

Company Registration No. 08168813 (England and Wales)

OLD BASFORD SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2021

OLD BASFORD SCHOOL

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OLD BASFORD SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Members

D Lawson
D Appleby
E Pagliacci
S Rae
S Salmon

Governors

S Salmon
C Eaglesfield
D Appleby
D Eniola
J Ross
K Priddy
M Adewoye
D Pile (Resigned 29 April 2021)
N James
N Cole
S Brownlie
S Makings
Y Blair (Appointed 22 May 2021)
D Lawson
V Shaw
P Shah (Resigned 12 October 2020)

Senior management team

- Head teacher	V Shaw
- Acting head teacher	L Duffin (Accounting Officer)
- Acting deputy head	S Priddle
- Assistant head teacher	L Eccleston
- Assistant head teacher	C Tee
- Assistant head teacher	J Thomas

Company secretary

T Green

Company registration number

08168813 (England and Wales)

Principal and registered office

Old Basford School
Percy Street
Old Basford
Nottingham
NG6 0GF

OLD BASFORD SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

UHY Hacker Young
14 Park Row
Nottingham
NG1 6GR
Nottingham

NG1 6GR

Bankers

Lloyds Bank
12-16 Parliament Street
Nottingham
NG1 3DA

Solicitors

Nottingham City Council
Legal Department
Loxley House
Nottingham

OLD BASFORD SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The governors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a governors' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 3-11 serving a catchment area in Basford. Total capacity is 430 in school plus 80 (40 morning & 40 afternoon) in Nursery. The Census for October 2020 was 433 in school plus 37 in Nursery. Nursery starts lower in September and then builds up through the year as children reach 3 years old.

Structure, governance and management

Constitution

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

The charitable company operates as Old Basford School.

The governors are the trustees of Old Basford School and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Governors' indemnities

For the Financial Year 2020/2021, the Governors have liability Insurance with the ESFA's RPA effective date 1st September 2020. There is an unlimited indemnity.

Method of recruitment and appointment or election of governors

The management of the Academy is the responsibility of the Governors who are elected and co-opted under the terms of the Articles of Association.

Any governor elections will be held as soon as practicable after the occurrence of a vacancy. The objective will always be to ensure that the governing body's business is conducted with as many governorships as possible filled and as many governors as possible on the governing body.

We have delegated to the Head Teacher the overall responsibility for organising the election and to also undertake the role of returning officer. At any one time the structure of the governing body must be:

- Up to 5 Parent Governors
- Up to 6 Community Governors
- Up to 3 Staff Governors
- Head Teacher

OLD BASFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Policies and procedures adopted for the induction and training of governors

New governors are invited to meet the Head teacher and the Chair of Governors before their first meeting. All new governors are provided with Induction Training (generally sourced via Nottingham City Council LA Governors section). Governors are provided with ongoing training throughout their role.

Organisational structure

The full Governing Body meets each half term.

There is also an Audit & Finance Committee which meets once per term. The purpose of this committee is to consider all financial matters including preparation of draft budget, approving virements and transfers, making contractual arrangements, approving write offs, monitoring of expenditure and considering audit reports.

Arrangements for setting pay and remuneration of key management personnel

The pay range for the Leadership Team is set by the Governing body and pay is reviewed by the Pay Committee on an annual basis.

When setting the pay range, governors consider national pay scales plus the needs of the school re recruitment and retention in order to attract and retain the very best candidates.

Trade Union Facility Time

For the period, no employees took paid or unpaid time off to undertake duties and activities as a Trade Union Representative and Old Basford School incurred no costs in relation to the above.

Related parties and other connected charities and organisations

Old Basford School is a member of the Primary 6 Partnership (P6P), which works with 3 other primary schools in the local area (Rosslyn Park, Heathfield, and Hempshill Hall schools).

The Academy is also a member of the Nottingham Schools Trust.

OLD BASFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities

Objects and aims

We are an aspirational school for all of our pupils. Each one of them is valued as a unique individual and we set ourselves the goal of ensuring that they each meet their utmost academic potential and, in addition to this, unearth an individual talent beyond the academic curriculum.

Old Basford School passionately believes that ALL of our children are entitled to an inspiring curriculum that prepares them for life using The 4 E's.

We are PROUD to be a part of the Old Basford Community and through our curriculum we strive to deliver high quality learning and experiences.

THE 4 E's

- Empower
- Educate
- Equip
- Enrich

Old Basford School also stand for Opportunities Bring Success.

Our creative curriculum, coupled with our impressive extra curricula provision, provides a broad, rounded, and rich educational journey which allows all of our pupils to develop independence, a love of learning, resilience, aspirations for the future and self-confidence.

Each of our classrooms focuses on challenge, engagement, enjoyment and achievement through high quality teaching. Learning is celebrated by staff and pupils in a supportive, safe and nurturing environment where children believe they can achieve.

Pupils' wellbeing is a priority for our school, as is their spiritual, moral, social and cultural development which go together hand in hand. Effective and strategic pastoral support and interventions are a real strength of the school across our 3 key stages.

Our school is a committed body of forward thinking energetic staff, constantly seeking to develop their teaching in line with outward facing evidential best practice. To support them in this quest, strategic professional development opportunities are made available and enthusiastically participated in by all, enabling constant improvement of their professional practice. We work together as a collective team to relentlessly ensure high quality provision, ensuring that children receive an education that is thorough, rounded and prepares them with enthusiasm for the next stage in their academic journey.

We are an inclusive learning community and highly value the support of parents, governors, partnership schools and the Old Basford community who contribute to our success throughout each year. We challenge ourselves, our children, our governors, and our extended family to create a culture where we are all role models and conscientious, modern British citizens within our school and the wider community of Old Basford.

At the heart and very core of everything we do is a love for children. That love is unashamedly ambitious and fully committed to raising the aspirations and self-belief of our pupils to enable them to enter the next phase of their education as enthusiastic and successful learners who are able to do anything they put their minds to.

