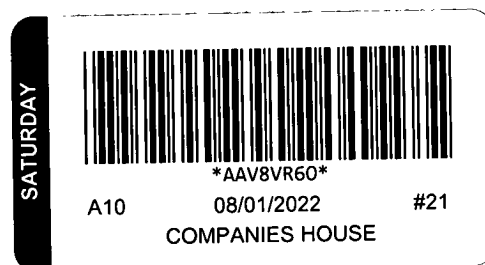


CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



**CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

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CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	D Fortune (appointed 1 January 2021) K Green-Mann (appointed 1 January 2021) P Keating (appointed 1 January 2021) M Mooney (appointed 1 September 2021) K Tucker (appointed 1 January 2021)
Trustees	M Mooney, Chair of Trustees (resigned 31 August 2021) ^{1,2,3} A Oakley, Vice-Chair of Trustees (resigned 31/8/2021), Chair of Trustees (appointed 01/09/2021) ^{2,3} M Johnson, Vice-Chair of Trustees (appointed 01/09/2021) ^{1,3} A Biggs (appointed 29 June 2021) ² Y Chadwick (resigned 1 January 2021) J Dewey ¹ C George (resigned 31 August 2021) ² B Hardy ¹ C Hildrew, Head Teacher ^{1,2,3} K Isgrove ¹ J Kanaan ¹ R Thompson (resigned 1 January 2021) A Titerickx ² S Tucker (resigned 1 January 2021) C Way ² P Williams (appointed 1 April 2021) ¹ ¹ Resource and Finance Committee ² Teaching and Learning Committee ³ Pay Committee
Company registered number	07687722
Company name	Churchill Academy
Principal and registered office	Churchill Green Churchill North Somerset BS25 5QN
Company secretary	C Hildrew
Headteacher	C Hildrew
Senior Leadership Team	C Hildrew, Headteacher M Branch, Deputy Headteacher F Dawes, Deputy Headteacher G Davies, Assistant Headteacher J Gill, Assistant Headteacher L McKay, Assistant Headteacher N Moon, Assistant Headteacher R Morgan, Assistant Headteacher

**CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Independent auditors Bishop Fleming LLP
Chartered Accountants
10 Temple Back
Bristol
BS1 6FL

Bankers Lloyds Bank plc
Cheddar
Somerset
BS1 4NT

**CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

TRUSTEES' REPORT

The Trustees present their Annual Report together with the financial statements and Auditors' Report of the Charitable Company for the year ended 31 August 2021. The Annual Report serves the purpose of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates an academy for students aged 11 to 19 in Churchill, North Somerset. It has a student capacity of 1698 and had a roll of 1615 in the school census in April 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Churchill Academy 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. During this year the Trust implemented a restructure of the governance arrangements to ensure separation between Members and Trustees, and adopted the latest model articles of association and funding agreement between the Academy Trust and the ESFA. The Trustees of Churchill Academy are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Churchill Academy. The Academy's formal name is Churchill Academy & Sixth Form.

Details of the Members and Trustees who served throughout the year, and to the date the accounts are approved, are included in the Reference and Administration Details on page 1.

Members' Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £5,000,000.

Method of recruitment and appointment or election of Trustees

The appointment of Trustees is outlined in the Articles of Association. Members may appoint, by ordinary resolution, up to 12 Trustees.

- The number of Trustees shall not be less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.
- Subject to Articles 48-49 and 53 the Academy Trust shall have the following Trustees:
 1. up to 12 Trustees, appointed under Article 50 (Members)
 2. a minimum of two Parent Trustees elected or appointed under Articles 53-56B
- The Trust may also have any co-opted Trustee appointed under Article 58

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

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

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

Policies and Procedures adopted for the Induction and Training of Trustees

The Academy has an Induction policy available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only a small number of new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the National Governance Association, Local Authority and other bodies.

There is Trustees' training each year which includes sessions to keep the Trustees updated on relevant developments impacting on their roles and responsibilities.

Organisational Structure

The Academy Trust Board (ATB) serves as the Board of Trustees and meets four times a year. The ATB ensures effective oversight of funds through monthly management accounts being published to all Trustees for scrutiny, and by the Resource and Finance Committee, which meets a further four times a year. This process ensures that oversight of funds is addressed by Trustees at eight meetings in the year (four ATB, four Resource and Finance), supplemented by monthly management accounts. The ATB establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and reports from the Committee Chairs. The Board may from time to time establish working groups to perform specific tasks over a limited timescale.

There are three committees as follows;

Teaching and Learning Committee

Meeting frequency: at least three times per year

Purpose: To undertake risk analyses and promote risk management in matters relating to the curriculum and the welfare of students attending the Academy in its discharge of policies to achieve the aims and statutory and other duties of the Governing Body.

Resource and Finance Committee

Meeting frequency: at least three times per year

Purpose: To undertake risk analyses and promote risk management in matters relating to the financial affairs and the estate of the Academy in its discharge of policies to achieve the aims and statutory and other duties of the Governing Body.

The Resource and Finance Committee serves as the Academy's audit and risk committee annually, to:

- review the external auditor's plan each year
- review the annual report and accounts
- review the auditor's findings and actions taken by the trust's managers in response to those findings
- assess the effectiveness and resources of the external auditor to provide a basis for decisions by the trust's members about the auditor's reappointment or dismissal or retendering.
- produce an annual report of the committee's conclusions to advise the board of trustees and members, including recommendations on the reappointment or dismissal or retendering of the external auditor, and their remuneration.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Pay Committee

Meeting frequency – at least once per year

Purpose – to make decisions on the pay of staff, based on the Pay Policy and Performance Development Policy.

The following decisions are reserved to the Academy Trust Board: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chair and/or Vice-Chairs of Trustees, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

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

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leaders in the Senior Leadership Team (SLT) and Business Leadership Team (BLT). The SLT and BLT implement the policies laid down by the Trustees and report back to them on performance.

