Registered number: 08434233

BLOCKLEY EDUCATIONAL ACADEMY
(A Company Limited by Guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

BLOCKLEY EDUCATIONAL ACADEMY
(A Company Limited by Guarantee)

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BLOCKLEY EDUCATIONAL ACADEMY
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISORS FOR THE YEAR ENDED 31 AUGUST 2020

Members	The Diocese of Gloucester Education Trust (Corporate Foundation Member) P G Mosley J L Watts H Thornburgh
Governors	H Thornburgh[1] (resigned 31 August 2020) Revd D L Delap M Pudifoot[1] E P Coupe[1] (resigned 26 November 2019) C Moor[1] A Taylor J Peters[1] L Taylor (formerly Riberzani) T Sampson[1] M Chappell K Davies S White[1] (resigned 2 March 2020) A Stanley (appointed 9 December 2019) S Luff (appointed 3 March 2020) [1] Resources committee
Senior Leadership Team (SLT)	M Pudifoot, Head Teacher S L White, Deputy Head Teacher

The SLT is deemed to be the Key Management Personnel of the School.

Registered Office	Park Road Blockley Moreton-in-Marsh Gloucestershire GL56 9BY
Company Registration Number	08434233
Statutory Auditor	Hazlewoods LLP Windsor House Bayshill Road Cheltenham Gloucestershire GL50 3AT

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISORS FOR THE YEAR ENDED 31 AUGUST 2020

Bankers	Lloyds Bank High Street Moreton-in-Marsh Gloucestershire GL56 0AY
Solicitors	Lee Bolton Monier-Williams 1 The Sanctuary Westminster London SW1P 3JT

The Trustees present their Annual Report together with the audited financial statements of Blockley Educational Academy (the 'Academy', 'trust') for the year ended 31 August 2020. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trustees confirm that the Annual Report and financial statements of the Academy comply with the current statutory requirements, the requirements of the Academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

The Trust operates as an Academy for pupils aged 4 to 11 serving a catchment area in and around the village of Blockley in the North Cotswolds with a pupil capacity of 150, and 146 pupils are currently enrolled based on the October 2020 census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

The Trust, which was incorporated on 7 March 2013 and opened as an Academy on 1 April 2013, 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 Trust.

The Trustees are also the Directors of the charitable company for the purposes of company law.

Details of the Trustees who have served during the year are listed within the reference and administrative details on page 1.

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 they are a member, or within one year after they cease to be a Member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

TRUSTEES' INDEMNITIES

The Trustees benefit from the Department of Education's risk protection arrangement (RPA) membership. This provides unlimited employers liability, third party public liability and professional indemnity.

METHOD OF RECRUITMENT AND APPOINTMENT OF GOVERNORS

The Trust shall have the following Trustees as set out in its Articles of Association and Funding Agreement:

- Up to 5 Trustees who are appointed by the Members;
- At least 2 Foundation Trustees if appointed by the Foundation Member in consultation with Blockley Parochial Church Council provided that the total number of Foundation Governors (including ex officio Foundation Governors) would not thereby exceed 25% of the total number of Governors (excluding any Additional or Further Governors);
- The Incumbent who is treated for all purposes as being an ex-officio Trustee;
- A minimum of 2 Parent Trustees who are elected by the parents of registered pupils at the Academy;
- At least 2 Staff Trustees appointed by the Members (provided that the total number of Trustees, including the Head Teacher, who are employees of the Academy, does not exceed one third of the total number of Trustees);
- The Head Teacher who is treated for all purposes as being an ex-officio Trustee;
- Up to 2 co-opted governors may be appointed by the Trustees. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if thereby the number of Governors who are employees of the Academy Trust would exceed one third of the total number of Governors (including the Principal).

Trustees are appointed for a 4 year period, except that this time limit does not apply to the Head Teacher or Incumbent. Subject to remaining eligible to be a particular type of Trustee, any Trustees can be re-appointed or re-elected.

When appointing new Trustees, the Board of Trustees will give consideration to the skills and experience mix of existing Trustees, in order to ensure the Board of Trustees has the necessary skills to contribute fully to the Academy's on-going development.

Governors identify skill requirements and any gaps by means of a skill audit and matrix. Training and recruitment are then based on the results of this audit.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with access to copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Trustee. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the various other organisations as appropriate and school buys into the National Governor Association 'Learning Link' giving access to specific Governor training modules.

ORGANISATIONAL STRUCTURE

The Board of Trustees normally meet six times each academic year. The Board of Trustees establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees of the Board of Trustees and other groups. It receives reports and policies from its committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and verbal reports delivered to the Full Governing Body meeting. The Board of Trustees may from time to time establish working groups to perform specific tasks over a limited timescale.

There are 4 Committees of the Board of Trustees as follows:

- Standards Committee
- Resources Committee
- Ethos Committee
- Head Teacher Performance Review Committee

Each Committee has its own terms of reference detailing the responsibilities discharged to it.

The following decisions are reserved to the full Board of Trustees:

- to consider any proposals for changes to the status or constitution of the Academy and its committee structure;
- to appoint or remove the Chair and/or Vice Chair; and
- to appoint and/or consider the performance management of the Head Teacher

The Trustees are responsible for setting general policy, adopting an annual development plan and budget, approving the annual statutory accounts, monitoring the Academy by the use of budgets and other data (both financial and non- financial), and making the major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees have delegated the day-to-day management of the Academy to the Head Teacher and the SLT. The Head Teacher is the Academy's Accounting Officer and has overall responsibility for the day to day financial management of the Academy. The SLT team implements the policies laid down by the Trustees and reports back to them on performance.

ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees consider the Board of Governors and the Senior Leadership Team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Academy on a day to day basis.

Details of trustees' remuneration and expenses are disclosed in note 9 to the accounts.

The pay of the Head Teacher and senior staff is reviewed annually based on performance and normally increased in accordance with Government guidelines. The remuneration is set to ensure it is both fair but also will attract and retain staff of the appropriate calibre and experience required by the School.

RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

There are no related parties which either control or significantly influence the decisions and operations of the Academy.

There is a Parent Teacher Association associated with the Academy. This is called 'Friends of the School' and is an unconnected registered charity with the purpose of enhancing the curriculum of the Academy by providing funding to support educational outings, guest speakers and third party workshops as well as providing funding for specific projects.

