in) operating activities	20		39		(219)
<b>Cash flows from investing activities</b>					
Capital grants from DfE Group		9		68	
Purchase of tangible fixed assets		(28)		(15)	
		<u>          </u>		<u>          </u>	
<b>Net cash (used in)/provided by investing activities</b>			(19)		53
<b>Cash flows from financing activities</b>					
Repayment of long term loan		(7)		7	
		<u>          </u>		<u>          </u>	
<b>Net cash (used in)/provided by financing activities</b>			(7)		7
			<u>          </u>		<u>          </u>
<b>Net increase/(decrease) in cash and cash equivalents in the reporting period</b>			13		(159)
Cash and cash equivalents at beginning of the year			<u>252</u>		<u>411</u>
<b>Cash and cash equivalents at end of the year</b>			<u>265</u>		<u>252</u>

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# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1 Accounting policies

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

##### 1.1 Basis of preparation

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

##### 1.2 Going concern

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

##### 1.3 Income

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

###### Grants

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

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

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

###### Donations

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

###### Other income

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

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1 Accounting policies

##### Donated goods, facilities and services

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

##### Donated fixed assets

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

#### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

#### 1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require 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. Where tangible fixed assets have been acquired / funded by other income, the fixed asset fund is also credited. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

#### 1 Accounting policies

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

Leasehold land and buildings	Land - 125 years Straight Line; Buildings - 50 years Straight Line
Outdoor area	10 years Straight Line
Computer equipment	4 years Straight Line
Motor vehicles	5 years Straight Line

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

#### 1.6 Liabilities

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

#### 1.7 Leased assets

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

#### 1.8 Financial instruments

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

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.9 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1 Accounting policies

##### 1.10 Taxation

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

##### 1.11 Pensions benefits

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

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

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

##### 1.12 Fund accounting

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

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

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

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

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

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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### 2 Critical accounting estimates and areas of judgement

#### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 30 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### Critical areas of judgement

In preparing these Financial Statements, the Trustees have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

### 3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Donated fixed assets	-	20	20	-
Capital grants	-	9	9	68
Other donations	10	-	10	10
	<u>10</u>	<u>29</u>	<u>39</u>	<u>78</u>

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	1,817	1,817	1,800
Other DfE / ESFA grants:				
- UIFSM	-	80	80	62
- Pupil premium	-	222	222	221
- Others	-	26	26	26
	<u>-</u>	<u>2,145</u>	<u>2,145</u>	<u>2,109</u>
<b>Other government grants</b>				
Local authority grants	-	158	158	187
Special educational projects	-	86	86	85
	<u>-</u>	<u>244</u>	<u>244</u>	<u>272</u>
<b>COVID-19 additional funding (DfE / ESFA)</b>				
Catch-up premium	-	39	39	-
<b>COVID-19 additional funding (non-DfE / ESFA)</b>				
Other Covid-19 funding	-	37	37	-
	<u>-</u>	<u>76</u>	<u>76</u>	<u>-</u>
<b>Other funding</b>				
Catering income	21	-	21	18
Trips income	22	-	22	27
Other incoming resources	19	-	19	56
	<u>62</u>	<u>-</u>	<u>62</u>	<u>101</u>
<b>Total funding</b>	<u>62</u>	<u>2,465</u>	<u>2,527</u>	<u>2,482</u>

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

The Academy Trust has been eligible to claim additional funding in the year from government support schemes in response to the Coronavirus outbreak. The funding received is shown above under "COVID-19 additional funding".

- The funding received for coronavirus free school meal vouchers from the local authority totals £25k.
- The funding received to cover extra cleaning costs and staff absence from the local authority totals £12k.

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Hire of facilities	2	-	2	4
Income from facilities and services	76	-	76	37
	<u>78</u>	<u>-</u>	<u>78</u>	<u>41</u>

### 6 Expenditure

	Staff costs £'000	Non-pay expenditure		Total 2021 £'000	Total 2020 £'000
		Premises £'000	Other £'000		
Expenditure on raising funds					
- Direct costs	-	-	20	20	-
Academy's educational operations					
- Direct costs	1,710	67	131	1,908	1,310
- Allocated support costs	547	156	256	959	1,509
	<u>2,257</u>	<u>223</u>	<u>407</u>	<u>2,887</u>	<u>2,819</u>

#### Net income/(expenditure) for the year includes:

	2021 £'000	2020 £'000
Fees payable to auditor for:		
- Audit	5	5
- Other services	3	3
Operating lease rentals	-	6
Depreciation of tangible fixed assets	83	69
Net interest on defined benefit pension liability	18	20
	<u>119</u>	<u>103</u>

### 7 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
<b>Direct costs</b>				
Educational operations	131	1,777	1,908	1,310
<b>Support costs</b>				
Educational operations	-	959	959	1,509
	<u>131</u>	<u>2,736</u>	<u>2,867</u>	<u>2,819</u>