The Academy has a leadership structure which consists of Members, Trustees, the Senior Leadership Team, Business Leadership Team, and the Middle Leadership Team (Directors of Faculty and Heads of House). The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Senior Leadership Team (SLT) consists of the Headteacher, two Deputy Headteachers, and five Assistant Headteachers. The SLT leads the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The operation of the Academy's business function is led by the Business Leadership Team (BLT), which consists of the Headteacher, Deputy Headteacher, Chief Financial Officer, Administration Manager, Commercial and Marketing Manager, HR Manager, Network Manager and Site Manager.

The Headteacher, Chief Financial Officer and Resources and Finance Committee are responsible for the authorisation of spending within agreed budgets. Some spending control is devolved to Budget Holders which must be authorised in line with the Academy's Purchasing Policy. The Headteacher is responsible for the appointment of staff, though appointment panels for senior staff posts always include a Trustee.

The Headteacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Trustees consider the Board of Members and the Senior Leadership Team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and any related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually in accordance with the Academy's Pay Policy.

Related Parties and other Connected Charities and Organisations

North Somerset Council owns the leisure centre within the Academy's site and there is a shared use agreement between it and the Academy for the leisure facilities. These facilities have been closed to the public due to the COVID-19 pandemic.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The Academy has strong collaborative links with nine primary schools which form part of the Churchill Cluster.

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

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Charitable Company is the operation of Churchill Academy to provide free education and care for pupils of different abilities. The Academy's purpose is "to inspire and enable young people to make a positive difference." The Academy's vision is "to set no limits on what we can achieve." The Academy's purpose and vision are supported by three values: kindness, curiosity and determination.

The Academy's priority in 2020-21 was to respond proactively to the COVID-19 pandemic, to ensure that wellbeing, curriculum and teaching and learning development continued through this disrupted period of education.

The five priorities in the year ended 31st August 2021 were:

1. Recovery: Implement a recovery curriculum to rebuild students' confidence, wellbeing and skills
2. Culture: To develop our values-led culture so that all students – especially the disadvantaged and those at risk of disengaging from learning – see the value and importance of school, and are proud to belong to Churchill Academy & Sixth Form
3. Teaching & Learning: To embed the Churchill Teaching and Learning Principles in every classroom, every lesson
4. Curriculum: To develop and embed a highly effective, diverse and engaging three-year foundation and two year personalised stage curriculum
5. Learning Environment: to continue to develop the Academy's Learning Environment.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

STRATEGIC REPORT

Achievements and Performance

The Academy is heavily oversubscribed. There were 440 applicants for the 270 places available in Year 7.

The academic year was dominated by the coronavirus pandemic. The Academy closed to all students except identified vulnerable students and the children of key workers in the fight against COVID-19 in January 2021. The entire curriculum was moved online with remote learning in place. The Academy re-opened to all students on 8th March 2021.

All examinations were cancelled due to the pandemic. Teacher Assessed Grades were awarded, and the vast majority of students leaving Year 13 were successful in gaining a place at their first choice destination, including Oxford University.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Despite the pandemic, work was completed on phase one of the refurbishment of ageing classrooms for languages. Phase two was also implemented and phase three has begun, refurbishing the accommodation for Humanities. This project was funded by a successful CIF bid.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention to ensure that the Academy maintains sufficient funds to continue its educational activities. The amount carried forward as at 31 August 2021 was £266,119, representing 3.4% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2020 were 1621, an increase of 40 over the previous year. It is anticipated that this number will continue to rise.

Going Concern

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

FINANCIAL REVIEW

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2021, total expenditure less restricted fixed asset funds of £8,533,668 was covered by recurrent grant funding from the DfE, together with other incoming resources of totalling £8,860,242. The excess of income over expenditure for the year (excluding restricted fixed asset funds and pension) was £326,574.

At 31 August 2021 the net book value of fixed assets was £21,410,894 and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 24 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending.

Reserves Policy

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

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees have determined that the appropriate level of free reserves should be approximately £200,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. Trustees aim for the level of unrestricted reserves to be between the margin of £200,000 and £515,000. The Academy's current level of reserves is £568,345 (2020: £340,309) of which £295,125 (2020: £230,281) is unrestricted funds and £273,220 (2020: £110,028) is restricted, this is in line with the Academy's Reserves Policy as the amount of unrestricted funds (£295,125) is between £200,000 and £515,000 as laid out in the policy.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Chief Financial Officer within strict guidelines approved by the Board of Trustees.

PRINCIPAL RISKS AND UNCERTAINTIES

The Academy Trust Board has reviewed the major risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks

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

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 98% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

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

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

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

Fraud and mismanagement of funds - The Academy has appointed an external auditor (Audit West) to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has an agreed Risk Management strategy, a risk register and a risk management plan. These have been discussed with Trustees and also include financial risks to the Academy. The register and plan are regularly reviewed.

FUNDRAISING

The only fundraising undertaken by the academy is in the form of requests to students, and via parental contributions to the Churchill Opportunities Fund.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

Disclosure of information to the auditors

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

- so far as the Trustee is aware, there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 7/12/21 and signed on its behalf by:



A Oakley
Chair of Trustees

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Churchill Academy and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
Yolanda Chadwick	2	2
Jon Dewey	4	4
Christopher George	4	4
Ben Hardy	4	4
Christopher Hildrew	4	4
Katie Isgrove	4	4
Matthew Johnson	4	4
Maggie Mooney	4	4
Anne Oakley	4	4
Caroline Way	4	4
Julie Kanaan	3	4
Rachel Thompson	0	2
Andy Titerickx	4	4
Sarah Tucker	2	2
Peter Williams	1	1
Angie Biggs	1	1

Governance review

Governance is reviewed annually. During this year the Trust implemented a restructure of the governance arrangements to ensure separation between Members and Trustees and adopted the latest model articles of association and funding agreement between the Academy Trust and the ESFA. The capacity of the Academy was updated from 1605 to 1698 through a request for significant change, following an updated net capacity assessment. The Trust will undertake an external review of governance in the next year.

