

Registration number: 07713374  
(England and Wales)

# St Ives Infant School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Walker Moyle Ltd  
Alverton Pavilion  
Trewithen Road  
Penzance  
Cornwall  
TR18 4LS

# St Ives Infant School

## Contents

Reference and Administrative Details	1
Trustees' Report	2 to 8
Governance Statement	9 to 11
Statement of Regularity, Propriety and Compliance	12
Statement of Trustees' Responsibilities	13
Independent Auditor's Report on the Financial Statements to the Members of St Ives Infant School	14 to 16
Independent Reporting Accountant's Assurance Report on Regularity	17 to 18
Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account)	19 to 20
Balance Sheet as at 31 August 2021	21
Statement of Cash Flows for the year ended 31 August 2021	22
Notes to the Financial Statements	23 to 43

# St Ives Infant School

## Reference and Administrative Details

<b>Members</b>	D Stevens (resigned 31 August 2021) E Moodie L Phillips
<b>Governors and Trustees (Directors)</b>	D Stevens (resigned 31 August 2021) N Merrill (resigned 31 August 2021) H Carver (resigned 31 October 2020) E Moodie C Nicholls L Phillips (resigned 4 October 2021) L Farrar, (Principal and Accounting Officer) L Pulley N Widdows T Friskney-Adams J O'Shea
<b>Principal</b>	L Farrar
<b>Senior Management Team</b>	L Farrar, Principal E Lewis (Started 1.9.2020), Assistant Head L Saunders (left 31.12.2020), Early Years Leader
<b>Principal and Registered Office</b>	Trenwith Burrows St Ives Cornwall TR26 1DH
<b>Company Registration Number</b>	07713374
<b>Auditors</b>	Walker Moyle Ltd Alverton Pavilion Trewithen Road Penzance Cornwall TR18 4LS
<b>Bankers</b>	The Co-operative Bank PO BOX 250 Skelmersdale WN8 6WT  Barclays Bank Penzance Branch 8/9 Market Jew Street Penzance Cornwall TR18 2TW

# St Ives Infant School

## Trustees' Report for the Year Ended 31 August 2021

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

The academy trust operates a nursery and infant school for pupils aged 3-7 serving a catchment area of St Ives, Cornwall. It has a pupil capacity of 180 and had a roll of 164 in the October 2021 census.

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

#### ***Constitution***

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees of St Ives Infant School Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as St Ives Infant School.

The company registration number is 07713374.

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

#### ***Members' liability***

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

#### ***Trustees' indemnities***

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

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

The first governors are those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

Other governors are appointed as follows:

- a) By members- The members may appoint up to 15 governors. They can appoint staff governors through such process as they may determine, provided that the total number of governors (including the Principal) who are employed by the academy trust does not exceed one-third of the total number of governors.
- b) Local Authority - The Local Authority may appoint the Local Authority Governor.
- c) Ex Officio Governor - Shall be the principal.
- d) By parents - The parent governors shall be elected by parents of registered pupils at the Academy. A parent governor must be a parent of a pupil at the Academy at the time when elected. There should be a minimum of 2 parent governors.
- e) Governing body - Can appoint parent governors if the number of parents standing for election is less than the number of vacancies.
- f) The Governors - The governors may appoint up to 3 co-opted governors. The governors may not co-opt an employee of the academy trust as a co-opted governor if the number of governors who are employed by the Academy Trust would exceed one-third (including the Principal).

# St Ives Infant School

## Trustees' Report for the Year Ended 31 August 2021 (continued)

g) The Secretary of State - May appoint Additional Governors in the following circumstances:

i. If the governors have received a warning notice and the governors have failed to comply with the notice to the Secretary of State's satisfaction within the compliance period.

ii. Where following an Inspection by the Chief Inspector in accordance with the Education Act 2005 (an "Inspection") the academy trust receives an Ofsted grading (being a grade referred to in the Framework for School Inspection or any modification or replacement of that document for the time being in force) which amounts to a drop, either from one Inspection to the next Inspection or between any two Inspections carried out within a 5 year period, of two Ofsted grades. For the purposes of the foregoing the grade received by St Ives Infant School shall be regarded as the grade received by the Academy.

iii. The Secretary of State may also appoint such Further Governors as he thinks fit if a Special Measures Termination Event (as defined in the Funding Agreement) occurs in respect of the Academy.

Within 5 days of the Secretary of State appointing any Additional or Further Governors, any governors appointed under Article 50 of the Memorandum and Articles of Association and holding office immediately preceding the appointment of such governors, shall resign immediately and the Members' power to appoint governors under Article 50 shall remain suspended until the Secretary of State removes one or more of the Additional or Further Governors.

The term of office for any governor except the Principal shall be 4 years. Subject to remaining eligible to be a particular type of governor, any governor may be reappointed or re-elected.

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

All governors are related to the Academy in some way and are therefore familiar with the Academy. All governors have the opportunity to go on training courses and receive guidance and training from existing governors.

### ***Organisational structure***

The decisions relating to the running of the Academy are made by the Board of Governors, who meet on a regular basis. Academy policies and recommendations for future action can be put to the Board of Governors by any governor. Although the majority of the recommendations are by the governors employed by the Academy, the day to day running of the Academy is delegated to the Principal. The Vice Principal, Chair and Vice Chair support the Principal in the day to day management of the Academy.

### ***Risk management***

The governors have assessed the major risks to which the Academy is exposed, in particular relating to the Academy's system of internal control. This incorporates risk management and encompasses a number of elements that together facilitate an effective and efficient operation. This enables the Academy to respond to a variety of operational, financial and commercial risks.

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

- Comprehensive budgeting and monitoring systems with an annual budget and monthly management accounts which indicate financial performance against the forecasts and which are reviewed by the Finance and Premises Committee.
- Regular reviews by the finance and general purposes committee of major purchase plans, capital works and expenditure programmes.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to use the Local Authority to provide a bought-in internal audit service.

### ***Connected organisations, including related party relationships***

All of the governors are related parties of the academy. Full details of related party transactions are included at Note 25 to the accounts.

# St Ives Infant School

## Trustees' Report for the Year Ended 31 August 2021 (continued)

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

The school's key management personnel during 2020 – 2021 was the headteacher, Leisa Farrar. Her pay is determined at the annual performance management review. A panel of governors conduct the headteacher's review. The school abides by the national pay scales and progression on the leadership scale, within their set range, is determined following this review of their performance.