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 7 Charitable activities

<b>Analysis of costs</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Direct costs</b>		
Teaching and educational support staff costs	1,710	1,138
Staff development	9	8
Depreciation	67	69
Educational supplies and services	71	59
Educational consultancy	14	36
Other direct costs	37	-
	<u>1,908</u>	<u>1,310</u>
<b>Support costs</b>		
Support staff costs	357	968
Defined benefit pension scheme - staff costs (FRS102 adjustment)	190	198
Staff development	12	18
Depreciation	16	-
Technology costs	12	13
Maintenance of premises and equipment	68	81
Cleaning	16	14
Energy costs	23	16
Rent, rates and other occupancy costs	23	10
Insurance	10	7
Security and transport	2	7
Catering	104	80
Defined benefit pension scheme - finance costs (FRS102 adjustment)	18	20
Legal costs	6	-
Other support costs	91	68
Governance costs	11	9
	<u>959</u>	<u>1,509</u>

### 8 Staff

#### Staff costs

Staff costs during the year were:

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	1,606	1,637
Social security costs	119	122
Pension costs	342	346
Defined benefit pension scheme - staff costs (FRS102 adjustment)	190	198
	<u>2,257</u>	<u>2,303</u>
Staff costs - employees	2,257	2,303
Agency staff costs	-	1
	<u>2,257</u>	<u>2,304</u>

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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### 8 Staff

#### Staff numbers

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

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Teachers	19	19
Administration and support	62	65
Management	4	3
	<u>85</u>	<u>87</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Teachers	20	-
Administration and support	38	-
Management	3	-
	<u>61</u>	<u>-</u>

#### Higher paid staff

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

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
£70,001 - £80,000	<u>1</u>	<u>1</u>

#### Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £278,909 (2020: £310,375).

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### **9 Trustees' remuneration and expenses**

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their services as Trustees.

The value of Trustees' remuneration and other benefits was as follows:

C Sice (Headteacher):

- Remuneration: £70,000 - £75,000 (2020: £70,000 - £75,000)
- Employer's pension contributions: £15,000 - £20,000 (2020: £15,000 - £20,000)

T Hopkinson (Staff Trustee):

- Remuneration: £40,000 - £45,000 (2020: £40,000 - £45,000)
- Employer's pension contributions: £5,000 - £10,000 (2020: £5,000 - £10,000)

A Flux (Staff Trustee):

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

During the year ended 30 August 2021 expenses totalling £nil (2020: £1,642) were reimbursed or paid directly to 0 Trustees (2020: 6 Trustees).

### **10 Trustees' and officers' insurance**

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

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 11 Tangible fixed assets

	Leasehold land and buildings	Outdoor area	Computer equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 31 August 2020	2,265	87	88	13	2,453
Additions	-	21	27	-	48
At 30 August 2021	2,265	108	115	13	2,501
<b>Depreciation</b>					
At 31 August 2020	243	43	75	5	366
Charge for the year	44	11	25	3	83
At 30 August 2021	287	54	100	8	449
<b>Net book value</b>					
At 30 August 2021	1,978	54	15	5	2,052
At 30 August 2020	2,022	44	13	8	2,087

The net book value of leasehold land is included above at £93k with a lease term of 125 years.

### 12 Stocks

	2021 £'000	2020 £'000
School uniform	8	14

### 13 Debtors

	2021 £'000	2020 £'000
Trade debtors	59	2
VAT recoverable	16	9
Other debtors	-	15
Prepayments and accrued income	34	55
	109	81

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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

	2021 £'000	2020 £'000
Government loans	6	7
Trade creditors	54	41
Other taxation and social security	28	28
Other creditors	-	29
Accruals and deferred income	118	60
	<u>206</u>	<u>165</u>

### 15 Creditors: amounts falling due after more than one year

	2021 £'000	2020 £'000
Government loans	21	27

<b>Analysis of loans</b>	2021 £'000	2020 £'000
Wholly repayable within five years	27	34
Less: included in current liabilities	(6)	(7)
Amounts included above	<u>21</u>	<u>27</u>

#### Loan maturity

Debt due in one year or less	4	-
Due in more than one year but not more than two years	8	-
Due in more than two years but not more than five years	3	-
	<u>15</u>	<u>-</u>

#### Salix Loan

The loan term remaining is under 6 years, with the rate of interest being £Nil.

#### CIF Loan

The loan term remaining is under 3 years, with the rate of interest being 1.96%.