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Resources & Finance Committee

To undertake risk analyses and promote risk management in matters relating to the financial affairs and the estate of the Academy in its discharge of policies to achieve the aims and statutory and other duties of the Academy Trust.

Membership:

- Trustees will be appointed to the Resources & Finance Committee at the final Academy Trust Board meeting of the previous academic year.
- The Headteacher & Chair of Trustees will be automatic members of the Committee.
- There will be a minimum of eight trustees on the Committee.
- The quorum for each meeting will not be less than three governors. The Chair of the Committee can defer proceedings if not quorate, should they feel it is in the interests of all parties.
- Trustees should have financial knowledge or appropriate training in order to be appointed to this Committee.

The work of the committee falls into three areas:

1. Finance and Risk
2. Health & Safety and Site Development
3. Human Resources

Finance and Risk

The Resources & Finance Committee will, in conjunction with the Headteacher and Chief Financial Officer, formulate the Academy's financial strategy and establish an annual budget for recommendation to the Academy Trust for approval. The Committee will monitor expenditure throughout the year and obtain reports from the Headteacher, Chief Financial Officer and others to be satisfied that the Trustees' responsibilities are carried out.

Specifically:

1. Review the previous year's figures and any changes impacting on future income and expenditure.
2. Agree a draft budget and present this to the Academy Trust Board for approval in accordance with the timetable required by the Education & Skills Funding Agency (ESFA).
3. Monitor monthly income and expenditure.
4. Have delegated authority to agree expenditure within the levels set in the Academy's Purchasing Policy.
5. Have delegated authority to agree virements of minor amounts between budget headings not exceeding 2% of the annual expenditure budget.
6. Consider and recommend to Trustees projects which will enhance curriculum provision and be funded from the delegated budget.
7. Set the agreed limit for each budget heading.
8. Provide an Annual Report in accordance with statutory Companies Act 2006 regulations and the accounts direction set by the ESFA. This report to be received by Members at the Annual General Meeting.
9. Provide an Audit Committee function to help promote the highest standards of propriety in the use of public funds and encourage proper accountability for the use of those funds.
10. Receive information on investigations of any counter-fraud concerns.
11. Review the Risk Register for the Academy and offer suggestions and guidance to the Academy Trust as a whole and its committees to manage and mitigate these risks.
12. Oversee the effectiveness of marketing by establishing priorities in line with agreed development or other goals and monitoring progress towards those priorities
13. Monitor the Academy's provision for data protection.

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Health & Safety and Site Development

The Resources & Finance Committee will, in conjunction with the Headteacher, Deputy Headteacher responsible for Health & Safety, and others, be responsible for monitoring the development and maintenance of the Academy site and recommending to the Academy Trust improvements and further developments to meet the academic and community needs of the Academy. The Committee will obtain reports from the Headteacher and others in order to be satisfied that the Trustees' responsibilities are carried out.

Specifically:

1. Receive and recommend to Trustees a planned programme for internal and external maintenance and development of the site and buildings and monitor this programme.
2. Liaise with the Local Authority regarding dual use arrangements regarding the Sports Centre.
3. Have delegated powers to arrange support service contracts and be responsible for monitoring their operation.
4. Recommend to the Academy Trust projects for capital development and liaise with the Education & Skills Funding Agency (ESFA) for funding of such projects.
5. Have delegated powers to ensure that the Trustees' responsibilities for Health & Safety are fulfilled and provide an Annual Report for the Academy Trust.

Human Resources

The Resources & Finance Committee will have responsibility for HR matters. It will obtain information from the Headteacher, HR Manager and others in order to be satisfied that Trustees' responsibilities are carried out.

Specifically:

1. Have delegated powers for making appointments of full and part-time staff, staff on fixed term or temporary contracts, other than the Head and Deputy Heads, and offer all Trustees experience in the procedures for appointing staff. Trustees will routinely be involved in recruitment of staff in senior and senior middle leadership positions. For staff below the position of Director of Faculty or Head of House, appointments will be delegated to the Headteacher/SLT.
2. In conjunction with the Headteacher and SLT, to recommend the staffing complement and any changes and alterations as they arise, taking cognisance of resources.
3. Oversee staff welfare and well-being, communication and staff satisfaction, receiving systematic Staff Satisfaction Surveys.
4. Have delegated powers to authorise leave of absence (e.g. sabbatical), secondment of staff and staff leave.

Within each remit, the Resource & Finance Committee will review appropriate Academy policy documents and recommend to the Governing Body re-adoption with any changes necessary or new policies as appropriate.

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

The end of year review of the achievements of the Committee reported as follows:

GREEN: Significant business of the committee fully completed to a high standard

- End of year accounts were approved by the Committee and subsequently by the ATB at the December 2020 AGM.
- Ally Bigwood, Chief Operating Officer appointed, with Trustee involvement at the interview stage. Full time, permanent position. Starting on 1/9/21 with some handover planned over the summer.
- Perimeter fence and new access gates completed and hedging around the perimeter planted. Cycle shed and new lockers also completed.
- Catering contract reviewed and cost to Academy while in lockdown noted and understood.
- All committee trustees completed the Safeguarding Andrew Hall training.
- Revised 2020-2021 budget - approved and ratified at the ATB AGM.
- Draft 2021-2022 budget approved by ATB in June.
- Monthly review of financial Data from CFO completed by MJ & three other Committee Members.
- Monitoring of additional costs of Covid being reviewed regularly.
- New IRIS software approved and now being used by Academy – fully populated with all Academy assets summer 2021.
- £25k spend approved to reinforce main Hall floor where seating is stacked.
- New Science Teacher (Physics) post approved following ICFP review highlighting need for post from Sept 2021.
- New Finance Policy approved combining several previously separate reports. A clearer document.
- All Committee members completed the School Finances learning module through NGA.
- Phase 1 of Stuart Block refurb completed.
- Despite additional spending as a result of Covid (cleaning and supply costs) a positive year end position.
- Appointment of Pete Williams as Trustee with IT and GDPR oversight.
- Avon Fire Service Report eventually received and actions progressed to ensure compliance.
- New process notified to Trustees to be used following any data protection breaches. The new COO will take over GDPR/Data Protection for the Academy.
- Trustees with portfolio have met with school staff as appropriate.
- Risk Assessment reviewed at each meeting.
- Internal audits completed and Trustees notified of outcome and actions.
- All meeting actions noted and monitored by an Actions Matrix at every meeting.
- During the year the following policies were approved and ratified by the ATB: Charging & remissions, Credit Card, Reserves, Probationary, Redundancy, Whistleblowing, Initial Teacher Training, Data Protection, Freedom of Information, CCTV, Health & Safety, Premises Management, Finance, Information Security, Staff Capability, Staff Disciplinary, Volunteer Recruitment, Community Use, Long Service, Performance Development, Staff Learning Agreement, Trips & Visits, Privacy Notice: Academy Employees; Privacy Notice: Parents & Students; Privacy Notice: Students; Privacy Notice: Job Applicants; Staff Secondment; Grievance; CPD; Family Leave; Equality Statement & Objective; Business Continuity and IT strategy .