### **Objectives and activities**

#### **Objects and aims**

The object of the Academy is 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 offering a broad and balanced curriculum.

The Academy's motto is 'Setting Sail for New Horizons'.

For every child to set out confidently on the adventure of learning: curious about the world, excited about their future, positive about their ability and caring towards other people.

The Academy's aims are:

Curious about the world

- To promote awareness and understanding of other cultures
- To develop the children's motivation, discovering their special interests and talents
- To introduce the children to a wide range of new experiences, ideas and activities
- To encourage the child to ask questions about the work, talk about their ideas and express their opinions

Excited about their future

- To make children excited about learning and eager to move on to the next stage of their education
- To help children to look beyond their immediate surroundings and their own personal experiences
- To shape a curriculum which will develop the knowledge and skills which the children will need to meet the challenges of their future lives
- To involve children in problem solving and develop their capacity to be active citizens

Positive of their ability

- To help children to reach the highest levels of achievement in all they do
- To demonstrate to all the children that they are able to learn
- To provide the highest quality of teaching for all children
- To develop the children's awareness of their own learning and the value of perseverance and dedication in their learning
- To identify and strive to meet the children's Special Educational Needs

Caring of other people

- To develop sensitivity to the feelings and concerns of other people
- To demonstrate compassion and respect for other people
- To develop the children's moral understanding
- To learn how to co-operate and work with other people

# St Ives Infant School

## Trustees' Report for the Year Ended 31 August 2021 (continued)

### Objectives, strategies and activities

To ensure that the staff and governors work towards the school's current school improvement priorities.

Our current priorities are:

#### 1. Curriculum Core Subjects

- To have a clear overview of what M, E and Science look like at SIIS
- To ensure this is sequential throughout the year and builds on knowledge from the previous year
- To develop non negotiables for M to ensure consistency
- To embed non negotiables for E
- New feedback system which maximizes impact for pupils at point of delivery, fosters independence and raises expectations
- To raise attainment in M & E
- To ensure breadth of coverage across M, E & S

#### 2. Wider Curriculum

- To implement our newly written wider curriculum and reflect on the impact of this
- To ensure there is breadth across the curriculum for all subjects and timetables reflect this
- To plan a comprehensive offer of 'life experiences' reflecting the needs of our pupils
- To have clear objectives based around knowledge to be built upon and new vocabulary to be introduced
- To ensure equity is given to all subjects
- To have confident subject leaders who are able to speak confidently about their subjects and the achievement and progress of all children

#### 3. Behaviour & Attitudes

- To develop independent, resilient learners who take responsibility for their own learning
- To develop a clear behaviour policy which ensures all adults are interacting with pupils in a positive, consistent manner
- To improve play opportunities at playtimes to reduce the number of negative interactions
- To ensure all staff respond to the emotional needs of children in an appropriate way

#### 4. Year Group Readiness

- To ensure pupils are 'ready', academically, socially and emotionally to access the next year group
- To develop an early intervention procedure which all staff are aware of and make use of
- To develop teachers wider knowledge of a pupils journal through school (i.e. year below/year above, including year 3).

### Public benefit

The Trustees have complied with the duty in Section 17 of the 2011 Charities Act to have due regard to the public benefit guidance published by the Charity Commission.

The Academy provides educational services to children in the local area. Applications for school places are welcome from any family, regardless of where they live and the school does not have a defined catchment area. However proximity to the school is used as the main criteria if a year group is over-subscribed, once places have been allocated to children in care or with a statement of special educational need.

The education provided directly benefits the children and indirectly benefits their families and the wider community in which they are growing up.

A large majority of children who attend the school live in the town of St Ives and within walking distance of the school. The community is predominantly white Cornish or white British and 49% of children live within the 20-30% most deprived areas in the country. 27% of children are currently eligible for pupil premium funding as they receive free school meals (or have done in recent years), are in care or have a parent in the armed services. The educational services provided by the school therefore benefit many children who would be identified as disadvantaged.

# St Ives Infant School

## Trustees' Report for the Year Ended 31 August 2021 (continued)

### Strategic Report

#### Achievements and performance

No National results published or submitted due to Coronavirus

#### Year 2 (School Data)

	All pupils On track (of which Greater Depth)
Reading	65% (22%)
Writing	58% (5%)
Maths	67% (8%)
Phonics	85%

A review of the data has fed into our SDP for 2021-2022 including a revision of our Maths programme, Teacher CPD particularly in Writing and increased opportunities for Moderation. We will also ensure there is progression and sequencing of key skills and knowledge throughout the school. Regular pupil progress meetings will closely monitor the progress of all individuals and key groups.

#### Reception (School Data)

ELG percentage

Reading	69%
Writing	67%
Number	78%
SSM	84%

Our priorities in EYFS are progressive teaching from Nursery to Reception and ensuring children are ready for the next stage in their education, with a key focus on developing independence. We are reviewing our provision of reading and writing across Early Years

#### Key financial performance indicators

	Unit	2021	2020
General Annual Grant (GAG) received	£	711,286.00	699,172.00
Unrestricted reserves	£	4,905.00	39,403.00
GAG reserve carried forward	£	65,241.00	9,718.00

The key financial performance indicator for the Academy is adherence to the financial budget set at the beginning of the year, taking into consideration the expected levels of government funding. The position against the budget is then reviewed throughout the year.

#### Going concern

On 1 September 2021, with approval of the Secretary of State for Education, the activities, assets and liabilities of the Academy were passed to Rainbow MAT. All the assets and liabilities were transferred at net book value. The trustees are confident that going forward under the umbrella of the Rainbow MAT, the school has adequate resources to continue in operational existence for the foreseeable future.

Since all assets are being transferred to Rainbow MAT at net book value for continuing school use, no adjustments have been made as a result of not applying the going concern basis.

St Ives Infant School continues in existence as a dormant company until, as anticipated, it is dissolved at some stage in the future.

#### Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

#### Plans for future periods

The school has now joined Rainbow Multi Academy Trust which offers greater opportunities for shared costs, resources and wider economies of scale. The head teachers of the MAT have worked together on shared MAT, and school level priorities, for the forthcoming school year. In addition, directors of Rainbow MAT will review the aims and key objectives for the forthcoming year.



# St Ives Infant School

## Trustees' Report for the Year Ended 31 August 2021 (continued)

### Strategic Report

#### Financial review

In accordance with the Funding Agreement, the principal source of general funding with which to finance the operations of the Academy Trust is the Department for Education.