OBJECTIVES AND AIMS

OBJECT AND AIMS

The principal objects of the Academy, as set out in its Articles of Association, are to:

- advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character, offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement) and in having regard to the advice of the Diocesan Board of Education.

The aims of the Academy during the period ended 31 August 2020 are summarised below:

- To offer a curriculum that is broad and balanced and ambitious.
- To promote the spiritual, moral, cultural, mental and physical development of pupils at the Academy.
- To prepare pupils at the Academy for the opportunities, responsibilities and experiences of later life.

OBJECTIVES, STRATEGIES AND ACTIVITIES

The key objectives for the period are contained in the Academy's Development Plan which is available from the Head Teacher. The main priorities of the Academy for the period ended 31 August 2020 were as follows:

- To improve the outcomes for all pupils across the whole school in maths;
- To improve pupils' fluency in arithmetic;
- To improve the writing outcomes for all pupils with particular emphasis on pupils in year groups 3 – 5;
- To audit the maths resources then purchase necessary equipment to support number work;
- To embed the teaching concept of the use of 'Concrete, Pictorial and Abstract' (CPA);
- To improve the factual knowledge and the skilful use of the multiplication tables and their inverse knowledge;
- To improve the effectiveness of the teaching process across the whole school;
- To increase the rates of progress for all SEND pupils;
- To establish and embed consistently high expectations for all learners including pupils, staff and leaders;
- All teaching to be consistently 'good' or better, in terms of the quality of the learning across the whole school in the vast majority of lessons;

- To develop and nurture pupils' attitudes and responsibility towards their learning, socialisation and overall wellbeing;
- To achieve Healthy School's status through Gloucestershire Healthy Living and Learning.

During the year, the Academy had to manage the challenges caused by the Covid pandemic and adapt to include the following:

- To provide sound education to all pupils either through 'on-line' and 'face to face' teaching and learning in accordance with government guidance;
- To look after the wellbeing of pupils and staff through a positive and supportive ethos and providing a healthy and safe school environment based on a well-constructed, specific and ongoing Risk Assessment (based on the generic proforma from the SHE unit at the Local Authority);
- To have the Academy open to educate all Key Workers' children and those vulnerable individuals during term time and holiday periods up until 1st June 2020;
- To provide a safe environment for all pupils in Reception, Year 1 and 6, in bubbles of 15 or fewer pupils, for face to face education for whole of Term 6. In addition to provide a further separate bubble for all Key Workers' children and the vulnerable pupils.

PUBLIC BENEFIT

The Academy Trust aims to advance for public benefit education in Blockley and the surrounding area, offering a broad curriculum and an excellent education environment for its pupils.

The Trustees confirm that they have complied with the requirement in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

ACHIEVEMENTS AND PERFORMANCE

IMPACT OF COVID-19

The Covid-19 pandemic has had a huge impact on the educational offer to pupils at the Academy.

- From 23rd March 2020 the Academy 're-opened', after the Friday 20th March national 'Lockdown' on a partial basis for the children of Key Workers and those vulnerable pupils.
- The Academy subscribed to a range of on-line learning platforms to provide teaching and learning resources in English and Maths and supported pupils and parents in the new way of schooling.
- The Academy embraced the technical challenges and established an online school community portal. Via daily video blogs, online academic and sports challenges, PTA events, the Academy supported the pupils' education and wellbeing and created a strong sense of community.
- The Academy purchased and issued Shopping Vouchers to support Free School Meals families before the central government's scheme came live.
- The Academy remained open to Key Workers' children and those vulnerable pupils from March until 31st May 2020, including the Easter Holidays;
- Following the guidance from DfE the staff worked on a rota basis to attend school to support the small number of pupils attending whilst the rest of the staff worked from home to support online learning. On average the pupil numbers attending school between March and May were 9 per day.
- From 1st June until the end of the summer term the Academy widened its educational face to face offer to accept all pupils in Reception, Years 1 and 6, plus the existing Key Workers' children and those vulnerable pupils. In addition, there was a concerted effort, throughout June and July, to

encourage more parents to allow their children to return to school. Our efforts were bias towards those who were most vulnerable.

- All the Home Learning was prepared for pupils and issued at midnight each Sunday evening ready for the coming week.
- Class e-mails were set up to enable class teachers to communicate with parent/carers and pupils where they needed support and advice with their learning.
- Since June 2020m the Academy reviewed its school timetable and introduced staggered arrival and collection times, break and lunch hours.
- The Academy commissioned building works to add additional hand wash facilities, improve classroom ventilation and introduce a one-way system. These new facilities have been and continue to be a huge safety benefit to the pupils and staff.
- The Academy introduced enhanced cleaning regime within the school. The cleaning staff's hours have been increased and significant additional costs had been incurred for cleaning products, PPE and waste management.
- The pandemic had an adverse effect on all staff. They were all exhausted by the end of term and very anxious. Supporting colleagues' mental health wellbeing was a continuous theme throughout the pandemic.
- Many staff had to also care for, and educate their own children whilst needing to work either at school (face to face learning) or providing work for pupils for their Home Learning and then mark and respond to pupils via e-mails.
- Some staff were also having to providing 'caring' roles for their wider families due to the nature of the lockdown and the requirements to isolate – all of which added to their work load and stress.
- Schools also had to create, monitor and order national Free School Meal vouchers for Pupil Premium children on a fortnightly basis. This was hugely time consuming as the DfE system was not easy to access or to use efficiently.
- It was very time consuming to make complex daily admission returns to both the LA and DfE throughout the spring/summer period.
- Protocols were all put into place to support safe working practice throughout this period of time and all staff read and adhered to them rigorously.
- The protocols that were, and still are, in place have certainly had an impact on our school budget for 2019-20.
- It is anticipated that for 2020-21, the Academy will incur additional staffing costs, occupational costs - the extent of the increases were not anticipated when the budget was originally set.

REVIEW OF ACTIVITIES

The Academy Trust is in its seventh year of operation since conversion to an Academy Trust on 1 April 2013. The Academy has a PAN of 20 places. The total number of pupils in the period ended 31 August 2020 was 137 (October 2019 census), and has seen a small increase at the time of compiling the accounts.

The Academy is committed to continual improvement which is achieved in a number of ways including improvement in planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning. Actions taken include:

- The school began to receive training in how and what a broad and balanced curriculum map would look like;
- Staff worked together to start to write the new curriculum map in January 2020;
- The school purchased maths resources to support the teaching concept of CPA for supporting number work;

- Established an accurate time table for teaching to support the planning process;
- We began the process, at the start of the year, of using a consistent baseline assessment, using NFER in reading and comprehension;
- Subject Leaders used book scrutiny to evidence planned work and taught work;
- All teachers engaged with the moderation of writing assessments which began in the first term but could not be continued or compared during the remainder of the year to identify progress.