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

AMBER: Significant business of the committee in progress or under consideration

- Notice served to Churchill Cleaners due to continuing issues with staffing, cleaning and accounting. Tendering for a new cleaning company underway.
- Windsor & Hanover toilet refurbishment budget approved and due to be completed by October 2021. Windsor completed, Hanover due to be completed in October half term.
- Stuart block works progressing well and ahead of schedule. Phase 2 completed by 01/09/21.
- Commercial & Marketing – income generation from business network and sponsorship focus – delayed due to Covid and Lockdown.
- Pay freeze review – Debated by committee and 1% pay award was agreed to be modelled into the 2021/2022 Budget.
- Sustainability strategy noted along with measures successfully taken to reduce carbon emissions to date.
- Review energy provider for next year.
- Home to school transport – awareness of issues for Winscombe children; monitoring.

RED: Significant business of the committee causing concern

- Sports Centre – Ongoing discussions are being held with North Somerset Council (NSC) concerning the future of the Sports Centre. Three Trustees are on the Academy Trust working party along with Headteacher and Commercial Marketing Manager. NSC is putting together possible financial models on how it could operate.

Areas of challenge to SLT

- Sustainability Strategy - good progress to date and a key priority for the coming year.
- Fire Risk assessments across the site to be reviewed.
- Look at alternative ways to cover teacher absence to help us operate within the supply staff budget.
- The Sports Centre problem needs to be resolved and NSC need to be pressed for a more long term solution

Executive Summary

Although working remotely for much of the year, the Academy is liaising closely with the Committee and information is forthcoming and accurate.

Regular financial management information is received from the CFO and this enables us to have a good understanding of the Academy finances at all times. Areas of concern are raised with the Committee as and when.

Overall assessment of the contribution of the Committee

A good level of work achieved over another difficult year.

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Attendance at Resources & Finance meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Ben Hardy	4	4
Chris Hildrew	4	4
Katie Isgrove	4	4
Matthew Johnson	4	4
Julie Kanan	3	4
Maggie Mooney	4	4
Sarah Tucker	2	2
Jon Dewey	2	4
Peter Williams	2	2
Yolanda Chadwick	1	2

REVIEW OF VALUE FOR MONEY

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

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

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Making comparisons with similar Academies using data provided by the ESFA and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Churchill Academy for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the Annual Report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- Regular reviews by the Finance and Premises 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 (assets purchase or capital investment) guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Audit West as internal auditor.

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

- Anti Fraud
- Purchase Analysis
- HR & Payroll

On a regular basis the auditor reports to the Board of Trustees, through the Resources and Finance Committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

During the financial year 2020-21, there have been three internal audits covering the areas mentioned above. Trustees received three reports which recognised excellent practices across some of the audit areas. All recommended actions have been investigated and are being undertaken.

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

REVIEW OF EFFECTIVENESS

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

- The work of the internal auditor
- The work of the external auditor
- The financial management and governance self-assessment process
- The work of the executive managers within the 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 Resource and Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 7/12/21 and signed on their behalf by:



A Oakley
Chair of Trustees



C Hildrew
Accounting Officer

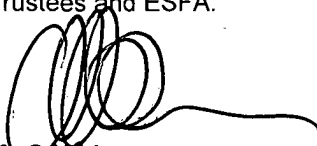
**CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



Mr C Hildrew
Accounting Officer
Date: 7/11/21

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

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

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

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

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

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



A Oakley
Chair of Trustees
Date: 7/12/21

**CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CHURCHILL ACADEMY**

OPINION

We have audited the financial statements of Churchill Academy (the 'Academy') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2021 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

BASIS OF OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CHURCHILL ACADEMY (CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CHURCHILL ACADEMY (CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CHURCHILL ACADEMY (CONTINUED)**

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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.

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

USE OF OUR REPORT

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



David Butler FCA DChA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

14 December 2021

**CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHURCHILL ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 25 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Churchill Academy during the year 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 Churchill Academy and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Churchill Academy 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 Churchill Academy and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Churchill Academy's funding agreement with the Secretary of State for Education dated 1 August 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 year 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's income and expenditure.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy complied with the framework of authorities. We also reviewed the reports commissioned by the Trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHURCHILL
ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.