### 16 Deferred income

	2021 £'000	2020 £'000
Deferred income is included within:		
Creditors due within one year	<u>38</u>	<u>48</u>

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 16 Deferred income

Deferred income at 31 August 2020	48	39
Released from previous years	(48)	(39)
Resources deferred in the year	38	48
	<u>38</u>	<u>48</u>
<b>Deferred income at 30 August 2021</b>	<b>38</b>	<b>48</b>

Deferred income comprises of rates grant funding of £4k, UIFSM funding of £17k and other income of £17k

#### 17 Funds

	Balance at 31 August 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 30 August 2021 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	1,817	(1,817)	-	-
UIFSM	-	80	(80)	-	-
Pupil premium	-	222	(222)	-	-
Other DfE / ESFA grants	-	26	(26)	-	-
Catch-up premium	-	39	(39)	-	-
Other government grants	-	244	(244)	-	-
Other COVID-19 funding	-	37	(37)	-	-
Pension reserve	(963)	-	(208)	(492)	(1,663)
	<u>(963)</u>	<u>2,465</u>	<u>(2,673)</u>	<u>(492)</u>	<u>(1,663)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	1,804	-	(47)	-	1,757
DfE group capital grants	13	9	(11)	1	12
Capital expenditure from GAG and other funds	260	-	(20)	28	268
Donated fixed assets (DfE / ESFA)	-	20	(5)	-	15
	<u>2,077</u>	<u>29</u>	<u>(83)</u>	<u>29</u>	<u>2,052</u>
<b>Total restricted funds</b>	<b>1,114</b>	<b>2,494</b>	<b>(2,756)</b>	<b>(463)</b>	<b>389</b>
<b>Unrestricted funds</b>					
General funds	165	150	(131)	(29)	155
	<u>165</u>	<u>150</u>	<u>(131)</u>	<u>(29)</u>	<u>155</u>
<b>Total funds</b>	<b>1,279</b>	<b>2,644</b>	<b>(2,887)</b>	<b>(492)</b>	<b>544</b>

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 17 Funds

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

The Restricted General Funds are used to fund the general operating costs of the Trust.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 30 August 2021.

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit.

The Restricted Fixed Asset Fund represents the net book value of fixed assets plus the unspent element of Capital funds. When assets are purchased the fund is increased and depreciation charges reduce the fund.

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Trustees, to support any of the Academy's charitable purposes.

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

	Balance at 31 August 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 30 August 2020 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	1,800	(1,882)	82	-
UIFSM	-	62	(62)	-	-
Pupil premium	-	221	(221)	-	-
Other DfE / ESFA grants	-	26	(26)	-	-
Other government grants	-	272	(272)	-	-
Pension reserve	(940)	-	(218)	195	(963)
	<u>(940)</u>	<u>2,381</u>	<u>(2,681)</u>	<u>277</u>	<u>(963)</u>
<b>Restricted fixed asset funds</b>					
Fixed Asset Funds	2,141	78	(69)	(63)	2,087
DfE group capital grants	-	(10)	-	-	(10)
	<u>2,141</u>	<u>68</u>	<u>(69)</u>	<u>(63)</u>	<u>2,077</u>
<b>Total restricted funds</b>	<u>1,201</u>	<u>2,449</u>	<u>(2,750)</u>	<u>214</u>	<u>1,114</u>
<b>Unrestricted funds</b>					
General funds	101	152	(69)	(19)	165
	<u>101</u>	<u>152</u>	<u>(69)</u>	<u>(19)</u>	<u>165</u>
<b>Total funds</b>	<u>1,302</u>	<u>2,601</u>	<u>(2,819)</u>	<u>195</u>	<u>1,279</u>

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 30 August 2021 are represented by:</b>				
Tangible fixed assets	-	-	2,052	2,052
Current assets	175	207	-	382
Creditors falling due within one year	1	(207)	-	(206)
Creditors falling due after one year	(21)	-	-	(21)
Defined benefit pension liability	-	(1,663)	-	(1,663)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total net assets</b>	<b>155</b>	<b>(1,663)</b>	<b>2,052</b>	<b>544</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 30 August 2020 are represented by:</b>				
Tangible fixed assets	-	-	2,077	2,087
Current assets	173	174	-	347
Creditors falling due within one year	(1)	(154)	-	(165)
Creditors falling due after one year	(7)	(20)	-	(27)
Defined benefit pension liability	-	(963)	-	(963)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total net assets</b>	<b>165</b>	<b>(963)</b>	<b>2,077</b>	<b>1,279</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 19 Pension and similar obligations

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

#### Teachers' Pension Scheme

##### Introduction

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

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.

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 19 Pension and similar obligations

##### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration 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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to the TPS in the period amounted to £200k (2020: £200k).

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

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

##### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 21% for employers and 5.5% to 12.5% for employees.

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

<b>Total contributions made</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Employer's contributions	142	147
Employees' contributions	38	37
	<hr/>	<hr/>
Total contributions	180	184
	<hr/>	<hr/>

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 19 Pension and similar obligations

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.7	3.0
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.65	1.7
CPI inflation	2.9	2.2

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

	2021 Years	2020 Years
Retiring today		
- Males	21.9	21.7
- Females	24.2	23.8
Retiring in 20 years		
- Males	22.9	22.4
- Females	25.9	25.2

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

	2021 £'000	2020 £'000
Discount rate + 0.1%	3,225	
Discount rate - 0.1%	3,435	
Mortality assumption + 1 year	3,463	
Mortality assumption - 1 year	3,197	
Salary rate + 0.1%	3,335	
Salary rate - 0.1%	3,325	
Pensions rate + 0.1%	3,429	
Pensions rate - 0.1%	3,231	

Defined benefit pension scheme net liability	2021 £'000	2020 £'000
Scheme assets	1,667	1,271
Scheme obligations	(3,330)	(2,234)
Net liability	(1,663)	(963)

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 19 Pension and similar obligations

The Academy Trust's share of the assets in the scheme	2021 Fair value £'000	2020 Fair value £'000
Equities	1,217	826
Bonds	334	-
Cash	33	356
Property	83	64
Other assets	-	25
	<u>1,667</u>	<u>1,271</u>
Total market value of assets	<u>1,667</u>	<u>1,271</u>

The actual return on scheme assets was £225,000 (2020: £(62,000)).

Amount recognised in the statement of financial activities	2021 £'000	2020 £'000
Current service cost	330	345
Past service cost	2	-
Interest income	(23)	(23)
Interest cost	41	43
	<u>350</u>	<u>365</u>
Total operating charge	<u>350</u>	<u>365</u>

Changes in the present value of defined benefit obligations	2021 £'000
At 31 August 2020	2,234
Current service cost	330
Interest cost	41
Employee contributions	38
Actuarial loss/(gain)	694
Benefits paid	(9)
Past service cost	2
	<u>3,330</u>
At 30 August 2021	<u>3,330</u>

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 19 Pension and similar obligations

##### Changes in the fair value of the Academy Trust's share of scheme assets

	<b>2021</b>
	<b>£'000</b>
At 31 August 2020	1,271
Interest income	23
Actuarial (gain)/loss	202
Employer contributions	142
Employee contributions	38
Benefits paid	(9)
	<hr/>
At 30 August 2021	<u>1,667</u>

#### 20 Reconciliation of net expenditure to net cash flow from operating activities

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Net expenditure for the reporting period (as per the statement of financial activities)	(243)	(218)
Adjusted for:		
Capital grants from DfE and other capital income	(29)	(68)
Defined benefit pension costs less contributions payable	190	198
Defined benefit pension scheme finance cost	18	20
Depreciation of tangible fixed assets	83	69
Decrease/(increase) in stocks	6	(4)
(Increase)/decrease in debtors	(28)	113
Increase/(decrease) in creditors	42	(329)
	<hr/>	<hr/>
<b>Net cash provided by/(used in) operating activities</b>	<u>39</u>	<u>(219)</u>

#### 21 Analysis of changes in net funds

	<b>31 August</b>	<b>Cash flows</b>	<b>30 August</b>
	<b>2020</b>		<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cash	252	13	265
Loans falling due within one year	(7)	1	(6)
Loans falling due after more than one year	(27)	6	(21)
	<hr/>	<hr/>	<hr/>
	<u>218</u>	<u>20</u>	<u>238</u>

# LANESEND PRIMARY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 22 Related party transactions

Owing to the nature of the academy trust's operations 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 academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

The following related party transaction took place in the period of account.

Services were purchased during the year from Ravenprint where a S Raven (a member of the board) is a director, for the amount of £500 (2020: £381). No balance was owed by the Trust at year end.

Services were purchased during the year from Ian Newnham (a close family member to C Sice CEO of the academy) for the amount of £515 (2020: £nil). No balance was owed by the Trust at year end.

### 23 Members' liability

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

### 24 Prior period adjustment

		31 August 2019 £'000	30 August 2020 £'000
<b>Reconciliation of funds</b>	<b>Notes</b>	<b>£'000</b>	<b>£'000</b>
Funds as previously reported		1,302	1,289
Adjustments arising:			
To recognise the CIF loan		-	(10)
Funds as restated		<u>1,302</u>	<u>1,279</u>
<b>Reconciliation of net income/(expenditure) for the previous financial period</b>	<b>Notes</b>		<b>2020 £'000</b>
Net expenditure as previously reported			(208)
Adjustments arising:			
To recognise the CIF loan			(10)
Net expenditure as restated			<u>(218)</u>

#### Notes to restatement

A prior period adjustment affected the figures reported for the comparative period for funds and net income as follows, £10k of loans (CIF) has been increased in the prior year figures.