The Academy also receives funding from the Local Authority (Cornwall Council) including nursery funding for 3/4 year olds.

As shown by the Statement of Financial Activities the Academy Trust had net expenses for the year of £34,503 on unrestricted funds and net expenses for the year on restricted general funds of £19,127, before transfers and actuarial gains on the defined benefit pension scheme.

The Academy Trust held fund balances at 31 August 2021 of £791K comprising £1,557K of restricted funds, £5K of unrestricted funds and a pension reserve deficit of £771K.

#### Financial effect of significant events

Covid costs in 2020-2021 were not fully covered by the Covid emergency grant due to the limited eligibility. The inability to claim for additional staff costs associated with covering colleagues for less days than the insurance eligibility, along with employing additional cleaning staff to perform enhanced cleaning meant the Academy was significantly affected financially by the impacts of Covid.

#### Financial and risk management objectives and policies

The Governors examine the financial position of the Academy each term.

In respect of bank balances the liquidity risk is managed by a continual review of the balance and the forecast expenditure compared to actual expenditure, to ensure that the account never goes overdrawn and all liabilities are met.

#### Reserves policy

All restricted reserves relate to income received with conditions regarding expenditure. The pension deficit of £771K (2020: £544K) represents the deficit on the Local Government Pension Scheme. The deficit on the pension scheme would generally result in a cash flow effect for the academy trust in the form of an increase in employers' pension contributions over a period of years. However on the basis that increased pension contributions should generally be met from the academy trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund, or direct impact on the free reserves of the academy trust because of recognising the deficit. The level of free, unrestricted reserves at the 31 August 2021 is £nil (2020: £10,521). The level of restricted GAG reserves at 31 August 2021 were £65,241 (2020: £9,718).

The trustees consider that the school's unrestricted reserves should be around 5% of its GAG funding. Whilst the level of unrestricted reserves has decreased the level of GAG funding reserves carried forward has increased significantly.

#### Investment policy

The Academy retains surplus funds in its bank accounts. The Board of Governors monitor the type of bank accounts held and decide to either close or open additional accounts if necessary.

The governors have the power to invest any funds of the Academy not immediately required for the furtherance of its objects, but to invest only after obtaining such advice from a financial expert as the governors consider necessary and having regard to the suitability of investments and the need for diversification.

# St Ives Infant School

## Trustees' Report for the Year Ended 31 August 2021 (continued)

### Strategic Report

#### Principal risks and uncertainties

The main risks facing the school are:

- Uncertainty about future funding levels due to changes in the funding formula, government priorities and the additional expense of COVID 19.

The school will ensure that it remains up to date with information about the formula as it is released by the government. Reserves will be maintained at an appropriate level to give some initial protection pending savings being made if required. The school continues to monitor the finance situation and will take this into consideration when planning next year's staffing levels.

- Fall in the NOR resulting in insufficient income to fund the current staffing levels.

The school monitors future numbers carefully using evidence from Cornwall Council birth rates and predictions of school age children. The school need to monitor this carefully and make changes to staffing if necessary. The school has a plan to develop the offer for Nursery however due to COVID 19 this has been put on hold.

The school has worked with the ESFA and a SRMA this year and will continue to work with external agencies to ensure financial procedures are as efficient as possible securing financial security moving forward into potentially vulnerable years.

#### Auditor

Insofar as the Trustees are aware:

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

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the board of trustees on ~~14.12.2021~~ and signed on its behalf by:



N Widdows  
Governor and trustee

# St Ives Infant School

## Governance Statement

### Scope of responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to Leisa Farrar, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Ives Infant School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 11 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
D Stevens (resigned 31 August 2021)	8	11
L Farrar, (Principal and Accounting Officer)	11	11
N Merrill (resigned 31 August 2021)	6	11
J O'Shea	11	11
E Moodie	9	11
C Nicholls	7	11
N Widdows	8	11
T Friskney-Adams	9	11
L Pulley	9	11
H Carver (resigned 31 October 2020)	0	0
L Phillips (resigned 4 October 2021)	10	11

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to manage and direct the academy's finances and specialist issues Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
L Farrar,	3	3
N Widdows	2	3
D Stevens (resigned 31 August 2021)	3	3
T Friskney-Adams	2	3
J O'Shea	3	3
C Nicholls	1	3

# St Ives Infant School

## Governance Statement (continued)

### Review of value for money

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

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

- working closely with LFS support to review spend regularly, adapting areas of the budget/planned spends as required
- regularly reviewing staffing levels and reallocating staff appropriately when addressing new demands or cover
- reviewing subscriptions and negotiating renewals of contracts to ensure best value for money
- continued to work on recommendations of SRMA
- offering premises support
- financial awareness and consideration when appointing teachers or replacing leaving staff members

### The purpose of the system of internal control

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

### Capacity to handle risk

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

### The risk and control framework

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

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

The board of trustees has decided:

- to buy-in an internal audit service from Cornwall Council

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

- Visit 1 A review of policies and procedures
- Visit 2 A review of transactions and processing
- Visit 3 A review of the previous visit reports and any progress with recommendations

On a regular basis, the auditor reports to the board of trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of trustees's financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

There were no material control or other issues reported by the internal auditor to date.

# St Ives Infant School

## Governance Statement (continued)

### Review of effectiveness

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

- the work of the internal auditor ;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 14/12/2021 and signed on its behalf by:



L Farrar  
Principal



N Widdows  
Governor and trustee

## St Ives Infant School

### Statement of Regularity, Propriety and Compliance

As Accounting Officer of St Ives Infant School I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

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



.....  
L Farrar, Accounting Officer

Date 14/12/2021

# St Ives Infant School

## Statement of Trustees' Responsibilities

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

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

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

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

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

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

Approved by order of the members of the Board on 14/12/21 and signed on its behalf by:



N Widdows  
Governor and trustee

# St Ives Infant School

## Independent Auditor's Report on the Financial Statements to the Members of St Ives Infant School

### Opinion

We have audited the financial statements of St Ives Infant School (the 'Academy') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

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

### Basis for opinion

We 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 responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of matter

We draw attention to the disclosure made in note 1 to the financial statements which explains the academy trust ceased to operate and transferred its activities and net assets to The Rainbow Multi Academy Trust on 1 September 2021 and therefore the going concern basis of accounting in preparing the financial statements has not been adopted.