OLD BASFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Objectives, strategies and activities

The principal object of the Academy is the operation of Old Basford School to provide education for pupils of different abilities between the ages of 3 and 11 providing a broad and balanced curriculum.

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education and skills. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the Academy, the catchment area from which the pupils are drawn, and that the curriculum should comply with the substance of the national curriculum.

To provide a safe, caring and inclusive school environment, which welcomes all children from our community.

To provide high quality teaching and learning experiences for every child, allowing all children to enjoy their time and reach their full potential whilst at Old Basford School.

To provide a challenging, motivating and relevant curriculum, which is matched to the needs of our learners, offering an excellent foundation of basic skills, whilst also enriching learning with a range of varied and creative experiences.

To allow all pupils to feel valued, regardless of gender, race and ability, continually encouraging respect for others, and ensuring that any discrimination or racism are always challenged.

To work in partnership with parents, governors and the community.

To foster an understanding and respect for the local and wider community, including the global community and our environment.

To develop an understanding of healthy lifestyles.

To encourage each child to grow in confidence and ability, enabling each person to continue their learning and successes in the future.

Public benefit

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

The academy has continued to provide a wide range of extra-curricular activities, and a Breakfast Club and an Afterschool club, for the benefit of its pupils and the school community. Extra-curricular after school clubs are provided free of charge in order to be totally inclusive and both the Breakfast and Afterschool Clubs are run as a non-profit making service.

Strategic report

Achievements and performance

The Academy looks to promote for the benefit of the inhabitants of Old Basford and the surrounding area: the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

OLD BASFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Key performance indicators

The last Ofsted inspection was in 2010 at which the school was judged Outstanding.

Old Basford School – July 2021 ‘In School’ Attainment Data (awareness of the impact of COVID 19)

The impact of COVID 19 on the attainment data for 2020 – 2021, means that no standardised tests were completed. As a school, we completed NTS assessments in year 1, 3 – 5 and the 2019 SATS papers in Year 2 and Year 6. With the disruptions to teaching and learning, due to national lockdowns and school ‘bubble closure’ progress scores were also impacted.

Foundation Stage 2

Maths (Number)	Reading	Writing	GLD
55%	57%	53%	53%

Year 1 Phonics

71%

Year 2 – End of Key Stage 1

Maths	Reading	Writing	GPS	Phonics
57%	53%	41%	47%	90%

Year 6 – End of Key Stage 2

Maths	Reading	Writing	GPS	Combined
41%	64%	47%	65%	28%

Attendance for the 2020/21 academic year was 94%. This was mainly due to the impact of COVID-19.

OLD BASFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern.

The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and after making appropriate enquiries, have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. The Academy Trust continues to grow which enables it to support itself during times such as the recent/current pandemic, in which the school is suffering no or minimal detriment throughout the continuing situation.

The school is over-subscribed and holds an excellent reputation in the community. This, together with careful financial management has resulted in the school having a positive reserve position. It is for these reasons in which the Trustees have concluded there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

After making appropriate enquiries, the board of governors has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the board of governors continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The Academy is funded by the Education & Skills Funding Agency (ESFA) using the Nottingham City Local Authority Funding Formula. In addition, the Academy receives ESG funding from the ESFA.

There were no major building works during the year.

During the year ended 31 August 2021, incoming resources totalled £2,542,170 (2020: £2,344,499) and total expenditure was £2,558,719 (2020: £2,423,331) creating a deficit of £16,549 (2020: deficit of £78,832). When the movements on the local government pension scheme loss of £167,000 (2020: loss £284,000) are taken into account there was a deficit of £183,549 (2020: deficit of £362,832).

An in-year surplus, excluding the fixed asset restricted fund and pension reserve, is £214,027 (2020: in-year surplus of £108,452). Total reserves at 31 August 2021, excluding fixed asset fund and pension reserve, were £515,815 (2020: £331,034).

At 31 August 2021, the net book value of fixed assets was £3,724,780 (2020: £3,753,110) and movements in tangible fixed assets are shown in note 12 to the financial statements. During the year the assets were used exclusively for providing education and the associated support services to the pupils of the academy trust.

The pension reserve held within restricted funds was in deficit by £2,798,000 at 31 August 2021 (2020: £2,458,000). This does not mean an immediate liability for this amount crystallises. The deficit position will result in a cash flow effect for the academy trust in the form of employer's pension contributions assessed by the actuary.

OLD BASFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Reserves policy

The academy has a reserves policy which is reviewed annually. This policy states that it is prudent to maintain reserves of a minimum of £100,000 each year as a contingency for unexpected expenditure plus funds for any major planned expenditure. Total funds held at 31 August 2021 were £1,442,595. The total of unrestricted and restricted general reserves held at the end of 2020/21 was £515,815.

The governors are aware of the high percentage of carry forward reserves into 2021/22 and that it is significantly above the level of reserves that has been determined for the ongoing needs of the academy. However, it is anticipated that during 2021/22 works are to be carried out upgrading the school building and site and the carry forward reserves are expected to be used towards these costs.

The governors continue to consider additional activities related to the academy's objectives to which any excess reserves may be applied.

The level of reserves held considers the unexpected nature of income and expenditure streams. The academy needs to hold reserves to allow for contingencies such as unfunded building repairs, unexpected staffing costs and to allow for some uncertainty in future government funding. The Governors will keep this level under review.

The pension reserve held within restricted funds was in deficit by £2,798,000 at 31 August 2021 (2020: £2,458,000). This does not mean an immediate liability for this amount crystallises. The deficit position will result in a cash flow effect for the academy trust in the form of employer's pension contributions assessed by the actuary.

Investment policy

Due to the nature of the funding cycle, the academy may at times hold large cash balances which may not be required for immediate use. The Governors have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised. There have been no investments in the year.

Principal risks and uncertainties

The academy has a policy for Risk Management which includes the Risk Register, and this is reviewed on an annual basis.

Currently, the major risks are loss of key personnel, appointing good quality teaching staff, decline in pupil numbers, changes to the funding formula, rising costs and damage/loss to the structure of the building which would necessitate the need to implement the emergency plan.