The Academy received an Ofsted visit on 11th February 2020 (Section 8 inspection). The outcome of the inspection was that the Academy continues to be a good school but they had some concerns that standards may be declining in some areas. The Academy has already put in place an action plan to address the areas of concern. Comments from the inspection included:

- Leaders are committed to providing pupils with a rich and interesting curriculum;
- Leaders and teachers work hard to make learning exciting;
- Parents comment favourably about the interesting activities;
- Adults form caring relationships with children which help them to feel safe and valued;
- Most pupils behave well as they know what is expected of them;
- Leaders take appropriate action to reduce the risk of poor behaviour and bullying;
- Pupils in EYFS begin to learn to read as soon as they start school and phonics teaching is effective;
- Teachers plan opportunities to develop their reading skills as they progress through the school;
- Leaders, including governors, and teachers strive to provide pupils with an education that equips them well for life;
- The arrangements for safeguarding are effective.

Due to school closure and 'lockdown' there were no national assessments undertaken in the following, as a result, there were no performance data during the period ended 31 August 2020:

- Phonics (year 1)
- Key Stage 1 (year 2)
- Multiplication Tests (year 4)
- End of Key Stage 2 (year 6)
- No moderation of Early Years Foundations Stage Profiles (EYFS)
- No moderation of teacher assessments in KS1
- No moderation of writing in KS2

KEY FINANCIAL PERFORMANCE INDICATORS

The Academy's primary performance indicator is the relationship of total income, excluding capital grants, with total expense, less depreciation and defined benefit pension adjustments. A relationship of 100% equates to income equalling expense. For 2020 the relationship was 102.3% (2019 – 100.66%) which represents a surplus of income over expense for the year of £35,993 (2019: £4,768). Staffing costs are another key performance indicator and the percentage of total staff costs, excluding catering staff costs, to GAG funding plus Pupil Premium and Special Educational Needs (SEN) payments for the period was 87.3% (2019– 81.4%).

The Academy's Funding Agreement is not subject to a specific carry forward limit on the amount of GAG funding. However, a key financial performance indicator is the level of reserves (excluding Capital and Pension funds) held at the balance sheet date. At 31 August 2020 these amounted to: £173,710 (2019 - £137,717) representing 28.7% (2019 – 23.5%) of GAG funding.

The majority of the Academy's funding is based on pupil numbers, the Board of Trustees carefully monitor and review pupil numbers as a key performance indicator. As noted above, pupil numbers at the most recent census were 146 at October 2020 (2019: 137) and funding for next year is based on this number. This is higher than the previous census.

GOING CONCERN

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

FINANCIAL REVIEW

The majority of the Academy's income is received from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2020 and the associated expenditure of these grants are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE and other organisations and funders and these are shown as Restricted Fixed Asset Funds in the Statement of Financial Activities. The balance of the Restricted Fixed Asset fund is reduced by the depreciation charges on the assets acquired using these funds.

During the period ended 31 August 2020, the total expenditure (less depreciation and pension adjustments) of £711,852 (2019: £720,839) was covered by the recurrent grant funding from the ESFA, together with other incoming resources. The incoming resources (excluding capital grants) for the period over total expenditure (less depreciation, loss on disposal of fixed assets and pension adjustments) was £35,993 (2019: (£4,768) and the trustees will continue to monitor the position taking into consideration the future plans of the Academy, and the uncertainty over future income streams.

The net book value of fixed assets at 31 August 2020 was £1,463,115 (2019: £1,505,224) which includes the value of land and buildings transferred on conversion (1 April 2013) of £1,695,000. The fixed assets held by the Academy are used exclusively for providing education and associated support services to the pupils of the Academy.

The balances of total funds held at 31 August 2020 were £1,205,057 which comprised of the following:

Restricted funds (excluding pension liability)	£139,720
Restricted pension liability fund	(£435,000)
Restricted fixed asset fund	£1,466,347
Unrestricted funds	£33,990

The key financial policies reviewed and adopted during the period included the Finance Policy, which lays out the framework for the Academy's financial management, including financial responsibilities of the Board of Trustees, Head Teacher, managers, budget holders and other staff, as well as the delegated authorities for spending.

RESERVES POLICY

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of the income and expenditure streams, the need to match the income with commitments and the nature of reserves. The Trustees also take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the review.

The Trustees have determined that an appropriate level of reserves (excluding capital and pension reserves) should be held to provide sufficient working capital to cover delays between spending and receipts of grants, to fund on-going capital maintenance and replacement, to provide a cushion to deal with unexpected emergencies such as urgent maintenance, long term staff absences etc. and to mitigate the impact of key risk factors including declining pupil numbers and employer pension contribution rates. Declining pupil numbers can have a significant impact on income streams; the variable pupil rate in the 2019/2020 budget amounts to £3,160 so a 10% decline in pupil numbers represents a £46,000 reduction in income. Employers' pension contribution rates remain relatively low for the academy but future changes in pension regulations, actuarial assumptions and profile of members may cause an increase in these rates.

The level of reserves needed to meet these 'working capital' requirements has been determined to be an amount not exceeding 10% of average GAG income of the preceding 5 years, this amounts to £59,989. The excess of non-capital and non-pension reserves over this level amount to £113,721 and are 'ear-marked' to a 'Future Development Fund' to be used on projects to enhance the school facility and educational capability. The 'Future Development Fund' should not exceed £100,000 unless a specific project is, or projects are, identified which would require funds in excess of this amount. One of the specific projects is that the Academy is working with the Local Authority in exploring the feasibility of introducing a pre-school provision on site.

The Academy's current level of reserves excluding capital and pension reserves is £173,710 and £113,721 of this is earmarked to a Future Development Fund, which is in line with the policy.

INVESTMENT POLICY

All funds surplus to immediate requirements are invested to optimal effect by the Academy with the objective of ensuring maximum return on assets invested but with minimal risk. Where cash flow allows, sums in excess of the free cash reserves may be invested on deposit for extended periods with the Academy's principal bankers or other reputable financial institutions.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Academy are as follows:

Covid-19 Pandemic

The outbreak of Covid-19 in spring 2020 and the subsequent national lockdown has presented the Academy with unprecedented challenges. The impact from the pandemic on the Academy's operations, its pupils' education and welfare, and Academy's finance is profound. In response to this, the Academy has carried out specific assessments on risks and impact associated with the pandemic and regularly reviews its actions. This practice is ongoing.