Accordingly the financial statements have been prepared on a basis other than going concern.

Our opinion is not modified in respect of this matter.

### Other information (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)

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

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

We have nothing to report in this regard.

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

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

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

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

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



## St Ives Infant School

### Independent Auditor's Report on the Financial Statements to the Members of St Ives Infant School (continued)

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

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

#### Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 13], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### Auditor Responsibilities for the audit of the financial statements

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

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

## St Ives Infant School

### Independent Auditor's Report on the Financial Statements to the Members of St Ives Infant School (continued)

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and the education sector in which it operates, as part of our audit planning, to identify the key laws and regulations and to determine those most significant to the entity. These included laws and regulations directly significant to the preparation of the financial statements in particular; the Companies Act 2006, Charities Act 2011 and the Academies Accounts Direction 2020 - 2021 as well as laws and regulations specific to the sector in which the entity operates including compliance with the Academies Financial Handbook 2020, the funding agreement, safeguarding, employment law and health and safety. At the audit planning stage we considered the risk of non-compliance with these laws and regulations and the impact on the financial statements in determining material amounts and disclosures as well as the impact of non-compliance on the entity's ability to continue to operate.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above. Our procedures involved the following:

- Obtaining the entity's risk register and internal assessment that the financial statements may be materially misstated as a result of fraud
- Reading the board and finance and premises committee minutes to identify any instances of non-compliance
- Analysed the legal and professional costs in the accounts to identify any that may be in relation to non-compliance
- Reviewed the internal audit work undertaken by the LFS team at Cornwall Council
- Discussed with management safeguarding procedures and checked DBS checks were being undertaken
- Reviewed files documenting health and safety/fire risk assessments
- Considered the accounts disclosures compared to the Model Accounts published by the ESFA

We considered the risk of fraud through management override and, in response, we:

- Incorporated testing manual journal entries throughout the period into our audit approach
- Considered accounting estimates for reasonableness and bias
- Were vigilant to identify transactions outside the normal course of the entity's operations, of which we found none
- Undertook substantive testing on expenditure to ensure it was appropriately allocated against restricted income funds and not Ultra Vires

As auditors we are not responsible for preventing non-compliance and due to the inherent difficulty in detecting irregularities there is a risk the financial statements include a material misstatement. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to error. This is because fraud usually involves collusion or deliberate concealment.

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

#### Use of our report

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



Paula Thomas BA FCA DChA (Senior Statutory Auditor)  
For and on behalf of Walker Moyle Ltd, Statutory Auditor

Alverton Pavilion  
Trewithen Road  
Penzance  
Cornwall  
TR18 4LS

15 December 2021

# St Ives Infant School

## Independent Reporting Accountant's Assurance Report on Regularity to St Ives Infant School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 2 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Ives Infant School during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The Accounting Officer is responsible, under the requirements of the board of trustees's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academies Financial Handbook extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- reviewing internal controls and testing a sample to ensure they are being correctly implemented
- reviewing the minutes of meetings of the trustees' and the finance and premises committee.
- reviewing a sample of expenditure incurred during the year and confirming it was in accordance with the academy's framework and charitable objectives.

## St Ives Infant School

### Independent Reporting Accountant's Assurance Report on Regularity to St Ives Infant School and the Education and Skills Funding Agency (continued)

#### 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 from 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Paula Thomas BA FCA DChA  
For and on behalf of Walker Moyle Ltd, Chartered Accountants

Alverton Pavilion  
Trewithen Road  
Penzance  
Cornwall  
TR18 4LS

15 December 2021

## St Ives Infant School

### Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
<b>Income and endowments from:</b>					
Donations and capital grants	2	168	388	122,363	122,919
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	4,103	969,582	-	973,685
Other trading activities	4	11,260	1,404	-	12,664
Total		<u>15,531</u>	<u>971,374</u>	<u>122,363</u>	<u>1,109,268</u>
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	7	50,034	990,501	99,975	1,140,510
Total		<u>50,034</u>	<u>990,501</u>	<u>99,975</u>	<u>1,140,510</u>
Net (expenditure)/income		(34,503)	(19,127)	22,388	(31,242)
<b>Other recognised gains and losses</b>					
Actuarial gain/(loss) on defined benefit pension schemes	27	-	(165,000)	-	(165,000)
Net movement in (deficit)/funds		(34,503)	(184,127)	22,388	(196,242)
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2020		<u>39,408</u>	<u>(516,597)</u>	<u>1,464,236</u>	<u>987,047</u>
Total funds/(deficit) carried forward at 31 August 2021		<u>4,905</u>	<u>(700,724)</u>	<u>1,486,624</u>	<u>790,805</u>

## St Ives Infant School

### Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
<b>Income and endowments from:</b>					
Donations and capital grants	2	2,021	2,796	134,265	139,082
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	6,491	928,505	-	934,996
Other trading activities	4	13,468	900	-	14,368
Investments	5	100	-	-	100
<b>Total</b>		<u>22,080</u>	<u>932,201</u>	<u>134,265</u>	<u>1,088,546</u>
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	7	25,132	966,945	67,907	1,059,984
Other		-	260	-	260
<b>Total</b>		<u>25,132</u>	<u>967,205</u>	<u>67,907</u>	<u>1,060,244</u>
Net (expenditure)/income		(3,052)	(35,004)	66,358	28,302
Transfers between funds		5,590	(5,590)	-	-
<b>Other recognised gains and losses</b>					
Actuarial gain/(loss) on defined benefit pension schemes	27	-	(113,000)	-	(113,000)
Net movement in funds/(deficit)		2,538	(153,594)	66,358	(84,698)
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2019		<u>36,870</u>	<u>(363,003)</u>	<u>1,397,878</u>	<u>1,071,745</u>
Total funds/(deficit) carried forward at 31 August 2020		<u>39,408</u>	<u>(516,597)</u>	<u>1,464,236</u>	<u>987,047</u>

# St Ives Infant School

## (Registration number: 07713374) Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	10	1,448,095	1,468,912
<b>Current assets</b>			
Stocks		-	2,471
Debtors	11	31,223	130,239
Cash at bank and in hand		<u>208,943</u>	<u>98,725</u>
		240,166	231,435
Creditors: Amounts falling due within one year	12	<u>(108,966)</u>	<u>(149,709)</u>
Net current assets		<u>131,200</u>	<u>81,726</u>
Total assets less current liabilities		1,579,295	1,550,638
Creditors: Amounts falling due after more than one year	13	<u>(17,490)</u>	<u>(19,591)</u>
Net assets excluding pension liability		1,561,805	1,531,047
Pension scheme liability	27	<u>(771,000)</u>	<u>(544,000)</u>
Net assets including pension liability		<u>790,805</u>	<u>987,047</u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted general fund		70,276	27,406
Restricted fixed asset fund		1,486,624	1,464,238
Restricted pension fund		<u>(771,000)</u>	<u>(544,000)</u>
		785,900	947,644
<b>Unrestricted funds</b>			
Unrestricted general fund		<u>4,905</u>	<u>39,403</u>
Total funds		<u>790,805</u>	<u>987,047</u>

The financial statements on pages 19 to 43 were approved by the Trustees, and authorised for issue on 14/12/2021 and signed on their behalf by:

14/12/2021



N Widdows  
Governor and trustee

## St Ives Infant School

### Statement of Cash Flows for the year ended 31 August 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	73,283	31,439
Cash flows from investing activities	20	39,036	(9,644)
Cash flows from financing activities	21	<u>(2,101)</u>	<u>21,489</u>
Change in cash and cash equivalents in the year		110,218	43,284
Cash and cash equivalents at 1 September		<u>98,725</u>	<u>55,441</u>
Cash and cash equivalents at 31 August	22	<u><u>208,943</u></u>	<u><u>98,725</u></u>



# St Ives Infant School

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 1 Accounting policies

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

#### Basis of preparation

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

St Ives Infant School meets the definition of a public benefit entity under FRS 102.

Covid costs in 2020-2021 were not fully covered by the Covid emergency grant due to the limited eligibility. The inability to claim for additional staff costs associated with covering colleagues for less days than the insurance eligibility, along with employing additional cleaning staff to perform enhanced cleaning meant the Academy was significantly affected financially by the impacts of Covid.

#### Going concern

The academy ceased to operate on 1 September 2021 after the academy transferred its activities and net assets to Rainbow MAT. In light of this, the accounts have not been prepared on a going concern basis. No material adjustments were required as a result of ceasing to apply this basis as the academy's assets were all transferred out on 1 September 2021 at their net book values.

#### Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably. The income is derived from the Ordinary Activities and is stated after trade discounts, other sales taxes and net of VAT (if charged).

#### Grants

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

The General Annual Grant (GAG) is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Any unspent amount is reflected as a balance in the restricted general fund.

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

#### Sponsorship income

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

#### Donations

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

#### Other income

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

# St Ives Infant School

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 1 Accounting policies (continued)

#### Donated goods, facilities and services

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust 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 Academy Trust's accounting policies.

#### Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

#### Tangible fixed assets

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

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

#### Asset class

Long leasehold buildings

Long leasehold land

Long leasehold property improvements

Fixtures, fittings and equipment

ICT equipment

Paintings

#### Depreciation method and rate

Equally over 50 years

Equally over the length of the lease (125 years)

Equally over 10 years

Equally over 10 years

Equally over 3 years

No depreciation

# St Ives Infant School

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 1 Accounting policies (continued)

#### Liabilities

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

#### Provisions

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

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

#### Leased assets

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

#### Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

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

#### Taxation

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

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

# St Ives Infant School

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 1 Accounting policies (continued)

#### Pension benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 21, the TPS is a multi employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

#### Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

#### 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.

#### 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 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2021 Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total 2021 £	Total 2020 £
Educational trips and visits	165	-	-	165	1,982
Capital grants	-	-	122,363	122,363	134,265
Other donations	3	388	-	391	2,835
	<u>168</u>	<u>388</u>	<u>122,363</u>	<u>122,919</u>	<u>139,082</u>

The income from donations and capital grants was £122,920 (2020: £139,082) which was allocated between the funds as follows; £168 unrestricted funds (2020: £2,021), £389 restricted funds (2020: £2,796), £122,363 restricted fixed asset funds (2020: £134,265) and £Nil endowment funds (2020: £Nil).

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

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

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
<b>DfE/ESFA revenue grants</b>				
General Annual Grant (GAG)	-	711,286	711,286	699,172
Teachers Pay Award	-	8,867	8,867	9,286
Pupil Premium	-	59,544	59,544	51,079
Other	-	-	-	1,500
Universal Infant Free School Meals	-	45,626	45,626	48,950
Teachers Pension Grant	-	25,055	25,055	26,240
	<u>-</u>	<u>850,378</u>	<u>850,378</u>	<u>836,227</u>
<b>Other government grants</b>				
Nursery funding	-	57,996	57,996	65,385
Other	-	28,270	28,270	9,733
PE and Sports Grant	-	17,160	17,160	17,160
COVID Emergency & catch up	-	15,778	15,778	-
	<u>-</u>	<u>119,204</u>	<u>119,204</u>	<u>92,278</u>
<b>Non-government grants and other income</b>				
Other	4,103	-	4,103	6,491
Total grants	<u>4,103</u>	<u>969,582</u>	<u>973,685</u>	<u>934,996</u>

The funding for educational operations was £973,685 (2020: £934,996) which was allocated between the funds as follows; £4,103 unrestricted funds (2020: £6,492), £969,582 restricted funds (2020: £928,505), £Nil restricted fixed asset funds (2020: £Nil) and £Nil endowment funds (2020: £Nil).

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

#### 4 Other trading activities

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Hire of facilities	545	-	545	1,101
Catering income	364	-	364	1,688
Other sales	10,351	1,404	11,755	11,579
	<u>11,260</u>	<u>1,404</u>	<u>12,664</u>	<u>14,368</u>

The income from other trading activities was £12,665 (2020: £14,368) which was allocated between the funds as follows; £11,260 unrestricted funds (2020: £13,468), £1,404 restricted funds (2020: £900), £Nil restricted fixed asset funds (2020: £Nil) and £Nil endowment funds (2020: £Nil).

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 5 Investment income

	<b>2019/20</b> <b>Total</b> <b>£</b>
Short term deposits	100

The income from other trading activities was £Nil (2020: £100) which was allocated between the funds as follows; £Nil unrestricted funds (2020: £100), £Nil restricted funds (2020: £Nil), £Nil restricted fixed asset funds (2020: £Nil) and £Nil endowment funds (2020: £Nil).