To mitigate these, the governing body encourages and monitors succession planning; monitors pupil numbers; retains funds in reserves for emergency maintenance and rising salary costs.

The Academy has inherited the local government defined benefit pension scheme deficit for associate staff which it is managing as advised by Barnett Waddingham, the pension actuarial experts.

OLD BASFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Fundraising

Funding for the operation and activities of the school is provided in the main by Government or other grants. There are minimal fundraising activities carried out and are minor in nature and carried out within the school community to raise funds for an activity within the school.

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 priorities for 2021-2022 will continue to be focused on addressing the impact of COVID 19 on pupil's emotion wellbeing and mental health, and academic progress and attainment. We continue to work alongside NST and the P6P for a collaborative approach, including sharing resources and CPD opportunities.

School has set 4 Priorities Development Targets for 2021/22

Priority 1 – Effective teaching and learning

- To set clear expectations for lesson structure and content to ensure all pupils achieve.
- To raise attainment in maths across the school through planned high-quality differentiated lessons.
- To raise attainment in non-core subjects and bring back an enjoyment of learning in the foundation subjects whilst developing children's subject knowledge.
- To develop our teaching of reading, teaching key skills for reading development and become a 'Reading for Pleasure' school
- To deploy Teaching Assistants effectively to ensure that all pupils make rapid progress
- To continue to develop our planning and delivery of Talk 4 Writing in the second year of our training commitment

Priority 2 – Wellbeing and Resilience

- To plan and deliver explicit tasks to build children's resilience
- To continue with the development of our behaviour policy linked to Paul Dix professional reading
- To set up a school counselling service with a designated and trained school counsellor.
- To ensure all staff feel supported and valued by leaders, and have regular opportunities to share ideas and feedback.

Priority 3 – Effective Deployment and Development of Middle Leaders

- To ensure effective use of middle leader release time through clear action planning and half termly plans
- To ensure that all children are displaying high levels of engagement and enjoyment within the different subjects (core and non-core)
- To ensure that middle leaders have CPD opportunities through NST, Transform and Nottingham City.

Priority 4 – EYFS

- To ensure all staff are trained / familiar with the changes to the EYFS curriculum.
- To develop reading and writing opportunities within the unit to increase children's vocabulary alongside basic skills.
- To develop the PSED aspects of the curriculum to ensure children have the opportunities to learn how to self-regulate their behaviour and emotions.

OLD BASFORD SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Funds held as custodian trustee on behalf of others

The Academy Trust does not hold funds on behalf of others.

Auditor

In so far as the governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the governors 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 governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 07 December 2021 and signed on its behalf by:

D Lawson

Chair of Governors

OLD BASFORD SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

The board of governors has delegated the day-to-day responsibility to the headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Old Basford School and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

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

Governors	Meetings attended	Out of possible
S Salmon	3	6
C Eaglesfield	4	6
D Appleby	5	6
D Eniola	4	6
J Ross	6	6
K Priddy	6	6
M Adewoye	5	6
D Pile (Resigned 29 April 2021)	3	4
N James	6	6
N Cole	4	6
S Brownlie	6	6
S Makings	3	6
Y Blair (Appointed 22 May 2021)	0	0
D Lawson	6	6
V Shaw	5	6
P Shah (Resigned 12 October 2020)	1	1

There were changes to the composition of the Board through 2020/21. Two trustees resigned and one was appointed to the board.

During COVID-19 and these challenging times, the Governing Board have continued to meet virtually and more regularly, being kept informed of any updates from the school and making decisions about pupil and staff wellbeing, finance, curriculum and health and safety.

Effective oversight of funds was maintained by the Chief financial officer reporting monthly to the chair.

OLD BASFORD SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Governance review

Clearly, this year has been like no other in the face of the Covid 19 pandemic, but the school has continued to operate effectively and efficiently in the face of constantly changing Government guidance, staff and pupil absences, rapidly changing risk assessments, lockdowns, key-worker school bubbles, one-way systems, wearing face coverings, relentless cleaning regimes and many other factors. The Governing Body has worked with the Senior Leadership to ensure that the work of the school has been able to continue.

School Improvement Priority Highlights

The main improvement priorities for this period were within the following priority fields:

- 1) Quality of Education- Catch Up and Curriculum Recovery
- 2) Quality of Education- Blended (remote) Learning
- 3) Behaviour and Attitudes- Wellbeing and Behaviour
- 4) Leadership and Management- Consistent whole-school approach to Writing

The governors' primary role in this area is participating in identifying areas of improvement and agreeing the strategic objectives of the school, then monitoring the impact of agreed actions. The governors carried out this role in various ways, seeking to triangulate evidence to support their judgements. This included their own monitoring through virtual monitoring visits, reviewing planning and the impact of managers' planning and training on other staff's planning/teaching etc., receiving and interrogating/challenging reports from the headteacher and curriculum leads and importantly from the independent School Improvement Advisor appointed through the Nottingham Schools Trust, and the review of data.

Governors produce reports on their monitoring, presenting the at Governing Body meetings and hold the school leaders to account for meeting their targets.

The Audit and Finance Committee is a sub committee of the main governing body. Its purpose is to discuss financial matters including preparation of draft budget, approving journals and transfers, making contractual arrangements, approving write offs, maintaining a charges and remissions policy, monitoring of expenditure and considering audit reports. Approval of the budget, Best Value Statement and journals over £50,000 will remain the responsibility of the Full Governors.

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
S Salmon	3	3
D Appleby	1	3
M Adewoye	3	3
S Brownlie	2	3
D Lawson	3	3
V Shaw	2	3

OLD BASFORD SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Review of value for money

As accounting officer, the principal 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.

Old Basford School recognises its responsibility to achieve value for money from all its activities, however they may be funded. We are committed to the pursuit of economy, efficiency and effectiveness and seek to adopt good practice, and incorporate value for money principles in all our activities. Equipment, materials and services will be deployed to provide pupils and staff with resources that support quality of teaching and learning by ensuring:

- A high level of awareness and ownership of value for money in all functions and activities throughout the school in order to maximise the benefits to pupils whilst minimising cost;
- That all directors and staff have responsibility for promoting value for money principles; active consideration of value for money in the planning and delivery of Old Basford School's Development and Financial Plans; service delivery methods, including partnership working; and budget and resource allocation.