Financial

The Academy has considerable reliance on continued Government funding through the ESFA. In the period approximately 90% of the Academy's incoming resources were ultimately Government funded

and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

The school has seen a decline in intake numbers for Reception class in last two years, however, in year admission enquiries have been rising, and there is a small increase on roll in October 2020. This is closely monitored and evaluated by the Board of Trustees to arrive at appropriate actions.

Failures in governance and/or management
The risk in this area arises from the potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks.

Reputational
The continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, the Trustees ensure that pupil success and achievement are closely monitored and reviewed.

Safeguarding and child protection
The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing
The success of the Academy is reliant on the quality of its staff so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession and planning.

Fraud and mismanagement of funds
The Academy has appointed Hazlewoods LLP, the external auditor, to perform a programme of work aimed at checking and reviewing the financial systems and records as required by the Academies Financial Handbook. All finance staff received training to keep them up to date with financial practice requirements and to develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the period by improving the process and ensuring staff awareness. A Risk Register is maintained, reviewed and updated on a regular basis.

The Trustees examine the financial health of the Academy formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees and Resource Committee meetings.

At the balance sheet date, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Academy's liquidity.

The Trustees recognise that the Local Government Pension Scheme deficit represents a significant potential liability to the Academy. However, as Trustees consider the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

FUNDRAISING

The Academy supports fundraising efforts that support the Academy and any pupil led fundraising events that support external charities.

The Academy works with the Friends of Blockley School as the main way of generating funds for the Academy. The Friends of Blockley School is a separate legal entity with charitable status and funds are held separate to the Academy. The approach taken by the PTA is to raise funds through events and sales, not through individual donations.

The Academy does not work with any commercial participators or professional fundraisers approach to raise funds but organises all events through its staff and volunteers.

PLANS FOR FUTURE PERIODS

FUTURE DEVELOPMENTS

The Academy strives to continually improve levels of attainment for all pupils, equipping them with the qualifications, skills and knowledge for their secondary phase of education.

The Academy actively promotes the continued professional development of its staff.

The Academy's plans for 2020-21 are:-

- To manage the impact on education and school operations from the Covid pandemic;
- To support the health and wellbeing of its pupils and staff and promote mental health;
- To improve the planning, teaching and learning process;
- To develop a curriculum map which is broad based, challenging and purposeful;
- To assess, analyse and identify pupils and their catch-up needs and implement interventions;
- To raise progress in Reading and Maths;
- Use Gloucestershire's Healthy Living and Learning (GHLL) tool to audit the practices in school and achieve Healthy Schools status;
- To improve writing such that levels of attainment are at least equal to National Standards at the end of each Key Stage;
- All staff to use practical and concrete tasks in Maths;
- To prepare for SIAMs under Covid-19;
- To complete consultation on RSE with parents and resource teachers to teach it from Term 5 onwards;
- To explore the feasibility of introducing a pre-school provision on site.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as Custodian Trustees of any other charity.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report, incorporating the Strategic report, was approved by order of the Board of Trustees, as the company directors, on 23 November 2020 and signed on its behalf by:

Christine Moor

C Moor, Chair of Trustees

SCOPE OF RESPONSIBILITY

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Head Teacher, as Accounting Officer, for ensuring financial controls conform to 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 Blockley Educational Academy and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
E P Coupe	3	4
K Davies	10	10
Revd D L Delap	7	14
M Chappell	12	17
C Moor	20	21
J Peters	9	16
L Taylor	12	14
T Sampson	16	16
A Taylor	6	18
H Thornburgh, Chair of Trustees	20	20
M Pudifoot	20	20
S White	2	11
S Luff	8	8
A Stanley	9	9

GOVERNANCE REVIEW

This year the Board of Trustees identified key priorities for the year in order to drive up standards via its Governor Vision document. Trustees also completed a skills audit which is used to guide recruitment of new trustees and the allocation of committee membership. New trustees received training through the National Governors Association Learning Link platform. During the lockdown period, the trustees continued to meet regularly via virtual meetings, supporting the Academy through challenging situations, ensuring the Academy remained open for children of critical workers, the vulnerables and those with EHCPs throughout the lockdown, and implementing on-line teaching in key areas of learning timely. The trustees supported the Academy in re-directing resources to support remote teaching and learning, as well as carrying out regular risk assessments and making necessary changes to provide a Covid secure school environment. The trustees supported the wider opening of the academy from 1st June 2020 in line with government guidelines

The Resources Committee is a sub-committee of the Board of Trustees. Its purpose is to provide guidance and assistance to the Board of Trustees on all matters related to finance, resources, personnel and health and safety of the Academy. This includes approving annual budgets, monitoring financial performance against that budget, reviewing delegated authorities, ensuring all transactions are conducted in accordance with good practice as directed by the ESFA, to ensure best value is achieved in all financial transactions and to receive and (where relevant) respond to periodic audit reports on the Academy and of public funds. This committee also acts as the Academy's Audit Committee.

Attendance at meetings in the year of this committee was as follows:

Trustee	Meetings attended	Out of a possible
E P Coupe	2	6
C Moor, Chair	5	6
J Peters	2	6
M Pudifoot, Head Teacher and Accounting Officer	6	6
H Thornburgh	6	6
S White	0	3
T Sampson	6	6
M Chapell	0	3

REVIEW OF VALUE FOR MONEY

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

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

- Rigorous recruitment procedures are in place and are regularly reviewed to ensure a high quality and affordable staffing structure is in place;
- Actions were taken to minimise the financial impact caused by staff absences;
- Good procurement practices are followed in achieving Best Value.

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 the Academy's 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 Blockley Educational Academy for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the 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; and
- Identification and management of risks.

The Board of Trustees has considered the requirements for internal scrutiny function and has decided to set up peer to peer review process with another academy trust.

The internal scrutiny's role includes providing independent assurance to the board that its financial and non-financial controls and risk management procedures are operating effectively, giving advice on financial matters and performing a range of checks on the Academy's financial systems, and the report and its findings will be shared with the Resources Committee, which also acts as the Audit Committee

The Academy received one audit report during the period, which focussed on benchmarking exercises in reviewing financial operations and Value for Money matters. The internal audit review schedule was disrupted by the pandemic and lockdown. It is anticipated to resume in 2020 -21 as soon as it is safely possible.