David Butler FCA DChA (Reporting Accountant)
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors

Date: 14 December 2021

CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:						
Donations and capital grants	3	9,219	75,675	146,123	231,017	1,700,333
Other trading activities	5	31,835	-	-	31,835	38,982
Investments	6	2,065	-	-	2,065	15,569
Charitable activities	4	36,322	8,705,126	-	8,741,448	7,847,271
Total income		79,441	8,780,801	146,123	9,006,365	9,602,155
Expenditure on:						
Raising funds		10,711	-	-	10,711	6,147
Charitable activities		3,886	8,519,071	506,506	9,029,463	8,692,185
Total expenditure		14,597	8,519,071	506,506	9,040,174	8,698,332
Transfers between funds	16	-	(331,538)	331,538	-	-
NET MOVEMENT BEFORE OTHER RECOGNISED GAINS/(LOSSES)		64,844	(69,808)	(28,845)	(33,809)	903,823
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	24	-	(39,000)	-	(39,000)	88,000
Net movement in funds		64,844	(108,808)	(28,845)	(72,809)	991,823
Reconciliation of funds:						
Total funds brought forward		230,281	(5,196,972)	21,792,967	16,826,276	15,834,453
Net movement in funds		64,844	(108,808)	(28,845)	(72,809)	991,823
Total funds carried forward		295,125	(5,305,780)	21,764,122	16,753,467	16,826,276

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

The notes on pages 29 to 54 form part of these financial statements.

CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07687722

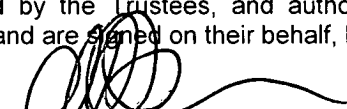
BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	21,410,894	20,288,622
		<u>21,410,894</u>	<u>20,288,622</u>
Current assets			
Debtors	13	567,818	1,795,858
Cash at bank and in hand		1,090,615	770,521
		<u>1,658,433</u>	<u>2,566,379</u>
Creditors: amounts falling due within one year	14	(640,172)	(573,553)
Net current assets		<u>1,018,261</u>	<u>1,992,826</u>
Total assets less current liabilities		<u>22,429,155</u>	<u>22,281,448</u>
Creditors: amounts falling due after more than one year	15	(96,688)	(148,172)
Net assets excluding pension liability		<u>22,332,467</u>	<u>22,133,276</u>
Defined benefit pension scheme liability	24	(5,579,000)	(5,307,000)
Total net assets		<u>16,753,467</u>	<u>16,826,276</u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	16	21,764,122	21,792,967
Restricted income funds	16	273,220	110,028
		<u>22,037,342</u>	<u>21,902,995</u>
Restricted funds excluding pension asset	16	22,037,342	21,902,995
Pension reserve	16	(5,579,000)	(5,307,000)
Total restricted funds	16	<u>16,458,342</u>	<u>16,595,995</u>
Unrestricted income funds	16	<u>295,125</u>	<u>230,281</u>
Total funds		<u>16,753,467</u>	<u>16,826,276</u>

The financial statements on pages 26 to 54 were approved by the Trustees, and authorised for issue on 7 June 2021 and are signed on their behalf, by:



A Oakley
Chair of Trustees


O B Andrew
Accounting Officer

The notes on pages 29 to 54 form part of these financial statements.

CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	18	1,861,925	(954,168)
Cash flows from investing activities	20	(1,491,029)	799,461
Cash flows from financing activities	19	(50,802)	(49,366)
Change in cash and cash equivalents in the year		320,094	(204,073)
Cash and cash equivalents at the beginning of the year		770,521	974,594
Cash and cash equivalents at the end of the year	21, 22	<u>1,090,615</u>	<u>770,521</u>

The notes on pages 29 to 54 form part of these financial statements

**CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

**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 GENERAL INFORMATION

Churchill Academy is a company limited by guarantee, incorporated in England and Wales. The registered office is Churchill Green, Churchill, North Somerset, BS25 5QN.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

1.3 GOING CONCERN

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (continued)

1.4 INCOME

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

- **Donated fixed assets (excluding transfers on conversion or into the Academy)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's accounting policies.

1.5 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 on raising funds**

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

- **Charitable activities**

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (continued)

1.6 OPERATING LEASES

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

1.7 TANGIBLE FIXED ASSETS

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

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Furniture and equipment	-	20% straight line
Plant and machinery	-	20% straight line
Computer equipment	-	33% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

1.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES (continued)

1.10 LIABILITIES AND PROVISIONS

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

1.11 TAXATION

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

1.12 PENSIONS

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

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

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

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

1.13 AGENCY ARRANGEMENTS

The Academy acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy does not have control over the charitable application of the funds. The Academy can use up to 5% of the allocation towards its own administrative costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 22.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES (continued)

1.14 FUND ACCOUNTING

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

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The Academy 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 24, 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.

Critical areas of judgement:

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	9,219	75,675	10,439	95,333	34,703
Capital Grants	-	-	35,223	35,223	1,665,630
Insurance reimbursements	-	-	100,461	100,461	-
	<u>9,219</u>	<u>75,675</u>	<u>146,123</u>	<u>231,017</u>	<u>1,700,333</u>
TOTAL 2020	<u>18,971</u>	<u>15,732</u>	<u>1,665,630</u>	<u>1,700,333</u>	

CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. FUNDING FOR THE ACADEMY'S EDUCATIONAL ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DFE/ESFA GRANTS				
General Annual Grant	-	7,782,245	7,782,245	7,029,720
Pupil Premium	-	175,192	175,192	177,985
Teachers' Pay & Pension Grant	-	422,047	422,047	408,579
Other DfE/EFSA grants	-	92,337	92,337	46,101
	-	8,471,821	8,471,821	7,662,385
OTHER GOVERNMENT GRANTS				
High Needs	-	71,140	71,140	44,704
Other government grants: non capital	-	26,427	26,427	-
	-	97,567	97,567	44,704
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Catch-up Premium	-	106,720	106,720	-
16-19 COVID Tuition Fund	-	2,732	2,732	-
	-	109,452	109,452	-
OTHER INCOME				
Internal catering income	-	-	-	14,489
Income for hosting trainee teachers	13,180	-	13,180	10,990
Sales to students	5,008	-	5,008	12,917
School trips, music tuition and other income	18,134	26,286	44,420	101,786
	36,322	26,286	62,608	140,182
	36,322	8,705,126	8,741,448	7,847,271
TOTAL 2020	140,182	7,707,089	7,847,271	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy's funding for Teachers' Pay and Pension 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.