#### 6 Expenditure

	Staff costs £	Premises £	Other costs £	Total 2021 £	Total 2020 £
<b>Academy's educational operations</b>					
Direct costs	676,396	-	48,159	724,555	710,555
Allocated support costs	142,292	193,419	80,244	415,955	349,689
	818,688	193,419	128,403	1,140,510	1,060,244

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

	2020/21 £	2019/20 £
Operating leases - plant and machinery	(1,075)	(860)
Fees payable to auditor - audit	(3,000)	(3,000)
Profit/(loss) on disposal of tangible fixed assets	(13,403)	-
Other audit/accountancy services	(6,949)	(5,960)
Depreciation	(90,743)	(70,700)

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 7 Charitable activities

	<b>Total 2021 £</b>	<b>Total 2020 £</b>
<b>Direct costs - educational operations</b>		
Teaching and educational support staff costs	676,396	659,902
Educational supplies	24,668	29,656
Staff development	6,652	3,952
Other direct costs	<u>16,839</u>	<u>17,045</u>
	<u>724,555</u>	<u>710,555</u>
<b>Support costs - educational operations</b>		
Support staff costs	142,292	143,495
Depreciation	104,146	70,700
Maintenance of premises and equipment	39,049	20,203
Cleaning	8,326	9,821
Rent, rates and utilities	21,030	13,957
Insurance	20,868	15,174
Recruitment and support	-	655
Security and transport	411	845
Catering	22,838	14,656
Bank interest and charges	721	190
Other support costs	33,406	36,688
Governance costs	<u>22,868</u>	<u>23,045</u>
	<u>415,955</u>	<u>349,429</u>
Total direct and support costs	<u><u>1,140,510</u></u>	<u><u>1,059,984</u></u>

	<b>Educational operations £</b>	<b>2020/21 Total £</b>	<b>2019/20 Total £</b>
<b>Analysis of support costs</b>			
Support staff costs	142,292	142,292	143,495
Depreciation	104,146	104,146	70,700
Premises costs	89,273	89,273	59,155
Other support costs	57,376	57,376	53,034
Governance costs	<u>22,868</u>	<u>22,868</u>	<u>23,045</u>
Total support costs	<u><u>415,955</u></u>	<u><u>415,955</u></u>	<u><u>349,429</u></u>



## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 8 Staff

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	592,664	582,192
Social security costs	46,100	43,901
Pension costs	<u>196,229</u>	<u>196,593</u>
	834,993	822,686
Supply teacher costs	3,567	757
Staff restructuring costs	<u>-</u>	<u>9,375</u>
	<u><u>838,560</u></u>	<u><u>832,818</u></u>
		<b>2020 £</b>
<b>Staff restructuring costs comprise:</b>		
Severance payments		<u><u>9,375</u></u>

#### Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2020: £9,375). Individually, the payments were:

Non-contractual payments £Nil

#### Staff numbers

The average number of persons (including senior management team) employed by the Academy during the year was as follows:

	2021 No	2020 No
<b>Charitable Activities</b>		
Teachers	8	7
Administration and support	<u>23</u>	<u>22</u>
	<u><u>31</u></u>	<u><u>29</u></u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was none (2020:none).

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £158,081 (2020: £176,028).

#### 9 Related party transactions - trustees' remuneration and expenses

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

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 9 Related party transactions - trustees' remuneration and expenses (continued)

L Farrar (Principal):

Remuneration: £55,000 - £60,000 (2020 - £55,000 - £60,000)

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

L Pulley (Staff Governor):

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

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

N Merrill (Staff Governor):

Remuneration: £10,000 - £15,000 (2020 - £15,000 - £20,000)

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

Other related party transactions involving the trustees are set out in note 25.

#### 10 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost or Valuation</b>				
At 1 September 2020	1,763,221	27,453	41,670	1,832,344
Additions	76,164	1,798	5,365	83,327
Disposals	(20,196)	(4,828)	(7,347)	(32,371)
At 31 August 2021	<u>1,819,189</u>	<u>24,423</u>	<u>39,688</u>	<u>1,883,300</u>
<b>Depreciation</b>				
At 1 September 2020	314,483	12,371	36,577	363,431
Charge for the year	85,659	2,591	2,492	90,742
Eliminated on disposals	(9,685)	(1,936)	(7,347)	(18,968)
At 31 August 2021	<u>390,457</u>	<u>13,026</u>	<u>31,722</u>	<u>435,205</u>
<b>Net book value</b>				
At 31 August 2021	<u>1,428,732</u>	<u>11,397</u>	<u>7,966</u>	<u>1,448,095</u>
At 31 August 2020	<u>1,448,738</u>	<u>15,082</u>	<u>5,093</u>	<u>1,468,913</u>

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 11 Debtors

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Prepayments	5,396	3,772
Accrued grant and other income	13,849	106,683
VAT recoverable	11,978	19,784
	<u>31,223</u>	<u>130,239</u>

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	41,612	102,610
Other creditors	25,184	242
Loans	2,030	1,903
Accruals	13,817	16,425
Deferred income	26,323	28,529
	<u>108,966</u>	<u>149,709</u>

	<b>2021</b>
	<b>£</b>
Deferred income at 1 September 2020	28,529
Resources deferred in the period	26,323
Amounts released from previous periods	<u>(28,529)</u>
Deferred income at 31 August 2021	<u>26,323</u>

At the balance sheet date the Academy Trust was holding Universal Infant Free School Meals funds received in advance of the of Autumn 2021 and Spring 2022 terms.

Loans of £2,030 from Dfe Urgent Capital Support which is provided on the following terms: repayable over 10 years with an interest rate of 2.22%/2.29% p.a.

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 13 Creditors: amounts falling due after one year

	2021	2020
	£	£
Loans	<u>17,490</u>	<u>19,591</u>

Loans of £17,490 from Dfe Urgent Capital Support which is provided on the following terms: repayable over 10 years with an interest rate of 2.22%/2.29% p.a.

#### 14 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2021 was £42 (2020 - £31).

The cost of this insurance is included in the total insurance cost.

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 15 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
Nursery funding	-	57,996	(57,996)	-	-
Special Education Needs	-	18,627	(18,627)	-	-
General Annual Grant	9,718	711,285	(655,759)	(3)	65,241
Pupil Premium	3,503	59,544	(63,047)	-	-
Universal Infant Free School Meals	682	45,626	(46,308)	-	-
PE and Sports grant	10,493	17,160	(27,531)	-	122
Teachers Pay Award	-	8,867	(8,867)	-	-
Teachers Pension Grant	-	25,055	(25,055)	-	-
Donations	3,010	389	(3,290)	-	109
LA Music Funding	-	913	(913)	-	-
Local Authority Funding Winter Uniform	-	799	(515)	-	284
Teaching Activities	-	605	(605)	-	-
Covid Emergency Grant	-	3,138	(3,138)	-	-
Covid Grants	-	12,640	(8,120)	-	4,520
FSM	-	8,730	(8,730)	-	-
	<u>27,406</u>	<u>971,374</u>	<u>(928,501)</u>	<u>(3)</u>	<u>70,276</u>
<b>Restricted fixed asset funds</b>					
Transferred to the academy on conversion	880,786	-	(16,719)	-	864,067
Devolved Formula Capital Grant	40,653	6,047	(7,684)	-	39,016
Revaluation Reserve	123,120	-	(2,035)	-	121,085
New Roof	121,487	-	(19,400)	-	102,087
Backlog Maintenance	22,005	-	(3,794)	-	18,211
From GAG or other funds	26,965	-	(13,870)	-	13,095
Tesco Grant Horticultural Area	3,145	-	(360)	-	2,785
ACMF	48,511	-	(7,696)	-	40,815
Conditions Improvement Fund	187,785	115,516	(27,876)	-	275,425
Jubilee Room	258	-	(258)	-	-
Elliott Huts	9,523	-	(217)	(2)	9,304
LA Funding - Laptops	-	800	(66)	-	734
	<u>1,464,238</u>	<u>122,363</u>	<u>(99,975)</u>	<u>(2)</u>	<u>1,486,624</u>
<b>Restricted pension funds</b>					
Pension Fund	<u>(544,000)</u>	<u>-</u>	<u>(62,000)</u>	<u>(165,000)</u>	<u>(771,000)</u>
Total restricted funds	947,644	1,093,737	(1,090,476)	(165,005)	785,900
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>39,403</u>	<u>15,531</u>	<u>(50,034)</u>	<u>5</u>	<u>4,905</u>
Total funds	<u><u>987,047</u></u>	<u><u>1,109,268</u></u>	<u><u>(1,140,510)</u></u>	<u><u>(165,000)</u></u>	<u><u>790,805</u></u>

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 15 Funds (continued)

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

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
<b>Restricted general funds</b>					
Nursery funding	-	65,385	(65,385)	-	-
Special Education Needs	-	5,834	(5,834)	-	-
General Annual Grant	-	699,172	(689,454)	-	9,718
Pupil Premium	-	51,079	(47,576)	-	3,503
Universal Infant Free School Meals	-	48,950	(48,268)	-	682
PE and Sports grant	-	17,160	(6,667)	-	10,493
Teachers Pay Award	-	9,286	(9,286)	-	-
Teachers Pension Grant	-	26,240	(26,240)	-	-
Donations	3,000	2,796	(585)	(2,201)	3,010
LA Music Funding	-	510	(510)	-	-
ESFA Grants	-	1,500	(1,500)	-	-
Local Authority Funding Winter Uniform	-	3,389	-	(3,389)	-
Teaching Activities	-	900	(900)	-	-
	<u>3,000</u>	<u>932,201</u>	<u>(902,205)</u>	<u>(5,590)</u>	<u>27,406</u>
<b>Restricted fixed asset funds</b>					
Transferred to the academy on conversion	895,505	-	(14,719)	-	880,786
Devolved Formula Capital Grant	38,272	6,149	(3,768)	-	40,653
Revaluation Reserve	125,155	-	(2,035)	-	123,120
New Roof	140,887	-	(19,400)	-	121,487
Backlog Maintenance	25,799	-	(3,794)	-	22,005
From GAG or other funds	31,345	-	(4,380)	-	26,965
Tesco Grant Horticultural Area	3,505	-	(360)	-	3,145
ACMF	56,207	-	(7,696)	-	48,511
Conditions Improvement Fund	71,140	128,116	(11,471)	-	187,785
Jubilee Room	326	-	(68)	-	258
Elliott Huts	9,739	-	(216)	-	9,523
	<u>1,397,880</u>	<u>134,265</u>	<u>(67,907)</u>	<u>-</u>	<u>1,464,238</u>
<b>Restricted pension funds</b>					
Pension Fund	<u>(366,000)</u>	<u>-</u>	<u>(65,000)</u>	<u>(113,000)</u>	<u>(544,000)</u>
Total restricted funds	1,034,880	1,066,466	(1,035,112)	(118,590)	947,644
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>36,865</u>	<u>22,080</u>	<u>(25,132)</u>	<u>5,590</u>	<u>39,403</u>
Total funds	<u><u>1,071,745</u></u>	<u><u>1,088,546</u></u>	<u><u>(1,060,244)</u></u>	<u><u>(113,000)</u></u>	<u><u>987,047</u></u>

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 15 Funds (continued)

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

Special Educational Needs - Funding received for the provision of education and training services to children with special educational needs.

Nursery funding - Funding received under the Early Years funding programme and is designated to allow for funded nursery places for 3 and 4 year old children.

General Annual Grant - This is the main source of funding for the Academy to fund its educational operations.

Pupil Premium - Funding is allocated to schools to close the gap in attainment between children from lower income families and their peer group and support children with parents in the regular armed forces.

Universal Infant Free School Meals - Funding to allow all pupils in reception, year 1 and year 2 to benefit from free school meals.

PE & Sport Premium Funding is received from the ESFA in order to improve physical education and sport in primary schools in England.

Teachers Pay & Pension Grant funding is provided by the ESFA for the specific purpose of allowing schools to meet the new pay and pension requirements of teaching staff.

Other Restricted Grants/Donations have been received for and expended for the purpose described.

Fixed Asset Restricted funds have been expended for the purpose described.

Pension Scheme - This represents the deficit on the Local Government Pension Scheme. See Note 27 for details. As with most pension schemes this is currently in deficit due to the excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy will follow the recommendations of the actuary to reduce the deficit over a number of years.

Following the release of the Academies Financial Handbook 2013, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 16 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	24,717	-	1,423,378	1,448,095
Current assets	(19,812)	196,732	63,246	240,166
Current liabilities	-	(108,966)	-	(108,966)
Creditors over 1 year	-	(17,490)	-	(17,490)
Pension scheme liability	-	(771,000)	-	(771,000)
<b>Total net assets</b>	<b>4,905</b>	<b>(700,724)</b>	<b>1,486,624</b>	<b>790,805</b>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	28,888	-	1,440,024	1,468,912
Current assets	10,515	196,706	24,214	231,435
Current liabilities	-	(149,709)	-	(149,709)
Creditors over 1 year	-	(19,591)	-	(19,591)
Pension scheme liability	-	(544,000)	-	(544,000)
<b>Total net assets</b>	<b>39,403</b>	<b>(516,594)</b>	<b>1,464,238</b>	<b>987,047</b>

#### 17 Capital commitments

	2021 £	2020 £
Contracted for, but not provided in the financial statements	144,217	56,088

#### 18 Commitments under operating leases

##### *Operating leases*

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts due within one year	860	860
Amounts due between one and five years	-	860
	<b>860</b>	<b>1,720</b>



## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net (expenditure)/income	(31,242)	28,302
Depreciation	90,742	70,700
Capital grants from DfE and other capital income	(122,363)	(134,265)
Interest receivable	-	(100)
Decrease in stocks	2,471	1,193
Decrease/(increase) in debtors	99,015	(104,332)
(Decrease)/increase in creditors	(40,743)	104,941
Loss on disposal of tangible fixed assets	13,403	-
Pension (Income)/Cost	<u>62,000</u>	<u>65,000</u>
Net cash provided by Operating Activities	<u><u>73,283</u></u>	<u><u>31,439</u></u>

#### 20 Cash flows from investing activities

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Dividends, interest and rents from investments	-	100
Purchase of tangible fixed assets	(83,327)	(144,009)
Capital funding received from sponsors and others	<u>122,363</u>	<u>134,265</u>
Net cash provided by/(used in) investing activities	<u><u>39,036</u></u>	<u><u>(9,644)</u></u>

#### 21 Cash flows from financing activities

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cash inflows from new borrowing	-	21,519
Repayments of borrowing	<u>(2,101)</u>	<u>(30)</u>
Net cash (used in)/provided by financing activities	<u><u>(2,101)</u></u>	<u><u>21,489</u></u>

#### 22 Analysis of cash and cash equivalents

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cash in hand and at bank	<u>208,943</u>	<u>98,725</u>
Total cash and cash equivalents	<u><u>208,943</u></u>	<u><u>98,725</u></u>

# St Ives Infant School

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 23 Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash	98,725	110,218	208,943
Loans falling due within one year	(1,903)	(126)	(2,030)
Loans falling due after more than one year	(19,591)	2,101	(17,490)
	<u>(21,494)</u>	<u>1,975</u>	<u>(19,520)</u>
Total	<u>77,231</u>	<u>112,193</u>	<u>189,423</u>

### 24 Members' liability

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

### 25 Related party transactions

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

#### Expenditure related party transactions

During the year the academy made the following related party transactions:

#### Colenso & Co

(Hardware shop owned by the governor Colin Nicholls.)

During the year the academy school spent £87.50 (2020: £205.53) in the hardware shop.

At the balance sheet date the amount due to Colenso & Co was £Nil (2020 - £Nil).

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

### 26 Events after the end of the reporting period

The net assets and activities of St Ives Infant School were transferred to Rainbow MAT on 1 September 2021.

# St Ives Infant School

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 27 Pension and similar obligations

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

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

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

#### Teachers' Pension Scheme

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

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

#### Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £76,920 (2020-£72,904).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

# St Ives Infant School

## Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

### 27 Pension and similar obligations (continued)

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £72,000 (2020 - £73,000), of which employer's contributions totalled £58,000 (2020 - £58,000) and employees' contributions totalled £14,000 (2020 - £15,000). The agreed contribution rates for future years are 17.1 per cent for employers and 5.5-12.5 per cent for employees.

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

#### Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	2.90	2.20
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	1.70	1.70
Commutation of pensions to lump sums	<u>40.00</u>	<u>40.00</u>

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

	2021	2020
<b>Retiring today</b>		
Males retiring today	21.50	21.40
Females retiring today	24.10	23.60
<b>Retiring in 20 years</b>		
Males retiring in 20 years	22.80	22.30
Females retiring in 20 years	<u>25.80</u>	<u>25.10</u>

#### Sensitivity analysis

	2021 £	2020 £
Mortality assumption – 1 year increase	74,000.00	0.00
0.5% decrease in Real Discount Rate	0.00	164,000.00
0.5% increase in the Salary Increase Rate	0.00	12,000.00
0.5% increase in the Pension Increase Rate (CPI)	0.00	150,000.00
0.1% decrease in Real Discount Rate	40,000.00	0.00
0.1% increase in the Salary Increase Rate	3,000.00	0.00
0.1% increase in the Pension Increase Rate (CPI)	<u>37,000.00</u>	<u>0.00</u>

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

#### 27 Pension and similar obligations (continued)

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Equities	624,080	501,760
Other bonds	376,600	322,560
Property	64,560	53,760
Cash and other liquid assets	10,760	17,920
Total market value of assets	<u>1,076,000</u>	<u>896,000</u>

The actual return on scheme assets was £129,000 (2020 - £7,000).

#### Amounts recognised in the statement of financial activities

	<b>2020/21</b>	<b>2019/20</b>
	<b>£</b>	<b>£</b>
Current service cost	111,000	115,000
Interest income	(16,000)	(16,000)
Interest cost	25,000	24,000
Total amount recognized in the SOFA	<u>120,000</u>	<u>123,000</u>

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

	<b>2020/21</b>	<b>2019/20</b>
	<b>£</b>	<b>£</b>
At start of period	1,440,000	1,196,000
Current service cost	111,000	115,000
Interest cost	25,000	24,000
Employee contributions	14,000	15,000
Actuarial (gain)/loss	278,000	104,000
Benefits paid	(21,000)	(14,000)
At 31 August	<u>1,847,000</u>	<u>1,440,000</u>

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

	<b>2020/21</b>	<b>2019/20</b>
	<b>£</b>	<b>£</b>
At start of period	896,000	830,000
Interest income	16,000	16,000
Actuarial gain/(loss)	113,000	(9,000)
Employer contributions	58,000	58,000
Employee contributions	14,000	15,000
Benefits paid	(21,000)	(14,000)
At 31 August	<u>1,076,000</u>	<u>896,000</u>