We confirm that the Internal Audit function has been delivered in line with the ESFA's requirements. There have been no material control issues arising from the internal audit review.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the systems of internal control. During the year in question the review has been informed by:

- The work of the external auditors;
- The financial management and governance self-assessment process;
- The work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

M Pudifoot, Headteacher, is the Accounting Officer. He has been involved in the completion of the financial statements and the Trustees Report and audit with Hazlewoods LLP, external auditors.

Approved by order of the members of the Board of Trustees on 23 November 2020 and signed on its behalf by:

Christine Moor.
C Moor, Chair of Trustees

M. Pudifoot
M Pudifoot, Accounting Officer

BLOCKLEY EDUCATIONAL ACADEMY
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2020

As Accounting Officer of Blockley Educational Academy I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skill Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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

M. Pudifoot

M Pudifoot
Accounting Officer

Date: 25/11/2020

TRUSTEES' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP and the Annual Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 23 November 2020 and signed on its behalf by:

.....Christine Moor.....
C Moor, Chair of Trustees

Opinion

We have audited the financial statements of Blockley Educational Academy for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP (FRS102) and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2020, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP (FRS102) and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Reference and Administrative details, Trustees' Report and the Governance Statement, 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.

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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the academy 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 academy trust or to cease operations, 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust'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 academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

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Date 30 November 2020

Scott Lawrence FCA DChA (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor, Cheltenham

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO BLOCKLEY EDUCATIONAL ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 10th August 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020 we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Blockley Educational Academy during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

RESPECTIVE RESPONSIBILITIES OF BLOCKLEY EDUCATIONAL ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Blockley Educational Academy's funding agreement with the Secretary of State for Education date 1 April 2013, and the Academies Financial Handbook extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the 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 School's income and expenditure.

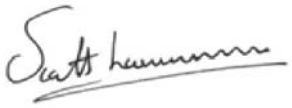
In this regard we have carried out the following:

- specific testing of a sample of items of income and expenditure to ensure appropriately applied for the purposes intended;
- specific testing of a sample of system controls relevant to the above items;
- a general review of relevant correspondence with the ESFA regarding Academy governance matters during the period since conversion; and
- a general review and discussion of the Academy's internal processes for establishing and maintaining systems of control and documentation regarding these matters.

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



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Scott Lawrence FCA DChA (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor
Cheltenham

Date..30 November 2020

BLOCKLEY EDUCATIONAL ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME AND ENDOWMENTS FROM:						
Donations	2	5,232	1,972	-	7,204	9,311
Charitable activities:						
Funding for the School's educational operations	3	14,872	716,252	5,676	736,800	717,662
Other trading activities	4	9,408	-	-	9,408	11,864
Investments	5	109	-	-	109	101
TOTAL		**29,621**	**718,224**	**5,676**	**753,521**	**738,938**
EXPENDITURE ON:						
Charitable activities:						
School's educational operations	7	46,845	712,007	50,922	809,774	790,708
TOTAL		**46,845**	**712,007**	**50,922**	**809,774**	**790,708**
NET (EXPENDITURE) / INCOME C/F		**(17,224)**	**6,217**	**(45,246)**	**(56,253)**	**(51,770)**

BLOCKLEY EDUCATIONAL ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
FOR THE YEAR ENDED 31 AUGUST 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
NET (EXPENDITURE) / INCOME B/F	**(17,224)**	**6,217**	**(45,246)**	**(56,253)**	**(51,770)**
Transfers between funds	-	-	-	-	-
NET (EXPENDITURE) / INCOME FOR THE YEAR	**(17,224)**	**6,217**	**(45,246)**	**(56,253)**	**(51,770)**
Actuarial gain/(loss) on defined benefit pension schemes	-	45,000	-	45,000	(160,000)
NET MOVEMENT IN FUNDS	**(17,224)**	**51,217**	**(45,246)**	**(11,253)**	**(211,770)**
RECONCILIATION OF FUNDS					
Total funds brought forward	51,214	(346,497)	1,511,593	1,216,310	1,428,080
Total funds carried forward	**33,990**	**(295,280)**	**1,466,347**	**1,205,057**	**1,216,310**

All activities relate to continuing operations.

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

The notes on pages 29 to 50 form part of these financial statements.

BLOCKLEY EDUCATIONAL ACADEMY
(A Company Limited by Guarantee)

BALANCE SHEET
AS AT 31 AUGUST 2020

Registration number: 08434233

	Note	£	2020 £	£	2019 £
FIXED ASSETS					
Tangible assets	11		1,463,115		1,505,224
CURRENT ASSETS					
Debtors	12	20,189		27,961	
Cash at bank and in hand		199,445		175,809	
		219,634		203,770	
LIABILITIES					
Creditors: Amounts falling due within one year	13		(42,692)		(59,684)
NET CURRENT ASSETS			176,942		144,086
TOTAL ASSETS LESS CURRENT LIABILITIES			1,640,057		1,649,310
Defined benefit pension scheme liability	24		(435,000)		(433,000)
TOTAL NET ASSETS			1,205,057		1,216,310
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	14	139,720		86,503	
Restricted fixed asset funds	14	1,466,347		1,511,593	
Restricted funds excluding pension liability		1,606,067		1,598,096	
Pension reserve		(435,000)		(433,000)	
Total restricted funds	14		1,171,067		1,165,096
Unrestricted income funds	14		33,990		51,214
TOTAL FUNDS			1,205,057		1,216,310

The financial statements were approved by the Trustees, and authorised for issue, on 23 November 2020 and are signed on their behalf, by:

Christo Moor.

C Moor, Chair of Trustees

BLOCKLEY EDUCATIONAL ACADEMY
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	18	26,664	15,557
Cash flows from investing activities	19	(3,028)	(1,026)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD		23,636	14,531
Cash and cash equivalents at 1 September 2019		175,809	161,278
CASH AND CASH EQUIVALENTS AT 31 AUGUST 2020	20	199,445	175,809

1 STATEMENT OF ACCOUNTING POLICIES

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

Basis of Preparation of Financial Statements

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

Going Concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. This is discussed in the Trustees' Report above.

Income

All income is included in the Statement of Financial Activities when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. For legacies, entitlement is the earlier of the Academy being notified of an impending distribution or the legacy being received.