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of governors where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

The E's Principle

Achieving value for money can be described in terms of three E's – Economy, Efficiency and Effectiveness.

- Economy – minimising the cost of resources for an activity (doing things at the right price)
- Efficiency – performing tasks with reasonable effort (doing things in the right way)
- Effectiveness – the extent to which objectives are met (doing the right things)

Having the 'right people' is also an important aspect of ensuring value for money. Obtaining the best outcomes for pupils, within available resources, is the key to achieving value for money.

OLD BASFORD SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

In order to achieve good value for money, Old Basford has:

- double accounting and checking of all invoices and cheques signed
- three quotes obtained and governors Finance and Audit committee making final decisions on all purchases over £10,000
- the Head Teacher ensuring that reasonable steps have been taken to obtain best value on all purchases between £1,500 to £10,000
- clearly minuted ratification of the school budget for the Financial year
- detailed financial reports for governors, including Pupil Premium
- ensured that the Finance committee has regard to value for money in its discussions and decisions
- an efficient and effective staffing structure to facilitate the achievement of its strategic aims and objectives
- ensured value for money principles are taken fully into account within existing management, planning and review processes
- adopted and recognised good practice where it is appropriate to do so
- responded to opportunities to enhance the economy, efficiency and effectiveness of activities
- observed the need for price quotations and for tender invitations according to the limits prescribed in Old Basford School's internal finance policies
- ensured that all administrative systems and processes are designed to maximise integration and eliminate duplication and delay
- promoted a culture of continuous improvement by all stakeholders
- ensured that all staff recognise their continuing obligation to seek value for money for Old Basford School as part of their day to day activities.

Purchasing

Procedures are in place for assessing need, and obtaining goods and services that provide best value in terms of suitability, efficiency, time and cost. These include competitive tendering procedures for goods and services where appropriate, procedures for accepting best value quotes and purchasing certain goods or services from known, reliable suppliers.

Pupils Welfare

The quality of the school environment and ethos is reviewed to provide a supportive atmosphere conducive to learning and recreation.

Health & Safety

The quality of the school's buildings and equipment is kept under review, carrying out risk assessments where appropriate, in order to provide a safe working environment for all pupils, staff and visitors.

Monitoring

Examples of monitoring for best value include:

- In house monitoring by the governors, accounting officer and finance staff
- Annual budget planning
- Governors regular financial review
- Minutes of all governors meetings
- Responsible Officer reports
- Audit reports
- Analysis of school performance data
- Analysis of DfE pupil performance data e.g. RAISEonline
- OFSTED inspection reports

OLD BASFORD SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Good Practice

Examples of Good Practice over the year are:

- Responsible Officer report for 2018 19 rated 'Good' in all areas
- No issues arising from Audit of 20178-19 18 accounts
- Full discussions at all finance meetings
- Use of Pupil premium to fund additional teachers across school to raise attainment of pupils
- At National Standards in most areas of school
- Disadvantaged pupils achieve well
- Subsidised visits and residentials to ensure that all pupils can experience these opportunities
- Membership of P6P (Primary 6 Partnership) to promote learning and opportunities
- School is proud of the wide range of extra-curricular activities e.g. Chess, Dance, Music and Art provision

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Old Basford School for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of governors 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 governors 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 period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of governors.

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 governors;
- 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 governors has decided to employ Hobsons Chartered Accountants & Business Advisors as internal auditor.

OLD BASFORD SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Internal Scrutiny was carried out by the Internal Auditor in July 2021. There reviews covered Governance and Purchasing.

The subsequent reports were emailed directly to the School Business Manager on the 12th and 13th August and forwarded to both the Headteacher and Chair of Governors. It will be presented to the Audit and Finance Committee on the 7th December 2021.

The reviewer has completed their schedule of works.

Review of effectiveness

As accounting officer, the principal 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 audit and risk committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of governors on 07 December 2021 and signed on its behalf by:

D Lawson
Chair of Governors

L Duffin
Accounting Officer

OLD BASFORD SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2021

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

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

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

L Duffin
Accounting Officer

07 December 2021

OLD BASFORD SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The governors (who act as trustees for Old Basford School and are also the directors of Old Basford School for the purposes of company law) are responsible for preparing the governors' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare accounts for each financial year. Under company law, the governors must not approve the accounts 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 accounts, the governors are required to:

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

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

The governors 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of governors on 07 December 2021 and signed on its behalf by:

D Lawson
Chair of Governors

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OLD BASFORD SCHOOL FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the accounts of Old Basford School for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OLD BASFORD SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Other information

The governors are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the governors' report, including the incorporated strategic report.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OLD BASFORD SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Responsibilities of governors

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

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

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

Based on our understanding of the charitable company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to:

- child protection,
- the funding agreement,
- academies accounts direction 2020-2021,
- the academies financial handbook 2020,
- employment and health and safety regulation,
- anti-bribery, corruption and fraud,

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OLD BASFORD SCHOOL
(CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2021

We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to inflated income and surplus. Audit procedures performed included:

- review of the financial statement disclosures to underlying supporting documentation,
- enquiries of management,
- testing of journals and evaluating whether there was evidence of bias by the senior leadership team that represented a risk of material misstatement due to fraud
- evaluation of the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- review of correspondence and reports to the regulator, including correspondence with the Education and Skills Funding Agency and
- review of internal audit reports in so far as they related to the financial statements.