CHURCHILL ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Letting and hire	3,969	3,969	7,254
Consultancy	-	-	370
Income from school productions	27,866	27,866	31,358
	<u>31,835</u>	<u>31,835</u>	<u>38,982</u>
TOTAL 2020	<u>38,982</u>	<u>38,982</u>	

6. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	2,065	2,065	15,569
	<u>15,569</u>	<u>15,569</u>	
TOTAL 2020	<u>15,569</u>	<u>15,569</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. EXPENDITURE

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Expenditure on raising funds	2,835	-	7,876	10,711	6,147
Activities:					
Direct costs	5,953,712	423,040	668,089	7,044,841	6,593,054
Support costs	1,038,700	267,242	678,680	1,984,622	2,099,131
TOTAL 2021	<u>6,995,247</u>	<u>690,282</u>	<u>1,354,645</u>	<u>9,040,174</u>	<u>8,698,332</u>
TOTAL 2020	<u>6,477,889</u>	<u>758,027</u>	<u>1,462,416</u>	<u>8,698,332</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Education	7,044,841	1,984,622	9,029,463	8,692,185
TOTAL 2020	6,593,054	2,099,131	8,692,185	

ANALYSIS OF DIRECT COSTS

	Total funds 2021 £	Total funds 2020 £
Pension finance cost	47,000	44,000
Staff costs	5,953,712	5,500,819
Depreciation	435,040	397,766
Educational supplies	227,259	181,646
Examination fees	102,483	123,919
Staff development	12,151	10,735
Educational visits	121,341	189,121
Supply teachers	133,963	122,367
Technology costs	11,892	22,681
	7,044,841	6,593,054

**CHURCHILL ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2021 £	Total funds 2020 £
Pension finance cost	52,000	51,000
Staff costs	1,038,700	970,944
Depreciation	71,466	91,735
Support staff agency costs	-	418
Recruitment and support	9,738	5,574
Maintenance of premises and equipment	146,322	129,426
Cleaning	178,884	148,443
Rent and rates	47,934	47,365
Energy costs	124,855	104,985
Insurance	37,256	29,889
Security and transport	12,054	14,355
Catering	71,275	43,012
Technology costs	99,432	76,581
Office overheads and publicity	46,596	51,892
Legal and professional	32,345	27,708
Bank interest and charges	-	1,499
Demolition cost and house sale	-	288,895
Governance	15,765	15,410
	1,984,622	2,099,131

**CHURCHILL ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	5,143,560	4,786,650
Social security costs	485,331	432,624
Pension costs	1,366,356	1,258,615
	<u>6,995,247</u>	<u>6,477,889</u>
Supply teacher costs	133,963	122,367
	<u><u>7,129,210</u></u>	<u><u>6,600,256</u></u>

b. STAFF NUMBERS

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

	2021 No.	2020 No.
Teachers	95	99
Admin and support	61	62
Management	8	7
	<u>164</u>	<u>168</u>

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	87	87
Administration and support	49	48
Management	8	6
	<u>144</u>	<u>141</u>

**CHURCHILL ACADEMY
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. STAFF (CONTINUED)

c. HIGHER PAID STAFF

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	2	-
In the band £70,001 - £80,000	2	2
In the band £90,001 - £100,000	1	1

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £723,403 (2020: £561,829).

10. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees.

The value of Trustees' remuneration was as follows: C Hildrew Remuneration £95,000-£100,000 (2020: £90,000-£95,000) Employer's pension contributions £20,000-£25,000 (2020: £25,000-£30,000); Y Chadwick Remuneration £50,000-£55,000 (2020: £50,000-£55,000) Employer's pension contributions £10,000-£15,000 (2020: £10,000-£15,000); S Tucker Remuneration £30,000-£35,000 (2020: £30,000-£35,000) Employer's pension contributions £5,000-£10,000 (2020: £5,000-£10,000); R Thompson Remuneration £25,000-£30,000 (2020: £30,000-£35,000) Employer's pension contributions £5,000-£10,000 (2020: £Nil-£5,000). Other related party transactions involving the Trustees are set out in note 23.

During the year, no Trustees received any benefits in kind (2019: £Nil).

During the year ended 31 August 2021, expenses totalling £50 were reimbursed or paid directly to one Trustee (2020 - £104 to 2 Trustees).

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000

CHURCHILL ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

12. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Total £
COST OR VALUATION					
At 1 September 2020	22,762,680	128,446	87,191	600,062	23,578,379
Additions	1,344,444	11,076	184,549	88,709	1,628,778
At 31 August 2021	<u>24,107,124</u>	<u>139,522</u>	<u>271,740</u>	<u>688,771</u>	<u>25,207,157</u>
DEPRECIATION					
At 1 September 2020	2,662,985	47,521	54,362	524,889	3,289,757
Charge for the year	407,115	18,758	15,073	65,560	506,506
At 31 August 2021	<u>3,070,100</u>	<u>66,279</u>	<u>69,435</u>	<u>590,449</u>	<u>3,796,263</u>
NET BOOK VALUE					
At 31 August 2021	<u>21,037,024</u>	<u>73,243</u>	<u>202,305</u>	<u>98,322</u>	<u>21,410,894</u>
At 31 August 2020	<u>20,099,695</u>	<u>80,925</u>	<u>32,829</u>	<u>75,173</u>	<u>20,288,622</u>

13. DEBTORS

	2021 £	2020 £
DUE AFTER MORE THAN ONE YEAR		
Prepayments and accrued income	-	289,534
	<u>-</u>	<u>289,534</u>
DUE WITHIN ONE YEAR		
Trade debtors	7,570	3,728
Other debtors	5,484	8,724
Prepayments and accrued income	509,781	1,459,773
VAT recoverable	44,983	34,099
	<u>567,818</u>	<u>1,795,858</u>

CHURCHILL ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
ESFA loans	49,784	49,102
Trade creditors	255,572	197,060
Other taxation and social security	132,728	116,554
Other creditors	15,100	27,581
Accruals and deferred income	186,988	183,256
	<u>640,172</u>	<u>573,553</u>
	2021 £	2020 £
DEFERRED INCOME		
Deferred income at 1 September 2020	102,921	96,696
Resources deferred during the year	114,687	102,921
Amounts released from previous periods	(102,921)	(96,696)
Deferred income at 31 August 2019	<u>114,687</u>	<u>102,921</u>

At the balance sheet date the Academy was holding funds received in advance for educational visits for the academic year 2021/22.