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

1 STATEMENT OF ACCOUNTING POLICIES (continued)

The value of donated services and gifts in kind provided to the School are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the School's policies.

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured. Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Expenditure

Expenditure is recognised in the period in which a liability is incurred and has been classified under the headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Expenditure on Raising Funds: This includes all expenditure incurred by the School to raise funds for its charitable purposes and includes costs of all fundraising activities events and charitable trading.

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

Tangible Fixed Assets and Depreciation

All assets costing more than £1,000 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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

1 STATEMENT OF ACCOUNTING POLICIES (continued)

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the costs of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold Property	- 25 years straight line
Plant & Machinery	- 15 years straight line
Fixtures and fittings	- 33% reducing balance
Computer equipment	- 33% reducing balance

Motor vehicles and computer equipment transferred from the predecessor school were transferred at depreciated cost and are depreciated over the useful life from original purchase.

Leasehold property and Fixtures and fittings transferred from the predecessor school were transferred at an estimate of depreciated replacement cost and are treated as if purchased at that date.

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.

Lease Assets

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

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 as detailed in note 12. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

Cash at bank – is classified as a basic financial instrument and is measured at face value.
None are included in this model but if relevant the suggested disclosure could be as follows, with valuation in line with the SORP 2015.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

1 STATEMENT OF ACCOUNTING POLICIES (continued)

Taxation

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

Pension Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 23, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fund accounting

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

1 STATEMENT OF ACCOUNTING POLICIES (continued)

Fund accounting (continued)

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency and the Department for Education.

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. . The Governors do not consider that they have made any critical judgements apart from those involving estimation in the preparation of the financial statements.

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liability.

Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 DONATIONS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Other donations	5,232	1,972	7,204	9,311
	5,232	1,972	7,204	9,311

Income from donations and voluntary income in 2019 was £9,311 of which £8,429 was unrestricted funds and £882 was restricted funds.

3 FUNDING FOR SCHOOL'S EDUCATIONAL OPERATIONS

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Restricted Fixed Asset Fund 2020 £	Total Funds 2020 £	Total Funds 2019 £
DfE/ESFA grants					
General Annual Grant (GAG)	-	605,268	-	605,268	585,501
Other DfE/ESFA grants	-	103,416	-	103,416	67,767
Capital grants	-	-	5,676	5,676	13,331
	-	708,684	5,676	714,360	666,599
Other government grants					
Local authority grants	-	66	-	66	237
Exceptional government funding	-	-	-	-	-
Other funding					
Other income	14,872	7,502	-	22,374	50,826
	14,872	716,252	5,676	736,800	717,662

Funding for school's educational operations in 2019 was £717,662, of which £23,811 was unrestricted funds, £680,520 was restricted funds and £13,331 was restricted fixed asset funds.

Under the funding agreement with the Secretary of State the School was subject to limits at 31 August 2020 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes. The School has not exceeded these limits during the year ended 31 August 2020.

4 OTHER TRADING ACTIVITIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Before and After school care	7,620	-	7,620	9,361
Tuition fees	1,769	-	1,769	2,496
Other income	19	-	19	7
	9,408	-	9,408	11,864

Income from other trading activities in 2019 was £11,864, all of which was unrestricted funds.

5 INVESTMENT INCOME

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Interest	109	-	109	101

Income from investment income in 2019 was £101 of which all was unrestricted funds.

6 EXPENDITURE

	Staff costs 2020 £	Premises 2020 £	Other costs 2020 £	Total 2020 £	Total 2019 £
Educational operations					
- Direct Costs (note 7)	430,040	-	23,257	453,297	421,509
- Allocated Support Costs	180,633	59,599	116,245	356,477	369,199
- (note 7)					
	610,673	59,599	139,502	809,774	790,708

Expenditure on Educational operations in 20219 was £790,708 of which £56,171 was unrestricted funds, £685,668 was restricted funds and £48,869 was restricted fixed asset funds.

Net income/(expenditure) for the period includes:

	2020 £	2019 £
Depreciation of tangible fixed assets owned by the charity	50,922	48,869
Loss on disposal of tangible fixed assets	-	-
Operating lease rentals	20,492	22,325
Fees paid to auditor for:		
- Audit	6,550	6,500
- Other services	1,250	2,100

7 CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Total funds 2020 £	Total funds 2019 £
DIRECT COSTS		
Educational supplies	23,257	31,376
Wages and salaries	325,001	308,054
National insurance	23,788	23,533
Pension cost	81,251	58,546
	453,297	421,509
SUPPORT COSTS		
Wages and salaries	100,561	113,512
National insurance	5,247	4,188
Pension cost	27,825	24,022
Depreciation	50,922	48,869
Pension expense	47,000	21,000
Maintenance of premises	17,695	15,371
Rent and rates	21,837	27,781
Light and heat	8,325	8,983
Insurance	11,742	9,127
Catering	15,306	25,394
Legal and professional	18,140	39,755
Other support costs	23,452	24,212
Governance costs	8,425	6,985
	356,477	369,199
	809,774	790,708

8 STAFF COSTS

a. Staff costs during the year were:

	2020	2019
	£	£
Wages and salaries	425,562	421,566
Social security costs	29,035	27,721
Operating costs of defined benefit pension schemes	109,076	82,568
Pension expense	47,000	21,000
Total	610,673	552,855

b. Staff numbers

The average number of persons employed by the Academy during the year expressed as full time equivalents was as follows:

Charitable Activities	2020	2019
	No.	No.
Teachers	6	6
Support	9	8
Management	1	1

c. Higher paid staff

No employee received remuneration, excluding employer pension, amounting to more than £60,000 in 2019 or 2020.

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £142,178 (2019: £141,651).

9 GOVERNORS' REMUNERATION AND EXPENSES

The Head Teacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff, and not in respect of their services as Trustees. Other Trustees also did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The value of Trustees' remuneration, including employer pension contributions, fell within the following bands:

	2020	2019
	£	£
M Pudifoot	70,000-75,000	55,000-60,000
S L White	35,000-40,000	50,000-55,000
K Davies	30,000-35,000	30,000-35,000
G L Jones	-	15,000-20,000

During the year, 1 Trustee received reimbursement of expenses incurred in their role as Trustee (2019: No trustee).

10 GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides unlimited cover on any one claim and the cost for the year ended 31 August 2020 was £2,646 (2019: £2,940). The cost of this insurance is included in the total insurance cost and relates to a multiple-line policy provided by the ESFA.