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OLD BASFORD SCHOOL
(CONTINUED)**

FOR THE YEAR ENDED 31 AUGUST 2021

Use of our report

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

**Elizabeth Searby (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young**

7 December 2021

**Chartered Accountants
Statutory Auditor**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OLD BASFORD SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 19 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Old Basford 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 Old Basford School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Old Basford School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Old Basford School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Old Basford School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Old Basford School's funding agreement with the Secretary of State for Education dated 25 May 2012 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO OLD BASFORD SCHOOL AND THE EDUCATION AND SKILLS
FUNDING AGENCY (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety within the trust.
- Testing of those areas identified through risk assessment, including reviewing internal controls, analytical review of enquiries of management.
- Consideration of the evidence and concluding on the work carried out.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 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.

Reporting Accountant

UHY Hacker Young
14 Park Row
Nottingham
NG1 6GR

Dated: 07 December 2021

OLD BASFORD SCHOOL

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

	Notes	Unrestricted funds £	Restricted funds: General Fixed asset £		Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and capital grants	3	500	-	32,999	33,499	10,413
Charitable activities:						
- Funding for educational operations	4	-	2,411,520	-	2,411,520	2,261,046
Other trading activities	5	8,329	88,761	-	97,090	72,843
Investments	6	61	-	-	61	197
Total		<u>8,890</u>	<u>2,500,281</u>	<u>32,999</u>	<u>2,542,170</u>	<u>2,344,499</u>
Expenditure on:						
Raising funds	7	7,489	8,875	-	16,364	34,610
Charitable activities:						
- Educational operations	8	848	2,450,932	90,575	2,542,355	2,388,721
Total	7	<u>8,337</u>	<u>2,459,807</u>	<u>90,575</u>	<u>2,558,719</u>	<u>2,423,331</u>
Net income/(expenditure)		553	40,474	(57,576)	(16,549)	(78,832)
Transfers between funds	16	-	(29,246)	29,246	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	18	-	(167,000)	-	(167,000)	(284,000)
Net movement in funds		553	(155,772)	(28,330)	(183,549)	(362,832)
Reconciliation of funds						
Total funds brought forward		<u>116,307</u>	<u>(2,243,273)</u>	<u>3,753,110</u>	<u>1,626,144</u>	<u>1,988,976</u>
Total funds carried forward		<u>116,860</u>	<u>(2,399,045)</u>	<u>3,724,780</u>	<u>1,442,595</u>	<u>1,626,144</u>

OLD BASFORD SCHOOL

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

Comparative year information Year ended 31 August 2020	Notes	Unrestricted funds £	Restricted funds: General Fixed asset		Total 2020 £
		£	£	£	£
Income and endowments from:					
Donations and capital grants	3	1,299	-	9,114	10,413
Charitable activities:					
- Funding for educational operations	4	-	2,261,046	-	2,261,046
Other trading activities	5	9,248	63,595	-	72,843
Investments	6	197	-	-	197
Total		10,744	2,324,641	9,114	2,344,499
Expenditure on:					
Raising funds	7	12,844	21,766	-	34,610
Charitable activities:					
- Educational operations	8	-	2,302,323	86,398	2,388,721
Total	7	12,844	2,324,089	86,398	2,423,331
Net income/(expenditure)		(2,100)	552	(77,284)	(78,832)
Transfers between funds	16	-	(6,712)	6,712	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	18	-	(284,000)	-	(284,000)
Net movement in funds		(2,100)	(290,160)	(70,572)	(362,832)
Reconciliation of funds					
Total funds brought forward		118,407	(1,953,113)	3,823,682	1,988,976
Total funds carried forward		116,307	(2,243,273)	3,753,110	1,626,144

OLD BASFORD SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	12		3,724,780		3,753,110
Current assets					
Debtors	13	46,553		42,082	
Cash at bank and in hand		682,017		491,430	
		<u>728,570</u>		<u>533,512</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(212,755)		(202,478)	
Net current assets			<u>515,815</u>		<u>331,034</u>
Net assets excluding pension liability			<u>4,240,595</u>		<u>4,084,144</u>
Defined benefit pension scheme liability	18		(2,798,000)		(2,458,000)
Total net assets			<u>1,442,595</u>		<u>1,626,144</u>
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			3,724,780		3,753,110
- Restricted income funds			398,955		214,727
- Pension reserve			(2,798,000)		(2,458,000)
Total restricted funds			<u>1,325,735</u>		<u>1,509,837</u>
Unrestricted income funds	16		<u>116,860</u>		<u>116,307</u>
Total funds			<u>1,442,595</u>		<u>1,626,144</u>

The accounts on pages 27 to 53 were approved by the governors and authorised for issue on 07 December 2021 and are signed on their behalf by:

D Lawson
Chair of Governors

Company Number 08168813

OLD BASFORD SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by operating activities	19		219,772		94,336
Cash flows from investing activities					
Dividends, interest and rents from investments		61		197	
Capital grants from DfE Group		9,270		9,114	
Purchase of tangible fixed assets		(38,516)		(15,826)	
Net cash used in investing activities			(29,185)		(6,515)
Net increase in cash and cash equivalents in the reporting period			190,587		87,821
Cash and cash equivalents at beginning of the year			491,430		403,609
Cash and cash equivalents at end of the year			682,017		491,430

OLD BASFORD 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.

1.1 Basis of preparation

The accounts 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 ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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.

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

Assets costing £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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. 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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold land	Over 120 years
Leasehold buildings	2% straight line
Computer equipment	25% straight line
Fixtures, fittings & equipment	20% straight line

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

1.6 Liabilities

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

1.7 Leased assets

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

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.8 Financial instruments

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

Financial assets

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

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

Financial liabilities

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

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

1.9 Taxation

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

1.10 Pensions benefits

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

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

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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

1.11 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 governors.

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

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donated fixed assets	-	23,729	23,729	-
Capital grants	-	9,270	9,270	9,114
Donations	500	-	500	1,299
	<u>500</u>	<u>32,999</u>	<u>33,499</u>	<u>10,413</u>

Donations and capital grants in year ended 31 August 2021 totalled £33,499 (2020: £10,413) of which £500 related to unrestricted funds (2020: £1,299) and £32,999 related to restricted fixed assets (2020: £9,114).

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE / ESFA grants				
General annual grant (GAG)	-	1,810,332	1,810,332	1,752,273
Other DfE / ESFA grants:				
UIFSM	-	49,573	49,573	29,443
Pupil premium	-	168,713	168,713	141,920
Teachers Pay grants	-	22,569	22,569	22,405
Teachers Pension grants	-	64,037	64,037	63,308
PE and Sports grant	-	21,914	21,914	19,610
Others	-	26,859	26,859	55,979
	<u>-</u>	<u>2,163,997</u>	<u>2,163,997</u>	<u>2,084,938</u>
Other government grants				
Local authority grants	-	28,420	28,420	15,158
Early Years	-	176,921	176,921	160,950
	<u>-</u>	<u>205,341</u>	<u>205,341</u>	<u>176,108</u>
Exceptional government funding				
Coronavirus exceptional support	-	42,182	42,182	-
	<u>-</u>	<u>42,182</u>	<u>42,182</u>	<u>-</u>
Total funding	<u>-</u>	<u>2,411,520</u>	<u>2,411,520</u>	<u>2,261,046</u>

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the academy trust's educational operations (Continued)

Funding for academy trust's education operations in year ended 31 August 2021 totalled £2,411,520 (2020: £2,261,046) of which £Nil (2020: £Nil) was unrestricted and £2,411,520 was restricted (2020: £2,261,046).

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak.

The funding received for coronavirus academies emergency support of £7,542 and Covid-19 catch up premium of £34,460.

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 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.

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Catering income	-	16,851	16,851	19,896
Other income	8,329	71,910	80,239	52,947
	<u>8,329</u>	<u>88,761</u>	<u>97,090</u>	<u>72,843</u>

The income from other trading activities was £97,090 (2020: £72,843), of which £8,329 was unrestricted (2020: £9,248) and £88,761 was restricted (2020: £63,595).

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Short term deposits	61	-	61	197
	<u>61</u>	<u>-</u>	<u>61</u>	<u>197</u>

Investment income in year ended 31 August 2021 totalled £61 (2020: £197), of which £61 (2020: £197) related to unrestricted funds and £Nil related to restricted funds (2020: £Nil).

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

7 Expenditure

	Staff costs	Non-pay expenditure		Total	Total
	£	Premises	Other	2021	2020
	£	£	£	£	£
Expenditure on raising funds					
- Direct costs	7,232	-	9,132	16,364	34,610
Academy's educational operations					
- Direct costs	1,695,135	75,006	40,274	1,810,415	1,701,424
- Allocated support costs	340,851	151,184	239,905	731,940	687,297
	<u>2,043,218</u>	<u>226,190</u>	<u>289,311</u>	<u>2,558,719</u>	<u>2,423,331</u>

Expenditure in year ended 31 August 2021 totalled £2,558,719 (2020: £2,423,331), of which £2,043,218 (2020: £1,879,944) related to staff costs, £226,190 (2020: £189,482) related to premises costs and £289,311 (2020: £353,905) related to other expenditure.

Net income/(expenditure) for the year includes:	2021	2020
	£	£
Fees payable to auditor for:		
- Audit	6,450	6,040
- Other services	2,500	2,500
Operating lease rentals	2,783	3,423
Depreciation of tangible fixed assets	90,575	86,398
Net interest on defined benefit pension liability	40,000	37,000
	<u>142,708</u>	<u>138,261</u>

8 Charitable activities

	Unrestricted	Restricted	Total	Total
	funds	funds	2021	2020
	£	£	£	£
Direct costs				
Educational operations	396	1,810,019	1,810,415	1,701,424
Support costs				
Educational operations	452	731,488	731,940	687,297
	<u>848</u>	<u>2,541,507</u>	<u>2,542,355</u>	<u>2,388,721</u>

OLD BASFORD SCHOOL**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2021**

8 Charitable activities	(Continued)	
	2021	2020
	£	£
Analysis of support costs		
Support staff costs	340,851	274,540
Depreciation	15,569	11,392
Technology costs	41,167	39,545
Premises costs	135,615	114,476
Legal costs	24,761	28,072
Other support costs	167,887	213,281
Governance costs	6,090	5,991
	<hr/>	<hr/>
	731,940	687,297
	<hr/> <hr/>	<hr/> <hr/>
9 Staff		
Staff costs		
Staff costs during the year were:		
	2021	2020
	£	£
Wages and salaries	1,427,130	1,340,708
Social security costs	136,179	124,227
Pension costs	461,049	367,657
	<hr/>	<hr/>
Staff costs - employees	2,024,358	1,832,592
Agency staff costs	13,311	6,775
	<hr/>	<hr/>
	2,037,669	1,839,367
Staff development and other staff costs	5,549	3,577
	<hr/>	<hr/>
Total staff expenditure	2,043,218	1,842,944
	<hr/> <hr/>	<hr/> <hr/>

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff

(Continued)

Staff numbers

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

	2021	2020
	Number	Number
Teachers	20	17
Administration and support	35	40
Management	6	6
	<u>61</u>	<u>63</u>

Higher paid staff

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

	2021	2020
	Number	Number
£60,001 - £70,000	2	-
£70,001 - £80,000	-	1
	<u>2</u>	<u>1</u>

Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £433,973 (2020: £426,652).

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Governors' remuneration and expenses

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

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

N James (Governor)

Remuneration £20,000 - £25,000 (2020: £25,000 - £30,000)

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

V Shaw (Governor)

Remuneration £60,000 - £65,000 (2020: £70,000 - £75,000)

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

K Priddy (Governor)

Remuneration £40,000 - £45,000 (2020: £35,000 - £40,000)

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

J Ross (Governor)

Remuneration £30,000 - £35,000 (2020: £30,000 - £35,000)

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

During the year ended 31 August 2021, no governor expenses have been incurred (2020: £Nil).

11 Governors' and officers' insurance

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

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Tangible fixed assets

	Leasehold buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2020	4,289,939	149,607	15,623	4,455,169
Additions	-	45,865	16,380	62,245
	<u>4,289,939</u>	<u>195,472</u>	<u>32,003</u>	<u>4,517,414</u>
At 31 August 2021	4,289,939	195,472	32,003	4,517,414
Depreciation				
At 1 September 2020	561,765	124,671	15,623	702,059
Charge for the year	75,006	15,569	-	90,575
	<u>636,771</u>	<u>140,240</u>	<u>15,623</u>	<u>792,634</u>
At 31 August 2021	636,771	140,240	15,623	792,634
Net book value				
At 31 August 2021	<u>3,653,168</u>	<u>55,232</u>	<u>16,380</u>	<u>3,724,780</u>
At 31 August 2020	<u>3,728,174</u>	<u>24,936</u>	<u>-</u>	<u>3,753,110</u>

13 Debtors

	2021	2020
	£	£
VAT recoverable	4,584	2,010
Prepayments and accrued income	41,969	40,072
	<u>46,553</u>	<u>42,082</u>

14 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	30,528	31,343
Other creditors	37,825	34,274
Accruals and deferred income	144,402	136,861
	<u>212,755</u>	<u>202,478</u>

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Deferred income

	2021	2020
	£	£
Deferred income is included within:		
Creditors due within one year	97,583	92,929
	<u> </u>	<u> </u>
Deferred income at 1 September 2020	92,929	47,265
Released from previous years	(92,929)	(47,265)
Resources deferred in the year	97,583	92,929
	<u> </u>	<u> </u>
Deferred income at 31 August 2021	97,583	92,929
	<u> </u>	<u> </u>

At the balance sheet date, the academy trust was holding funds of £97,583 (2020: £92,929) received in advance for educational funding relating to the upcoming financial year. The deferred income provision includes Universal Infant Free School Meals grant, rates relief funding, HLN funding, Early Years and SEN funding.

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	170,196	1,810,332	(1,597,639)	(29,246)	353,643
Teachers Pay grants	-	22,569	(22,569)	-	-
UIFSM	-	49,573	(49,573)	-	-
Pupil premium	27,791	168,713	(167,926)	-	28,578
Other DfE / ESFA grants	-	112,810	(112,810)	-	-
Other government grants	-	247,523	(247,523)	-	-
Other restricted funds	16,740	88,761	(88,767)	-	16,734
Pension reserve	(2,458,000)	-	(173,000)	(167,000)	(2,798,000)
	<u>(2,243,273)</u>	<u>2,500,281</u>	<u>(2,459,807)</u>	<u>(196,246)</u>	<u>(2,399,045)</u>
Restricted fixed asset funds					
Inherited on conversion	3,297,479	-	(65,072)	-	3,232,407
DfE group capital grants	65,519	9,270	(3,623)	-	71,166
Capital expenditure from GAG	379,302	-	(17,690)	29,246	390,858
Donated fixed assets	-	23,729	(3,955)	-	19,774
Private sector capital sponsorship	10,810	-	(235)	-	10,575
	<u>3,753,110</u>	<u>32,999</u>	<u>(90,575)</u>	<u>29,246</u>	<u>3,724,780</u>
Total restricted funds	<u>1,509,837</u>	<u>2,533,280</u>	<u>(2,550,382)</u>	<u>(167,000)</u>	<u>1,325,735</u>
Unrestricted funds					
General funds	<u>116,307</u>	<u>8,890</u>	<u>(8,337)</u>	<u>-</u>	<u>116,860</u>
Total funds	<u>1,626,144</u>	<u>2,542,170</u>	<u>(2,558,719)</u>	<u>(167,000)</u>	<u>1,442,595</u>

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Funds

(Continued)

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

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 governors.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency / Department for Education where the asset acquired or created is held for a specific purpose.

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

The restricted funds balance held of £16,734 relates to the school funds account held at 31 August 2021.

The pension reserve held within restricted funds was in deficit by £2,798,000 at 31 August 2021 (2020: £2,458,000). This does not mean an immediate liability for this amount crystallises. The deficit position will result in a cash flow effect for the academy trust in the form of employer's pension contributions assessed by the actuary.

The academy trust is not subject to GAG carried forward limits.

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Funds

(Continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	64,929	1,752,273	(1,640,294)	(6,712)	170,196
Teachers Pay grants	-	22,405	(22,405)	-	-
UIFSM	-	29,443	(29,443)	-	-
Pupil premium	26,557	141,920	(140,686)	-	27,791
Other DfE / ESFA grants	-	138,897	(138,897)	-	-
Other government grants	-	176,108	(176,108)	-	-
Other restricted funds	19,401	63,595	(66,256)	-	16,740
Pension reserve	(2,064,000)	-	(110,000)	(284,000)	(2,458,000)
	<u>(1,953,113)</u>	<u>2,324,641</u>	<u>(2,324,089)</u>	<u>(290,712)</u>	<u>(2,243,273)</u>
Restricted fixed asset funds					
Transfer on conversion	3,341,333	-	(43,854)	-	3,297,479
DfE group capital grants	61,968	9,114	(5,563)	-	65,519
Capital expenditure from GAG	409,336	-	(36,746)	6,712	379,302
Private sector capital sponsorship	11,045	-	(235)	-	10,810
	<u>3,823,682</u>	<u>9,114</u>	<u>(86,398)</u>	<u>6,712</u>	<u>3,753,110</u>
Total restricted funds	<u>1,870,569</u>	<u>2,333,755</u>	<u>(2,410,487)</u>	<u>(284,000)</u>	<u>1,509,837</u>
Unrestricted funds					
General funds	118,407	10,744	(12,844)	-	116,307
	<u>118,407</u>	<u>10,744</u>	<u>(12,844)</u>	<u>-</u>	<u>116,307</u>
Total funds	<u>1,988,976</u>	<u>2,344,499</u>	<u>(2,423,331)</u>	<u>(284,000)</u>	<u>1,626,144</u>

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds:		Total Funds £
		General £	Fixed asset £	
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	3,724,780	3,724,780
Current assets	116,860	611,710	-	728,570
Creditors falling due within one year	-	(212,755)	-	(212,755)
Defined benefit pension liability	-	(2,798,000)	-	(2,798,000)
Total net assets	116,860	(2,399,045)	3,724,780	1,442,595

	Unrestricted Funds £	Restricted funds:		Total Funds £
		General £	Fixed asset £	
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	3,753,110	3,753,110
Current assets	116,307	417,205	-	533,512
Creditors falling due within one year	-	(202,478)	-	(202,478)
Defined benefit pension liability	-	(2,458,000)	-	(2,458,000)
Total net assets	116,307	(2,243,273)	3,753,110	1,626,144

18 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 the Nottinghamshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £37,762 were payable to the schemes at 31 August 2021 (2020: £34,246) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations

(Continued)

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

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

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

The employer's pension costs paid to the TPS in the period amounted to £224,049 (2020: £211,794).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 18.3% for employers and 5.5 to 7.5% for employees.

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

OLD BASFORD SCHOOL**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2021****18 Pension and similar obligations (Continued)**

Total contributions made	2021	2020
	£	£
Employer's contributions	95,000	121,000
Employees' contributions	27,000	26,000
	<u> </u>	<u> </u>
Total contributions	122,000	147,000
	<u> </u>	<u> </u>

Principal actuarial assumptions	2021	2020
	%	%
Rate of increase in salaries	3.9	3.3
Rate of increase for pensions in payment/inflation	2.9	2.3
Discount rate for scheme liabilities	1.65	1.6
Inflation assumption (CPI)	2.9	2.3
Commutation of pensions to lump sums	50%	50%
	<u> </u>	<u> </u>

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

	2021	2020
	Years	Years
Retiring today		
- Males	21.6	21.8
- Females	24.3	24.4
Retiring in 20 years		
- Males	22.9	23.2
- Females	25.7	25.9
	<u> </u>	<u> </u>

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations

(Continued)

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

	2021	2020
	£	£
Discount rate + 0.1%	(107,000)	(93,000)
Discount rate - 0.1%	109,000	95,000
Mortality assumption + 1 year	219,000	169,000
Mortality assumption - 1 year	(210,000)	(162,000)
CPI rate + 0.1%	97,000	85,000
CPI rate - 0.1%	(95,000)	(83,000)
Salary increase + 0.1%	11,000	9,000
Salary increase - 0.1%	(10,000)	(9,000)
	<u> </u>	<u> </u>

Defined benefit pension scheme net liability

	2021	2020
	£	£
Scheme assets	2,112,000	1,813,000
Scheme obligations	(4,910,000)	(4,271,000)
	<u> </u>	<u> </u>
Net liability	(2,798,000)	(2,458,000)
	<u> </u>	<u> </u>

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

	2021	2020
	Fair value	Fair value
	£	£
Equities	1,373,000	1,085,000
Bonds	133,000	155,000
Gilts	69,000	70,000
Cash	86,000	71,000
Property	216,000	239,000
Other assets	235,000	193,000
	<u> </u>	<u> </u>
Total market value of assets	2,112,000	1,813,000
	<u> </u>	<u> </u>

The actual return on scheme assets was £262,000 (2020: £61,000).

OLD BASFORD SCHOOL**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2021**

18 Pension and similar obligations	(Continued)	
Amount recognised in the statement of financial activities	2021	2020
	£	£
Current service cost	228,000	193,000
Interest income	(29,000)	(33,000)
Interest cost	68,000	70,000
Administration expenses	1,000	1,000
	<hr/>	<hr/>
Total operating charge	268,000	231,000
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Changes in the present value of defined benefit obligations	2021	2020
	£	£
At 1 September 2020	4,271,000	3,863,000
Current service cost	228,000	193,000
Interest cost	68,000	70,000
Employee contributions	27,000	26,000
Actuarial loss	400,000	331,000
Benefits paid	(84,000)	(212,000)
	<hr/>	<hr/>
At 31 August 2021	4,910,000	4,271,000
	<hr/> <hr/>	<hr/> <hr/>
Changes in the fair value of the academy trust's share of scheme assets	2021	2020
	£	£
At 1 September 2020	1,813,000	1,799,000
Interest income	29,000	33,000
Actuarial gain	233,000	47,000
Employer contributions	95,000	121,000
Employee contributions	27,000	26,000
Benefits paid	(84,000)	(212,000)
Administration expenses	(1,000)	(1,000)
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At 31 August 2021	2,112,000	1,813,000
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OLD BASFORD SCHOOL**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2021****19 Reconciliation of net expenditure to net cash flow from operating activities**

	2021	2020
	£	£
Net expenditure for the reporting period (as per the statement of financial activities)	(16,549)	(78,832)
Adjusted for:		
Capital grants from DfE and other capital income	(32,999)	(9,114)
Investment income receivable	(61)	(197)
Defined benefit pension costs less contributions payable	133,000	73,000
Defined benefit pension scheme finance cost	40,000	37,000
Depreciation of tangible fixed assets	90,575	86,398
(Increase)/decrease in debtors	(4,471)	15,625
Increase/(decrease) in creditors	10,277	(29,544)
Net cash provided by operating activities	<u>219,772</u>	<u>94,336</u>

20 Analysis of changes in net funds

	1 September	Cash flows	31 August
	2020		2021
	£	£	£
Cash	491,430	190,587	682,017
	<u>491,430</u>	<u>190,587</u>	<u>682,017</u>

21 Long-term commitments, including 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	3,212	1,369
Amounts due in two and five years	11,242	-
	<u>14,454</u>	<u>1,369</u>

OLD BASFORD SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Related party transactions

Owing to the nature of the academy trust 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

C Pile, spouse of D Pile (governor- resigned 29 April 2021), is employed by the academy as a midday supervisor. She received payments of £2,972 (2020: £4,382) during the year. No amounts were outstanding at the balance sheet date (2020: £Nil). She is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

EMPSN Services Limited- – a company in which S Salmon (a governor) is a director:

The school is a customer of this company for broadband services. Broadband costs posted totalled £2,166 (2020: £2,372).

23 Members' liability

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