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
ESFA loans	<u>96,688</u>	<u>148,172</u>

During the 2016/17 year the Academy received a Condition Improvement Fund (CIF) loan of £100,000 repayable in monthly instalments over 5 years with an applicable annual interest rate of 1.75%.

During the 2017/18 year the Academy received a Salix loan of £155,366. This is repayable in biannual instalments over 8 years.

During the 2018/19 year an additional CIF loan of £50,000 was received, repayable in monthly instalments over 5 years with an applicable annual interest rate of 1.75%.

CHURCHILL ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

16. STATEMENT OF FUNDS

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS						
General funds	211,446	72,805	(2,105)	-	-	282,146
Opportunities fund	18,835	6,636	(12,492)	-	-	12,979
	<u>230,281</u>	<u>79,441</u>	<u>(14,597)</u>	<u>-</u>	<u>-</u>	<u>295,125</u>
RESTRICTED FUNDS						
General Annual Grant	97,968	7,782,245	(7,281,051)	(333,043)	-	266,119
High Needs	-	71,628	(71,628)	-	-	-
Donations	-	75,675	(83,657)	7,982	-	-
Pupil premium	8,694	175,192	(172,795)	(6,477)	-	4,614
Teachers Pay and Pension Grant	-	422,047	(422,047)	-	-	-
Other Grants	-	249,289	(247,505)	-	-	1,784
Sports England Grant	3,366	1,993	(5,359)	-	-	-
16-19 COVID Tuition fund	-	2,732	(2,029)	-	-	703
Pension reserve	(5,307,000)	-	(233,000)	-	(39,000)	(5,579,000)
	<u>(5,196,972)</u>	<u>8,780,801</u>	<u>(8,519,071)</u>	<u>(331,538)</u>	<u>(39,000)</u>	<u>(5,305,780)</u>
RESTRICTED FIXED ASSET FUNDS						
Transferred on conversion	15,087,891	-	(257,753)	-	-	14,830,138
Purchased from GAG and other restricted funds	6,705,076	146,123	(248,753)	331,538	-	6,933,984
	<u>21,792,967</u>	<u>146,123</u>	<u>(506,506)</u>	<u>331,538</u>	<u>-</u>	<u>21,764,122</u>
TOTAL RESTRICTED FUNDS	<u>16,595,995</u>	<u>8,926,924</u>	<u>(9,025,577)</u>	<u>-</u>	<u>(39,000)</u>	<u>16,458,342</u>
TOTAL FUNDS	<u>16,826,276</u>	<u>9,006,365</u>	<u>(9,040,174)</u>	<u>-</u>	<u>(39,000)</u>	<u>16,753,467</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

16. STATEMENT OF FUNDS (CONTINUED)

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

The General Annual Grant represents income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs

High Needs funding is received by the Local Authority to fund further support for students with additional needs.

Donations represents contributions received towards the costs of educational trips.

Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Teachers' Pay and Pension Grant represents funding from the ESFA to cover additional teaching salary and pension costs.

Sports England Grant represents money received from Sport England to increase the playing of sports in schools.

The 16-19 COVID Tuition fund is funding received from the ESFA to mitigate the disruption of learning arising from COVID-19.

The pension reserve represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

The Opportunities Fund is a ring-fenced account for donations and the proceeds of fundraising, designed to support activities at the Academy which benefit students. Bids are assessed by the Opportunities Fund Panel three times a year, with funding awarded to projects on the basis of the expected impact, added value to the Academy, and clear and explicit links to the Academy's aims. Opportunities Fund money will only be used to directly benefit students.

FIXED ASSET FUNDS

Fixed assets transferred on conversion represent the building and equipment donated to the school from North Somerset Council on conversion to an Academy.

Fixed assets purchased from GAG and other restricted funds represent amounts spent on fixed assets from the GAG funding received from the ESFA. It also includes amounts spent on fixed assets from devolved formula capital and Condition Improvement Fund (CIF) grants.

OTHER INFORMATION

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

16. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
General funds	178,911	194,869	(162,334)	-	-	211,446
Opportunities fund	-	18,835	-	-	-	18,835
	<u>178,911</u>	<u>213,704</u>	<u>(162,334)</u>	<u>-</u>	<u>-</u>	<u>230,281</u>
RESTRICTED GENERAL FUNDS						
General Annual Grant	60,493	7,473,150	(7,278,004)	(157,671)	-	97,968
High Needs	1,151	44,704	(45,855)	-	-	-
Donations	-	15,732	(15,732)	-	-	-
Pupil premium	-	177,985	(169,291)	-	-	8,694
Other Grants	-	11,250	(11,250)	-	-	-
Sports England Grant	11,506	-	(8,140)	-	-	3,366
Wolfston Grant	1,330	-	(1,330)	-	-	-
Pension reserve	(5,167,000)	-	(228,000)	-	88,000	(5,307,000)
	<u>(5,092,520)</u>	<u>7,722,821</u>	<u>(7,757,602)</u>	<u>(157,671)</u>	<u>88,000</u>	<u>(5,196,972)</u>
RESTRICTED FIXED ASSET FUNDS						
Transferred on conversion	15,087,891	-	-	-	-	15,087,891
Purchased from GAG and other restricted funds	5,660,171	1,665,630	(778,396)	157,671	-	6,705,076
	<u>20,748,062</u>	<u>1,665,630</u>	<u>(778,396)</u>	<u>157,671</u>	<u>-</u>	<u>21,792,967</u>
TOTAL RESTRICTED FUNDS	<u>15,655,542</u>	<u>9,388,451</u>	<u>(8,535,998)</u>	<u>-</u>	<u>88,000</u>	<u>16,595,995</u>
TOTAL FUNDS	<u><u>15,834,453</u></u>	<u><u>9,602,155</u></u>	<u><u>(8,698,332)</u></u>	<u><u>-</u></u>	<u><u>88,000</u></u>	<u><u>16,826,276</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	21,410,894	21,410,894
Current assets	295,125	984,689	378,619	1,658,433
Creditors due within one year	-	(614,781)	(25,391)	(640,172)
Creditors due in more than one year	-	(96,688)	-	(96,688)
Provisions for liabilities and charges	-	(5,579,000)	-	(5,579,000)
TOTAL	295,125	(5,305,780)	21,764,122	16,753,467

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	20,288,622	20,288,622
Debtors due after more than one year	-	-	289,534	289,534
Current assets	266,103	795,931	1,214,811	2,276,845
Creditors due within one year	(135,551)	(438,002)	-	(573,553)
Creditors due in more than one year	99,729	(247,901)	-	(148,172)
Provisions for liabilities and charges	-	(5,307,000)	-	(5,307,000)
TOTAL	230,281	(5,196,972)	21,792,967	16,826,276

CHURCHILL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

	2021 £	2020 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(33,809)	903,823
Depreciation	506,506	489,501
Capital grants	(135,684)	(1,665,630)
Interest receivable	(2,065)	(15,569)
Defined benefit pension scheme cost less contributions payable	134,000	133,000
Defined benefit pension scheme finance cost	99,000	95,000
Decrease/(increase) in debtors	1,228,040	(899,549)
Increase/(decrease) in creditors	65,937	(283,639)
(Gain)/loss on sale of assets	-	288,895
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	1,861,925	(954,168)

19. CASH FLOWS FROM FINANCING ACTIVITIES

	2021 £	2020 £
Repayments of borrowing	(50,802)	(49,366)
NET CASH USED IN FINANCING ACTIVITIES	(50,802)	(49,366)

20. CASH FLOWS FROM INVESTING ACTIVITIES

	2021 £	2020 £
Interest receivable	2,065	15,569
Purchase of tangible fixed assets	(1,628,778)	(768,768)
Proceeds from the sale of tangible fixed assets	-	(112,970)
Capital grants	135,684	1,665,630
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES	(1,491,029)	799,461

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand and at bank	1,090,615	770,521
	<u>1,090,615</u>	<u>770,521</u>

22. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	770,521	320,094	1,090,615
Debt due within 1 year	(49,102)	(682)	(49,784)
Debt due after 1 year	(148,172)	51,484	(96,688)
	<u>573,247</u>	<u>370,896</u>	<u>944,143</u>

23. CAPITAL COMMITMENTS

At 31 August 2021 the Academy had capital commitments as follows:

	2021 £	2020 £
Contracted for but not provided in these financial statements	511,251	1,764,143

24. PENSION COMMITMENTS

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

24. PENSION COMMITMENTS (CONTINUED)

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £902,421 (2020 - £832,520).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

24. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £408,000 (2020 - £345,000), of which employer's contributions totalled £335,000 (2020 - £280,000) and employees' contributions totalled £ 73,000 (2020 - £65,000). The agreed contribution rates for future years are 14.8 - 18.3 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2021	2020
	%	%
Rate of increase in salaries	4.2	3.9
Rate of increase for pensions in payment/inflation	2.8	2.5
Discount rate for scheme liabilities	1.7	1.8
Inflation assumption (CPI)	2.7	2.4

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	23.3	23.2
Females	25.4	25.3
Retiring in 20 years		
Males	24.8	24.7
Females	27.4	27.3

SENSITIVITY ANALYSIS

	2021	2020
	£000	£000
Discount rate +0.1%	202	177
Mortality assumption - 1 year increase	330	263
CPI rate+0.1%	205	181

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

24. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

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

	2021 £	2020 £
Equities	2,051,000	1,691,000
Corporate bonds	855,000	379,000
Property	303,000	337,000
Cash and other liquid assets	86,000	115,000
Other	1,508,000	1,305,000
TOTAL MARKET VALUE OF ASSETS	4,803,000	3,827,000

The actual return on scheme assets was £652,000 (2020 - £(179,000)).

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

	2021 £	2020 £
Current service cost	469,000	(413,000)
Interest income	65,000	71,000
Interest cost	(164,000)	(166,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	370,000	(508,000)

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

	2021 £	2020 £
Opening defined benefit obligation	9,134,000	9,382,000
Interest cost	164,000	166,000
Employee contributions	73,000	65,000
Actuarial losses/(gains)	618,000	(656,000)
Benefits paid	(76,000)	(236,000)
Current service cost	469,000	413,000
AT 31 AUGUST	10,382,000	9,134,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

24. PENSION COMMITMENTS (CONTINUED)

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

	2021 £	2020 £
Opening fair value of scheme assets	3,827,000	4,215,000
Interest income	72,000	77,000
Actuarial gain	579,000	(568,000)
Employer contributions	335,000	280,000
Employee contributions	73,000	65,000
Benefits paid	(76,000)	(236,000)
Administration expenses	(7,000)	(6,000)
AT 31 AUGUST	4,803,000	3,827,000

25. OPERATING LEASE COMMITMENTS

At 31 August 2021 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	23,177	14,974
Later than 1 year and not later than 5 years	31,453	31,429
	54,630	46,403

26. MEMBERS' LIABILITY

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

27. AGENCY ARRANGEMENTS

The Academy distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2021 the trust received £15,186 (2020: £10,346) and disbursed £21,198 (2020: £5,138). An amount of £13,341 (2020: £19,353) is included in other creditors relating to undistributed funds that is repayable to the ESFA.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

28. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

Owing to the nature of the Academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.