11 TANGIBLE FIXED ASSETS

	Long leasehold property £	Plant and machinery £	Fixtures & fittings £	Computer equipment £	Total £
Cost or valuation					
As at 1 September 2019	1,695,000	48,873	40,179	30,411	1,820,463
Additions	-	-	6,923	1,890	8,813
At 31 August 2020	1,695,000	48,873	53,102	32,301	1,829,276
Depreciation					
At 1 September 2019	246,914	16,290	36,502	15,533	315,239
Charge for the year	38,480	3,258	3,880	5,304	50,922
At 31 August 2020	285,394	19,548	40,382	20,837	366,161
Net book value					
At 31 August 2020	1,409,606	29,325	12,720	11,464	1,463,115
At 31 August 2019	1,448,086	32,583	9,677	14,878	1,505,224

Included in long term leasehold property is land of £733,000 which is not depreciated.

12 DEBTORS

	2020	2019
	£	£
VAT refund	2,599	3,028
Other debtors	-	15,122
Prepayments and accrued income	17,590	9,811
	20,189	27,961

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	367	-
Taxation and social security	17,728	16,351
Accruals and deferred income	24,597	43,333
	42,692	59,684

	£
Deferred Income	
Deferred income at 1 September 2019	13,603
Resources deferred during the year	9,985
Amounts released from previous years	(13,603)
Deferred income at 31 August 2020	9,985

Deferred Income

Deferred income relates to Universal Infant Free School Meals grant which will be utilised in the year ending 31 August 2021.

14 STATEMENT OF FUNDS (2019/20)

The income funds of the School comprise the following balances of grants to be applied for specific purposes:

	Balance at 31 August 2019	Incoming Resources	Resources Expended	Gains, Losses and Transfers	Balance at 31 August 2020
	£	£	£	£	£
Restricted funds					
General Annual Grant (GAG)	23,242	605,268	(547,776)	-	80,734
Other DfE/ESFA Grants	40,622	103,482	(91,054)	-	53,050
Other income fund	22,495	7,502	(24,205)	-	5,792
Pension reserve	(433,000)	-	(47,000)	45,000	(435,000)
Other restricted funds	144	1,972	(1,972)	-	144
	(346,497)	718,224	(712,007)	45,000	(295,280)
Restricted fixed asset funds					
Assets transferred on conversion	1,443,296	-	(38,480)	-	1,404,816
Devolved formula grant	19,286	5,676	(7,383)	3,137	20,716
Devolved formula Grant- unutilised	10,891	-	-	(3,137)	7,754
Kitchen grant	30,660	-	(3,528)	-	27,132
Playground equipment donation	4,120	-	(461)	-	3,659
Goal post donation	783	-	(93)	-	690
Fencing grant	881	-	(424)	-	457
Friends of School donation	1,676	-	(553)	-	1,123
	1,511,593	5,676	(50,922)	-	1,466,347
Total restricted funds	1,165,096	723,900	(762,929)	45,000	1,171,067
Unrestricted funds	51,214	29,621	(46,845)	-	33,990
Total of funds	1,216,310	753,521	809,774)	45,000	1,205,057

14 STATEMENT OF FUNDS (2018/19)

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

The income funds of the School comprise the following balances of grants to be applied for specific purposes:

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Restricted funds						
General Annual Grant (GAG)	28,149	585,501	(590,408)	-	-	23,242
Other DfE/ESFA Grants	32,793	68,004	(60,175)	-	-	40,622
Other income fund	8,683	27,015	(13,203)	-	-	22,495
Pension reserve	(252,000)	-	(21,000)	-	(160,000)	(433,000)
Other restricted funds	144	882	(882)	-	-	144
	(182,231)	681,402	(685,668)	-	(160,000)	(346,497)
Restricted fixed asset funds						
Assets transferred on conversion	1,481,776	-	(38,480)	-	-	1,443,296
Devolved formula grant	9,676	13,331	(4,848)	1,127	-	19,286
Devolved formula Grant-unutilised	12,018	-	-	(1,127)	-	10,891
Kitchen grant	33,918	-	(3,258)	-	-	30,660
Playground equipment donation	4,807	-	(687)	-	-	4,120
Goal post donation	922	-	(139)	-	-	783
Fencing grant	1,513	-	(632)	-	-	881
Friends of School donation	2,501	-	(825)	-	-	1,676
	1,547,131	13,331	(48,869)	-	-	1,511,593
Total restricted funds	1,364,900	694,733	(734,537)	-	(160,000)	1,165,096
Unrestricted funds	63,180	44,205	(56,171)	-	-	51,214
Total of funds	1,428,080	738,938	(790,708)	-	(160,000)	1,216,310

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

Restricted fund:

The General Annual Grant Fund (GAG) is used for the educational purposes in line with the Academy's objects and its funding agreement with the ESFA.

Other DfE/ESFA grants are used to provide specific support for children.

The Local Authority grant consists of high needs funding which is used to provide specialist support for the children.

Other income fund comprises income raised to be used for educational purposes.

The Pension Reserve relates to the Academy's share of the deficit of the Local Government Pension Scheme overseen by the Local Authority.

Restricted fixed asset fund:

Fixed assets transferred on conversion represent the land and buildings and other assets transferred to the Academy from Gloucestershire County Council on conversion.

The devolved formula capital grant will be used to fund capital expenditure.

The kitchen grant was used to cover the refurbishment of the Academy kitchen.

The playground equipment donation was used to purchase new playground equipment.

The goal post donation was used to purchase goal posts for the playing fields.

The fencing grant was used to replace the fencing around the Academy.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	Total funds 2019 £
Tangible fixed assets	-	-	1,463,115	-	1,463,115	1,505,224
Current assets	33,990	182,412	2,232	-	219,634	203,770
Creditors due within one year	-	(42,692)	-	-	(42,692)	(59,684)
Provisions for liabilities and charges	-	(435,000)	-	-	(435,000)	(433,000)
	33,990	(295,280)	1,466,347	-	1,205,057	1,216,310

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

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Endowment funds 2019 £	Total funds 2019 £	Total funds 2018 £
Tangible fixed assets	-	-	1,505,224	-	1,505,224	1,539,635
Current assets	51,214	146,187	6,369	-	203,770	189,222
Creditors due within one year	-	(59,684)	-	-	(59,684)	(48,777)
Provisions for liabilities and charges	-	(433,000)	-	-	(433,000)	(252,000)
	51,214	(182,231)	1,511,593	-	1,216,310	1,428,080

16 CAPITAL COMMITMENTS

At 31 August 2020 the School had neither capital commitments contracted for nor not provided in the financial statements (2019: £Nil).

17 FINANCIAL COMMITMENTS

Operating leases

At 31 August 2020 the Academy had annual commitments under non-cancellable operating leases as follows:

	2020	2019
	£	£
Land and Buildings		
Commitments within one year	18,692	18,352
Commitments within two and five years inclusive	-	-
Other		
Commitments within one year	1,423	1,366
Commitments within two and five years inclusive	1,668	3,421
	21,783	23,139

18 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net (expenditure) for the reporting period (as per the statement of financial activities)	(56,253)	(51,770)
Adjusted for:		
Depreciation (note 11)	50,922	48,869
Loss on disposal of tangible fixed assets	-	-
Capital grants from DfE and other capital income	(5,676)	(13,331)
Interest receivable (note 5)	(109)	(101)
Defined benefit pension scheme finance cost (note 23)	47,000	21,000
Decrease)/(Increase) in debtors	7,772	(17)
(Decrease)/increase in creditors	(16,992)	10,907
Net cash provided by operating activities	26,664	15,557

19 CASH FLOWS FROM INVESTING ACTIVITIES

	2020	2019
	£	£
Dividends, interest and rents from investments	109	101
Purchase of tangible fixed assets	(8,813)	(14,458)
Capital grants from DfE/ESFA	5,676	13,331
Net cash used in investing activities	(3,028)	(1,026)

20 ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 31 August 2020 £	At 31 August 2019 £
Cash in hand and at bank	199,445	175,809
Total cash and cash equivalents	199,445	175,809

21 ANALYSIS OF CHANGES IN NET DEBT

	At 31 September 2019 £	Cash Flows 2020 £	New Finance Leases 2020 £	Other Non-cash Changes 2020 £	At 31 August 2020 £
Cash	175,809	23,636	-	-	199,445

22 MEMBERS LIABILITY

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

23 CONTINGENT LIABILITIES

Guaranteed Minimum Pension (GMP) Equalisation is a requirement to equalise the Guaranteed Minimum Pension benefits accrued between 1990 and 1997 from contracting out of the State Earnings Related Pension Scheme based on the principles outlined in the judgement of the "Lloyds Bank" High Court case in October 2019. The actuarial valuation prepared for the Local Government Pension Scheme (as disclosed in Note 26) does not currently included an adjustment for GMP Equalisation, as the fund actuary considers that a 'trigger event ' is yet to occur in the LGPS. The trigger event referred to in this instance is that Government are yet to confirm the long term solution and hence the potential impact of GMP equalisation remains an unknown. In view of this continuing uncertainty, no provision has been made in these financial statements in relation to this matter.

24 PENSION COMMITMENTS

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

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

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

24 PENSION COMMITMENTS (continued)

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation, TPS employers will pay an increased contribution rate of 23.6% from September 2020 (plus an administration levy of 0.08%).

The pension costs paid to TPS in the period amounted to £86,836 (2019: £66,657).

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

Under the definitions set out in Financial Reporting Standard (FRS 102), the TPS is a multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme. The School has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £54,000 (2019: £49,000), of which employer's contributions totalled £45,000 (2019: £41,000) and employees' contributions totalled £9,000 (2019: £8,000). The agreed contribution rates for future years are 25.1% for employers and 5.5% for employees.

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

Principal actuarial assumptions	**At 31 August 2020**	**At 31 August 2019**
Discount rate for scheme liabilities	1.7%	1.9%
Rate of increase in salaries	2.5%	2.6%
Rate of increase for pensions in payment / inflation	2.2%	2.3%
Inflation assumption (CPI)	2.2%	2.3%
Expected return on assets	2.2%	2.4%

24 PENSION COMMITMENTS (continued)

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

	Approximate increase to employer liability	Approximate monetary amount
Change in assumptions at year ended 31 August 2020		
0.5% decrease in Real Discount Rate	14%	111,000
0.5% increase in the Salary Increase Rate	1%	7,000
0.5% increase in the Pension Increase Rate	13%	102,000

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

	2020	2019
Retiring today		
Males	21.7	22.4
Females	23.9	24.6
Retiring in 20 years		
Males	24.0	24.0
Females	26.4	26.4

The School's share of assets and liabilities in the scheme and the expected rates of return were:

	Expected Return at 31 August 2020	Fair value at 31 August 2020	Expected return at 31 August 2019	Fair value at 31 August 2019
	%	£	%	£
Equities	2.1	243,540	6.5	230,100
Government Bonds	2.1	84,870	6.5	88,500
Property	2.1	29,520	6.5	28,320
Cash/liquidity	2.1	11,070	6.5	7,080
Total market value of assets		369,000		354,000
Present value of scheme liabilities: Funded		(804,000)		(787,000)
Deficit in the scheme		(435,000)		(433,000)

24 PENSION COMMITMENTS (continued)

The actual return on scheme assets was £7,000 (2019: £11,000)

Amounts recognised in the Statement of Financial Activities

	2020	2019
	£	£
Current service cost (net of employee contributions)	83,000	56,000
Past service cost	-	1,000
	83,000	57,000

Analysis of pension finance income/(costs)

Expected return on scheme assets	7,000	11,000
Interest on obligation	(16,000)	(16,000)
Pension finance income/(costs)	(9,000)	(5,000)

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities is £nil (2019: £nil).

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

	2020	2019
	£	£
At 1 September	787,000	543,000
Current service cost	83,000	56,000
Past service cost	-	1,000
Interest cost	16,000	16,000
Employee contributions	9,000	8,000
Actuarial gains/(losses)	20,000	169,000
Benefits paid	(2,000)	(6,000)
Change in demographic	(27,000)	-
Change due to other experience	(82,000)	-
At 31 August	804,000	787,000

24 PENSION COMMITMENTS (continued)

Movements in the fair value of the School's share of scheme assets:

	2020	2019
	£	£
At 1 September	354,000	291,000
Expected return on assets	7,000	11,000
Actuarial gains/(losses)	(44,000)	9,000
Employer contributions	45,000	41,000
Employee contributions	9,000	8,000
Benefits paid	(2,000)	(6,000)
At 31 August	369,000	354,000

The estimated value of employer contributions for the year ended 31 August 2020 is £45,000 (2019: £41,000).

25 RELATED PARTY TRANSACTIONS

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

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2020 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures.