

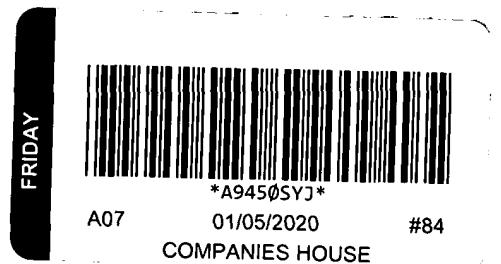
Company Registration No. 07761713 (England and Wales)

**THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL  
A COMMUNITY TECHNOLOGY COLLEGE)**

**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2019**



# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Members</b>	Andrew Munro Emma Merry Kate Foster
<b>Trustees</b>	Andrew Munro (Chair) (Resigned 20 November 2018, Resigned as Chair 1 October 2018) Kate Foster (Chair) (Appointed as Chair 1 October 2018) Mark Newcombe (Vice Chair) (Appointed as Vice Chair 1 October 2018) Emma Merry (Accounting Officer) David Brierley (Resigned 14 December 2018) Edward Cufflin Emma Potts (Resigned 1 October 2018) Mark Yates (Resigned 1 October 2018) Julian Wilks (Resigned 19 June 2019) Richard Nichols Lee Donovan (Staff trustee) (Resigned 13 December 2018) Edward McCann (Staff trustee) Denise Gregory-Reed (Appointed 31 December 2018 and resigned 1 July 2019) David Harding (Appointed 8 April 2019) Lee Holmes (Appointed 29 August 2019) Simon Riley (Appointed 13 September 2019)
<b>Senior management team</b>	
- Headteacher	Emma Merry
- Assistant Head	Martin Russell (resigned 31 October 2018)
- Assistant Head	Clare Tucker
- Assistant Head	Helen Stockwell
- Assistant Head	Darren Edwards (resigned 29 April 2019)
- Assistant Head	Lee Donovan (resigned 30 November 2018)
- Finance and Payroll Manager	Jacquelyn Ellis (resigned 28 February 2019)
- Strategic, Business and Curriculum Director	Michaela Hackett
- Human Resources and Health and Safety Manager	Karen Kowalski
- Health & Safety/ Site Manager	Steven Morley (appointed 29 April 2019)
<b>Company secretary</b>	Michaela Hackett
<b>Company registration number</b>	07761713 (England and Wales)
<b>Principal address</b>	Kibworth High School A Community Technology College Smeeton Road, Kibworth Leicester Leicestershire LE8 0LG

# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Registered office</b>	Kibworth High School A Community Technology College Smeeton Road, Kibworth Leicester Leicestershire LE8 0LG
<b>Independent auditor</b>	RSM UK Audit LLP Rivermead House 7 Lewis Court Grove Park Leicester Leicestershire LE19 1SD
<b>Bankers</b>	Lloyds Bank plc 7 High Street Leicester LE1 9FS
<b>Solicitors</b>	Legal Services Leicestershire County Council County Hall Glenfield Leicester LE3 8RB

# **THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

## **TRUSTEES' REPORT**

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 16 serving a Kibworth Beauchamp area of Leicestershire. It has a net pupil capacity of 875 and had a roll of 846 in the school census at October 2019.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Academy Trust is a company limited by guarantee (registration number 07761713) and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees of Kibworth High School a Community Technology College are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as The Kibworth School.

Details of the Trustees who served throughout the year and to the date these accounts are approved, except as noted, are included in the Reference and Administrative Details on page 1.

#### **Members' liability**

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

#### **Trustees' indemnities**

A Trustee may benefit from any indemnity insurance purchased at the Academy Trust'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 Trust. 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 defense to a criminal prosecution brought against the Trustees in their capacity as directors of the Academy Trust.

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

The members may agree unanimously in writing to appoint additional members and trustees as they think fit and may unanimously agree in writing to remove any members and trustees, other than a member or trustee appointed by the Secretary of State.

New Staff Governors are nominated by colleagues, or can put themselves forward, and elected by the whole staff body.

New Parent Governors are invited to self-nominate and if there are more applications than the number of vacancies, an election is held and Parent Governors are elected by the parent body. The Governing Body seeks new Parent Governors with particular skills, experience and knowledge depending on the most recent governor skills audit and needs of the school.

Community Governors are nominated by the Chair of Governors (or delegate) and co-opted to the board with the agreement of the full Governing Body.

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

The training and induction provided for each new Trustee will depend on their existing experience. The Academy Trust purchases support that provides for individual and full Board of Trustees training, through an annual Course Directory, which is reviewed each year to reflect any changes in practice and legislation. The Academy Trust will perform an annual skills audit of Trustees, should any gaps be identified training courses are offered to address these issues.

# **THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

## **TRUSTEES' REPORT (CONTINUED)**

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### **Organisational structure**

The Board of Trustees generally meets four times a year, additionally there are the following Trustee Committees:

#### **FINANCE & RESOURCES COMMITTEE**

Incorporating finance, HR, staffing, audit, site development and community use.

#### **TEACHING & LEARNING**

Incorporating curriculum, Social, Moral, Spiritual & Cultural (SMSC) and quality of teaching.

#### **STANDARDS & LEADERSHIP COMMITTEE**

Incorporating selected Strategic Leadership Team (SLT) performance management, Headteacher performance management, review Trustee development, skills audit and training.

#### **SAFEGUARDING, HEALTH AND SAFETY COMMITTEE**

Incorporating statutory requirements, IT safety and safe recruitment.

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

The Academy Trust has a sub-committee of the Finance and Resources Committee, the Pay Committee, to ensure that pay decisions reflect the agreed staffing structure and salaries forecast for the financial year as agreed by the Finance & Resources Committee and Full Governing Body. Pay and remuneration for senior management staff (including the Headteacher) is set out in the Academies School pay policy for Teachers which is annually reviewed and ratified by the Trustees. The policy has been developed to comply with current legislation and the requirements of the School Teachers' Pay and Conditions Document (STPCD) and has been consulted on with staff and/or the recognised trade unions. The pay policy underpins the Academies Performance Management Policy which provides the opportunity for all staff to discuss their performance and development needs in relation to their job role and pay progression. Where eligible for pay progression, the recommendation made by the appraiser is based on the assessment of their performance against the agreed objectives. The final decision lies with the pay sub-committee, made up of Trustees, and is based on the statutory criteria and guidance set out in the STPCD and the relevant teacher standards.

Key management personnel comprises of the Trustees and the members of the Senior Management Team as shown on page 1 of the financial statements.

Pay is benchmarked against Leicestershire CC pay scales for non-teaching staff, and against national teacher pay scales for teachers.

# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## TRUSTEES' REPORT (CONTINUED)

### Trade union facility time

#### Relevant union officials

Number of employees who were relevant union officials during the relevant period

1

Full-time equivalent employee number

1.00

### Percentage of time spent on facility time

Percentage of time

Number of employees

0%

-

1%-50%

1

51%-99%

-

100%

-

### Percentage of pay bill spent on facility time

Total cost of facility time

-

Total pay bill

-

Percentage of the total pay bill spent on facility time

-

### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours

1%

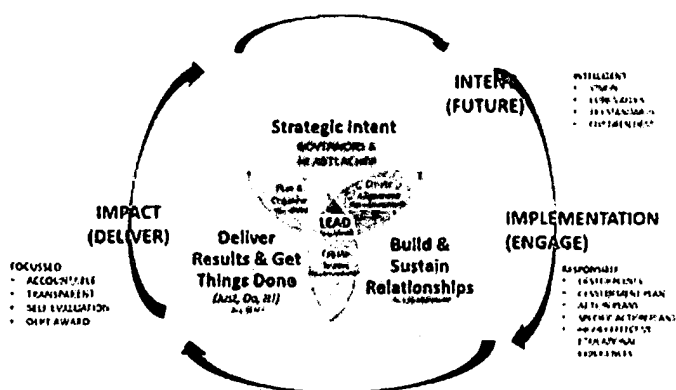
### Related parties and co-operation with other organisations

There were no connected organisations during the year ended 31 August 2019.

## OBJECTIVES AND ACTIVITIES

### Objectives and aims

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing of establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum and to promote for the benefit of individuals living in Kibworth Beauchamp and the surrounding area, the provision of facilities for recreation or other leisure time activities in the interests of social welfare, and with the object of improving the condition of life of the said individuals.



# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## TRUSTEES' REPORT (CONTINUED)

Guiding principle	Our vision is to enable a world class secondary education in this local area and to provide high quality dynamic 11-16 educational opportunities for all regardless of starting points or background.		
Core Values	<b>Children and students first</b> Enabling all students to embrace 'Talent, Knowledge and Success' in all that they do regardless of background. Everything we do as an organisation is in the interest of the children and students first and foremost. A culture of excellence for all, knowledge for all, diversity and resilience to allow all learners to embrace their strengths, whilst driving to improve their weaknesses.	<b>Highly effective educational experiences</b> Ensuring all students have access to a world class education to help them progress into world class higher/further education, training, apprenticeships and employment, without fear or favour. Appreciating and working with and for the local community being an 'Expert' of education for the immediate and foreseeable future.	<b>Accountable and transparent</b> Totally committed to ensuring a positive, safe and successful place of work and learning that is without prejudice, identifies, helps and always manages effectively. An organisation that holds others to account must be accountable to itself. Open to challenge and scrutiny yet demonstrates resilience in all that we do.
Strategic approach	<b>Intelligent</b> All our work will be child centred, grounded in research evidence. Our evaluation tools and frameworks will be valid and reliable. Our aims for every child will be clear and secure at every stage of their learning journey.	<b>Responsible</b> Our opportunities and pathways for our students will be fair and clear. The intent and implementation of every child's educational experiences will be structured and contextually considered. Our expectations will be clear, and we will fight any misconceptions. We will seek to develop strong character, reduce unnecessary workload for staff and secure a purposeful sense of wellbeing for all.	<b>Focused</b> We are committed to being fearless about keeping children and adults safe. We will remove any measures that do not genuinely assess quality of education. We will prioritise weaker provision and observe best practice proactively. Recognition of failure will not be deemed as negative but as a time limited learning point. Success will not be hidden but celebrated.

## THE KIBWORTH STANDARD

### DEVELOPING

This means you are on a journey of improvement:

- Have not met threshold, benchmark, or acceptable standards
- Will have personalized support through coaching
- Will have mentoring
- Targets
- Time limited
- Regularly reassessed and challenged

### MASTERY

The accepted Kibworth 'standard' and the expectation for all. You will be:

- Successful
- Consistent
- Capable
- Competent
- Confident
- Resilient
- Flexible
- Research Driven
- Supportive of others
- A team player
- Positive

### EXPERT

The aspirational 'standard' for us all. You will be:

- A record breaker
- Research led
- Highly analytical
- Self improving
- Creative
- Innovative
- Ethically proven
- Intelligent interactions
- Timely enthusiasm
- Intuitiveness

### Public benefit

The Trustees have complied with the duty in Part 3 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Academy has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

# **THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

## **TRUSTEES' REPORT (CONTINUED)**

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### **STRATEGIC REPORT**

#### **Financial review**

This set of accounts shows the financial performance of the Academy Trust for the year ended 31 August 2019. The Statement of Financial Activities shows that the Academy Trust made a deficit before other recognised gains and losses of £119,703 (2018: surplus of £191,632) in the year ended 31 August 2019.

The majority of the Academy Trust's income is received from the ESFA, DfE and the Local Authority in the form recurrent grants. This year the Academy Trust received £89,152 of Condition Improvement Funding in order to replace the school fencing.

The Academy Trust has a restricted fixed assets fund with a balance of £6,259,930 (2018: £6,253,501) and an unrestricted designated fund of £347,608 (2018: £408,780) which are in respect of fixed assets and capital expenditure of the Academy Trust and is therefore not available for the general purposes of the charity and will only be realised by disposing of the tangible assets.

The pension liability at 31 August 2019 is £1,743,000 (2018: £1,141,000) which is shown separately in a restricted fund and the trustees continue to review the contribution due based on the reports received from the scheme actuary ensuring the cash is available to meet contributions as they fall due.

The Academy Trust held further fund balances at 31 August 2019 of £27,035 (2018: £31,840) relating to restricted general funds.

The restricted General Annual Grant fund is in surplus by £16,777 (2018: deficit by £15,438). During the year the Academy Trust incurred £96,781 (2018: £73,176) of one-off staff restructuring costs.

Through the financial year 2018/19, in order to ensure value for money, rigorous reporting, that our policies and procedures have been followed and provide us with a balanced budget by 2019/20, we implemented the following:

- Current staffing – cost effective cover
- Revised contracts/responsibilities
- Financial training
- Benchmarking
- Service providers – value for money
- Update financial procedures/policies
- Rigorous financial reporting to Governors
- Maintain student growth
- New income streams
- Internal audits on SLAs on ICT
- Value for money



# **THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

## **TRUSTEES' REPORT (CONTINUED)**

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- Improved asset management
- Internal audits from the Local Authority.
- Agree legacy 106 section money to be paid by the Local Authority.

Better value for money and future stability is now being achieved from the budget through:

- Reduced ratios of staffing to GAG funding. This has decreased from 91.01% to 87.37% (this includes the cost of voluntary redundancies, if these were excluded the ratio would be 84.85%). We have a target to eventually achieve a ratio of 70%.
- Revised curriculum and timetables that offers a broad and balanced curriculum. This is still ongoing, however improvements have been noted by Ofsted.
- Revised percentage of contact time for all teachers.
- Increased value for money regarding teacher/support staff ratio.
- Appointment of suitably qualified staff that can offer strategic advice.
- Appointments of governors with specific skills.
- Shared financial practitioner practice with other schools and academies.
- Introduction of more fixed term contracts.
- Management of HR policy revisions and review.
- Introduction of greater financial accountability for all at every level with support and training.
- Revision of other associated policies and procedures.
- Greater transparency with Governance reports and papers in line with ESFA guidance.
- Adherence to, and utilisation of, the schools' financial standards and assurance.

### Financial and risk management objectives and policies

The Academy Trust's main source of funding is from Education and Skills Funding Agency (ESFA) and as such this minimises the Trust's exposure to cash flow or liquidity issues. Cash flow is managed on a monthly basis to reflect the profile of income received.

The Academy Trust has an Investment Policy which takes in to consideration where and how much will be invested and the security of any investments is reviewed before any investment decisions are taken. Expenditure is used to achieve the Academy Trust's educational priorities at all times. The Academy Trust does not currently hold any investments.

# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## TRUSTEES' REPORT (CONTINUED)

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### Reserves policy

The Finance and Resources Committee aims to regularly review the nature of income and expenditure streams and the need to match income with commitments, to have regard to the potential liabilities which may arise, to identify and maintain an appropriate level of free reserves, and to consider and set aside funds for significant projects that cannot be met by future income alone. At 31 August 2019, unrestricted undesignated reserves and restricted general reserves (not including the pension reserve) totalled £52,845 (2018: £nil) and £27,035 (2018: £31,840) respectively.

The School are aiming to build and maintain a minimum revenue reserve fund of at least one month's payroll costs, this amounts to approximately £284,441. As explained previously significant staff restructuring has taken place during the financial year to allow the reserves to build up to this level over the medium term.

The actual amount of reserves required (which may be more) shall be reviewed and determined annually as part of the budget setting process. The level of reserves will reflect the school improvement plan and be in line with the medium term financial plan (the 3/5 year budget), it will also take into account any unmitigated risks identified in the academies Risk Register. Any change in policy requires the approval of the Board of Trustees.

Currently we are not meeting the targeted level of reserves due to the issues identified in the financial review, however, there is a five year plan in place based on an organisational change, change of policies and procedures. All of these will assist in the recovery of the reserves and work towards the targeted level of reserves as indicated above.

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 24. The deficit can be met in the longer term from any combination of increased employer to employee contributions, increased government funding or changes to scheme benefits.

### Investment policy

To deposit or invest any funds of the Academy Trust not immediately required for the furtherance of its object but to invest only after obtaining such advice from a financial expert as the Trustees consider necessary and having regard to the suitability of investments and the need for diversification. The Academy Trust does not currently hold any investments.

### Key performance indicators

Current no. pupils: 1	2017 Current P8: - 0.24	2017 Current A8: 49
	2018 Current P8: -0.07	2018 Current A8: 51
	2019 Current P8: -0.1 provisional	2019 Current A9: 49 provisional

### Evidence base:

Examination results, calculations using internal data tracking system, Ofqual data comparison site, JCQ examination analysis 2018/19, FFT Aspire.

### Context

Similar to the average sized secondary school  
Converter academy October 2011, SAT  
Proportion PP students in lowest 20% nationally  
SDI lowest 20% nationally  
Attainment on entry above national average  
Most students are of White British Heritage  
SEND 11%

# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## TRUSTEES' REPORT (CONTINUED)

### Key performance indicators (continued)

P8	Overall	English	Maths	Open	Ebacc	Science	MFL	Humanities
<b>HAP</b> 2018 56 students	2017 4 <sup>th</sup> -0.3 2018 3 <sup>rd</sup> 0 2019 0.17	2017 2 <sup>nd</sup> +0.1 2 <sup>nd</sup> +0.1 2019 0.17	2017 2 <sup>nd</sup> +0.2 2018 3 <sup>rd</sup> 0 2019 0.17	2017 5 <sup>th</sup> 0.5 2018 3 <sup>rd</sup> -0.1 2019 0.17	2017 4 <sup>th</sup> 0.6 2018 3 <sup>rd</sup> -0.1 2019 -0.31	2017 5 <sup>th</sup> -0.8 2018 2 <sup>nd</sup> 0.1 2019 1 <sup>st</sup> -1.5 2019 C -0.75 2019 P -0.4	2017 5 <sup>th</sup> 1.2 2018 3 <sup>rd</sup> -0.2 2019 Fr -1.84 2019 Sp -1.81	2017 4 <sup>th</sup> -0.2 2018 2 <sup>nd</sup> 0.3 2019 H -0.45
<b>MAP</b> 2018 66 students	2017 3 <sup>rd</sup> -0.1 4 <sup>th</sup> -0.17 2019 0.01	2017 2 <sup>nd</sup> +0.4 2018 3 <sup>rd</sup> 0 2019 0.14	2017 3 <sup>rd</sup> 0.6 2018 3 <sup>rd</sup> 0 2019 0.06	2017 5 <sup>th</sup> 0.6 2018 4 <sup>th</sup> 0.3 2019 -0.17	2017 4 <sup>th</sup> -0.3 4 <sup>th</sup> 0.3 2019 -0.07	2017 5 <sup>th</sup> -0.6 2018 3 <sup>rd</sup> 0.1 2019 1 <sup>st</sup> -0.6 2019 B 0.3 2019 C -0.18 2019 P -0.18	2017 5 <sup>th</sup> -0.8 5 <sup>th</sup> 0.8 2019 Fr -0.65 2019 Sp -0.35	2017 3 <sup>rd</sup> 0 2018 2 <sup>nd</sup> 0.3 2019 H 0.55
<b>LAP</b> 2018 33 students	2017 2018 3 <sup>rd</sup> -0.1 2019 -0.06	2017 2018 2 <sup>nd</sup> +0.2 2019 -0.24	2017 2018 3 <sup>rd</sup> -0.1 2019 -0.03	2017 2018 3 <sup>rd</sup> 0 2019 -0.66	2017 2018 4 <sup>th</sup> -0.3 2019 -0.42	2017 2018 2019 1 <sup>st</sup> -0.45 2019 B 0.41 2019 C -0.43 2019 P -0.39	2017 2018 NA 2019 Sp -2.11 (8)	2017 2018 2019 O -1.32 (8) 2019 H -0.72 (7)
P8	Overall	English	Maths	Open	Ebacc	Science	MFL	Humanities
<b>Dis</b>	2017 5 <sup>th</sup> 0.9 4 <sup>th</sup> -0.9 2019 -0.35	2017 4 <sup>th</sup> 0.5 2018 5 <sup>th</sup> 0.9 2019 -0.24	2017 3 <sup>rd</sup> -0.3 2018 2 <sup>nd</sup> -0.2 2019 -0.11	2017 5 <sup>th</sup> -1.2 2018 5 <sup>th</sup> 1.1 2019 -0.55	2017 5 <sup>th</sup> 1.1 5 <sup>th</sup> 1.1 2019 -0.35	2017 5 <sup>th</sup> 1.1 2018 3 <sup>rd</sup> 0.1 2019 1 <sup>st</sup> -1.14 2019 B 0.68 2019 C 0.08 2019 P 0.28	2017 2018 2019 Sp -0.17 (3)	2017 2018 2019 G 0.18 2019 H 0.44

- August 2019 (unvalidated results) -0.1, 2018 results Progress 9 -0.07 compared to -0.24 in 2017 under the previous leadership team.
- Maths and English subjects continue to be a strength of the school for the past 3 years achieving Maths P8 +0.02 for 2019 and English P8 +0.17.
- Pupil Premium has improved significantly from 2017 and 2018 from -0.9 to -0.35 in 2019.
- Pupil Premium A8 42.59, compared to 35.50 (2018), English P8 -0.23, compared to -0.9 (2018), Maths -0.11, compared to -0.2 (2018), Ebacc -0.35, compared to -1.19 (2018).
- Over a third of Pupil Premium students achieved 5 or more grades 9 to 5 English and Maths, 26% achieved 5 or more grades 9 to 6 grades, 15% achieved 3 grades 9 to 7. One of our Pupil Premium students achieved 10 grades 9 to 7. Humanities PP 2019 +0.41. All Science subjects were positive progress, French P8 2019 was +0.37 for PP.
- 2018 P8 HAP significantly improved from -0.3 to 0. This has remained stable -0.08 for 2019.
- 2018 P8 LAP significantly improved from -0.5 to -0.08 and has improved again to 0 for 2019, however SEND and medical needs have impacted more so for 2019, due to legacy curriculum issues.
- 2019 P8 MAP has improved significantly when compared to 2018 (-0.17), and 2017 (-0.1), to +0.01 for 2019.
- 2019 Ebacc entries were 32% above the local authority entries (51 pupils), 18.9% achieved 4+ grades and 12.2%+ grades, we anticipate this will improve rapidly for 2020 and 2021 due to revised curriculum pathways and improved assessment.

# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## TRUSTEES' REPORT (CONTINUED)

### Plans for future periods

MAJOR STRATEGY THEMES OR AREAS	NATURE OF DIRECTION/ACTIVITY	KEY OUTCOMES	TIME	PERSON WITH OVERSIGHT
1. Pupil outcomes and progress	1a) Raise standards through the new curriculum and assessment processes to promote outstanding achievement for all students.	1a) No student below FFT5 for Basics and the vast majority of other subjects. If a specified individual need is identified at least above FFT20 for all subjects.	2 years	ALL STAFF & TRUSTEES EME/SLT
	1b) Develop and embed the 'Knowledge' curriculum and set individual targets using staff and assessment processes.	1b (i) students receive individualised targets to enable them to develop effective learning skills. (ii) Layered and individual targets effectively used, understood and acted upon by staff, students and parents. (iii) Targets are actively monitored through 'Knowledge' steps and associated skills that support progress and learning overtime.	1 years	SLT – ALL STAFF Parent Assessment group
	1c) Develop and embed effective reporting and assessment to all.	1c (i) All stakeholders have the opportunity to regularly access and assess the information they have about our students. (ii) Triangulation between progress, knowledge and skills is secure in line with every students curriculum and associated outcomes. (iii) All stakeholders are secure about what learning, knowledge and specific skills are needed in line with every students' curriculum and associated outcomes.	1 years	ALL STAFF & TRUSTEES EME/SLT Parent Assessment group
2. Staff support and development	2a) Develop appropriate staffing capability and capacity for teaching school - Explore teaching schools, Academy expansion, and specialist teaching.	2a (i) CPD appropriate to staffing needs – knowledge curriculum, expert teaching, expertise explored with in and out of school shadow structure designed for all posts. (ii) Structure implemented gradually and linked to specialist teachers across academy. (iii ) Expansion of Academy and governance/management structure fit for purpose.	1 years	Chair of Trustees and EME
	2b) Ensure that all staff are competent in the latest curriculum developments including changes in exam specification/assessment and requirements.	2b) Invest in leadership, support staff, technical support, hardware, and professional development leading to significantly enhanced learning opportunities.	2 years	EME/SLT ALL STAFF LEEP support

# **THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

## **TRUSTEES' REPORT (CONTINUED)**

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### Going concern

The Trustees are aware there is financial pressure on the Academy Trust. During the year the Academy Trust has undertaken a further internal restructuring plan to reduce the ratio of staff costs to GAG income to a sustainable level. The latest detailed budgets and cash flow forecasts support the future viability of the Academy Trust with cash remaining positive for the forecast period of at least one year from the date of authorisation of these financial statements. On this basis, the Board of Trustees are satisfied that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and for a period of at least one year from the date of authorisation of these financial statements. Under these conditions the going concern basis is adopted in preparing the financial statements.

# **THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

## **TRUSTEES' REPORT (CONTINUED)**

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### **Principal risks and uncertainties**

The Academy Trust has prepared a risk register to identify and prioritise the major risks facing the organisation. Control procedures, target dates and those accountable have also been identified. The register will be monitored internally and reviewed annually by the Board of Trustees. Major risks identified include strategic risks in terms of charitable objects risk, long term demand risk and a change of government educational or funding policy risk.

The Trustees have also adopted the Statement of Recommended Practice (SORP) approach to identifying and managing the risks of the Trust. The schedule of risks will be tabled at all Finance and Resources Committee meetings and mitigating actions agreed as required. The full Trustee group will review the risk log on an annual basis.

The Strategic Risk register encompasses the risks identified by Trustees that the Academy faces. These are:

- Strategic Risks including long term demand risk, charitable objects risk, competition risk;
- Governing Body Organisation Risk, including delegation risk and Headteacher absence;
- Public profile Risk, including Trustee profile risk, Expenditure risk and Quality of service/produce risk.

The Trustees have plans in place to mitigate these risks which includes future student numbers to be monitored by Headteacher/SLT and report to Governing Body on annual basis, a Development Plan to offer variety of academic subjects and ensure high quality teaching and learning, actual costs published in annual accounts and reviewed each budget. Student numbers are set to increase, however over the next two years some of our pupil number funding is allocated to other local secondary phase schools as a result of age range policies.

With known planned increases in expenditure and reductions in overall pupil funding, decisions have been taken to reduce the staff FTE through organisational change and natural wastage, review of services and contracts and seeking further value for money savings.

The following risk objectives and policies have been implemented:

- Increase staffing loads to be in line with similar schools.
- Revised responsibilities and contracts.
- Revised Performance Management policies and procedures
- Revised and reviewed all policies and procedures
- Increased monthly reporting to Governors, particularly those related to finance including 5-year cashflow and budget plan
- Provide financial training for leaders
- DfE National Benchmarking tool to be further embedded.
- Updated financial handbook and associated procedures and policies.
- Maintained student growth.
- Pursuing 106 section monies from the Local Authority.
- Created new income streams.
- Audit, review and implementation of all SLA to secure good value for money.
- Improved asset monitoring.

### **Fundraising**

The main type of fundraising that the Academy Trust undertakes is requesting voluntary contributions from parents for specific trips that a pupil may attend. The Academy Trust does not undertake any fundraising practices that involve the wider public.

Additional small scale fundraising, such as Our School Lottery and Easy fundraising, is undertaken by Friends of TKS (the academy's PTA newly formed Summer 2019).

### **FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

There were no funds held as Custodian Trustee.

# **THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

## **TRUSTEES' REPORT (CONTINUED)**

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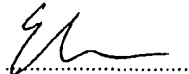
### **AUDITOR**

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

### **Statement as to disclosure of information to auditor**

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Report is approved by order of the Board of Trustees and the Strategic Report (included therein) is approved by the Board of Trustees in their capacity as the Directors at a meeting on 17 Dec 11 and signed on its behalf by:



Edward Cufflin  
Trustee

# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## GOVERNANCE STATEMENT

### Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Kibworth High School A Community Technology College 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 to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Kibworth High School A Community Technology College and the Secretary of State for Education. The Headteacher is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

### Governance

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

Trustees	Meetings attended	Out of possible
Andrew Munro (Chair) (Resigned 20 November 2018, Resigned as Chair 1 October 2018)	0	0
Kate Foster (Chair) (Appointed as Chair 1 October 2018)	4	4
Mark Newcombe (Vice Chair) (Appointed as Vice Chair 1 October 2018)	4	4
Emma Merry (Accounting Officer)	4	4
David Brierley (Resigned 14 December 2018)	1	1
Edward Cufflin	4	4
Emma Potts (Resigned 1 October 2018)	0	0
Mark Yates (Resigned 1 October 2018)	0	0
Julian Wilks (Resigned 19 June 2019)	1	4
Richard Nichols	4	4
Lee Donovan (Staff trustee) (Resigned 13 December 2018)	0	0
Edward McCann (Staff trustee)	3	4
Denise Gregory-Reed (Appointed 31 December 2018 and resigned 1 July 2019)	2	3
David Harding (Appointed 8 April 2019)	0	0
Lee Holmes (Appointed 29 August 2019)	0	0
Simon Riley (Appointed 13 September 2019)	0	0

Particular challenges that have arisen from previous leadership:

'In the past, governors have not effectively held leaders to account. Recent changes, however, have introduced much more rigour to their work.' Ofsted June 2017

'Over time, senior leaders and governors have not made sure that all groups of pupils achieve as well as they should and that the quality of teaching is consistently good.' Ofsted June 2017



## **THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

### **GOVERNANCE STATEMENT (CONTINUED)**

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'Leaders have not used effectively the additional government funding to strengthen the progress of eligible pupils, including those who are disadvantaged, pupils who have special educational needs (SEN) and/or disabilities and pupils in Year 7 who require literacy and numeracy support. 'Ofsted 2017

'Strengthening further the role of governors so that school leaders are more effectively held to account and supported, particularly with respect to measuring the progress of pupils in key stage 4 and curricular provision.' Ofsted June 2017

'Senior leaders and the governing body are fully aware of the school's current position. Previously, leaders' evaluation of the effectiveness of the school's provision has been too generous.' Ofsted June 2017

'Governors recognise that since the last inspection, they have not held leaders to account rigorously. Following the appointment of the new Head teacher in September 2017, governors have become much more effective in both supporting and challenging the work of senior leaders.' June 2017

Since September 2018 the Board has improved and assessed its own effectiveness through:

- Full audit of Governor skills and experiences in line with the needs of the Academy
- Revised and updated Governing body development plan and associated key performance indicators
- Revised committee structures and associated agenda's
- Revised calendar of Governing body meetings, training and support in line with the needs of the Trustees and Academy priorities
- Providing greater transparency in the Trustees Report in line with ESFA guidance
- Reduced ratios of staffing compared to GAG
- More cost effective curriculum
- More rigorous access, monitoring and evaluation of the Academies key documents such as the improvement plan, SEF, finance and policies
- Full audit and revision of selected policies
- External monitoring via School improvement partners and an NLE – Safeguarding review, Pupil Premium review, SEND review and external 2 day review.
- Review of the financial handbook and associated procedures
- Financial benchmarking against local and national figures
- Section 188 April 2019

Information regarding the quality of the data used by the board:

A lack of transparency and access regarding the financial data of the Academy's accounts has now significantly improved and this has been validated by external auditor. The introduction of various IT software packages further supported by trained and qualified staff has enabled the Board to view various data at any time. This has also enhanced the Board's understanding and ability to hold leaders to account. The IT software packages are widely used and known within the educational sphere.

# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## GOVERNANCE STATEMENT (CONTINUED)

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### Governance reviews

From August 2018 until September 2019 the following external reviews were undertaken:

- Whole School review April 2019

Governors were involved in all the above review in their retrospective roles. Findings of all of the reviews are available within the associated reports, however it can be concluded that the previous extrapolations from the Ofsted report June 2018 can be taken as the most recent and up to date.

The Finance and Resources Committee is a sub-committee of the Board of Trustees. Its terms of reference are to review and approve the school budget; receive regular financial reports from the school Director of Finance; receive reports from other Trustee Committees on financial matters; receive reports from the Headteacher on staffing issues; monitor staffing levels and performance; review pay policy annually; review and monitor site building work; monitor community liaison and site usage; run annual forum for community users; full functions of the Audit Committee and review appropriate policies.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Andrew Munro (Chair) (Resigned 20 November 2018, Resigned as Chair 1 October 2018)	0	0
Kate Foster (Chair) (Appointed as Chair 1 October 2018)	3	3
Mark Newcombe (Vice Chair) (Appointed as Vice Chair 1 October 2018)	2	3
Emma Merry (Accounting Officer)	3	3
David Brierley (Resigned 14 December 2018)	0	1
Edward Cufflin	3	3
Emma Potts (Resigned 1 October 2018)	0	0

### 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 available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- Voluntary Redundancies - change in current staffing loads
- Staffing review - services and value for money
- External reviews - PP, SEND, and the whole school

Achieving value for money is ongoing within the Academy Trust and is key for any future plans for the Academy. Further detail on how value for money will be delivered can be found on page 7 of the Trustees' Report.

# **THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

## **GOVERNANCE STATEMENT (CONTINUED)**

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### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Kibworth High School A Community Technology College for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period commencing on 1 September 2018 ending on 31 August 2019 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 Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees have considered the need for a specific internal audit function and has appointed Leicestershire County Council's Internal Audit Service who also act as Responsible Officer (RO). The internal auditor's role includes giving advice on financial matters concerning risk and internal control and performing a range of checks on the Academy Trust's financial systems. On an annual basis, following the annual site visit to the Academy, the internal auditor reports to the Board of Trustees via the Finance and Resources Committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The Board of Trustees is responsible for agreeing an action plan and monitoring that the action plan is successfully implemented. The internal auditors reported to the Finance and Resources Committee on 7 November 2018.

## **THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

### **GOVERNANCE STATEMENT (CONTINUED)**

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The internal auditor/reviewer did undertake the schedule of work as planned, however this was over an extended period. The remedial action requested by the Accounting officer was a full audit of the accounts in September 2017, due to the number of anomaly's, alongside year end. This process was completed in December 2017.

The secondary remedial action taken was:

- All expenditure was stopped throughout the audit period
- A training programme for staff was offered and undertaken
- New policies and procedures were put in place regarding finance
- Greater transparency of finance across the Academy and how this is reported to Trustees
- Improved roles and responsibilities of appropriate finance staff
- Procurement of services were audited and reviewed
- Review of ICT regarding costings
- Revised the support staff appraisal system and structures
- Revised the Pay policy and procedures
- Revise and implement absence management policies and procedures

Appointment of suitably qualified staff who can offered strategic advice

#### **Review of effectiveness**

As the Accounting Officer, Emma Merry has responsibility for reviewing the effectiveness of the system of internal control. During the period in question, the review has been informed by:


- the work of the Responsible Officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the Strategic, Business and Curriculum Director within the Academy Trust who has responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Board of Trustees on 17 Dec 19 and signed on its behalf by:



Emma Merry  
Accounting Officer



Edward Cufflin  
Trustee

## **THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

### **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of The Kibworth School (formerly known as Kibworth High School a Community Technology College) I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Academy Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2018.

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.



Emma Merry  
Accounting Officer

17 Dec 19

## THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The Trustees (who are also the directors of The Kibworth School (formerly known as Kibworth High School a Community Technology College) for the purposes of company law) are responsible for preparing the Trustees' report (including the strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 17 Dec 19 and signed on its behalf by:



Edward Cufflin  
Trustee

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

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## **Opinion**

We have audited the financial statements of The Kibworth School (formerly known as Kibworth High School a Community Technology College) (the "charitable company") for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies: Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

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

## **Other information**

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

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

We have nothing to report in this regard.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE) (CONTINUED)**

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

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

- the information given in the Trustees' Report which includes the Directors Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within 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 Statement of Trustees' Responsibilities set out on page 21, the Trustees (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE KIBWORTH  
SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY  
TECHNOLOGY COLLEGE) (CONTINUED)**

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**Use of our report**

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

*RSM UK Audit LLP*

Gareth Jones (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Rivermead House  
7 Lewis Court  
Grove Park  
Leicester  
Leicestershire, LE19 1SD  
18/12/19

**THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

**STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2019**

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed asset Funds £	Total 2019 £	Total 2018 £
<b>Income and endowments from:</b>						
Donations and capital grants	4	-	1,525	151,746	153,271	542,497
Charitable activities:						
- Funding for educational operations	5	-	4,069,118	-	4,069,118	3,759,267
Other trading activities	6	232,094	-	-	232,094	213,659
Investments	7	245	-	-	245	202
<b>Total</b>		<u>232,339</u>	<u>4,070,643</u>	<u>151,746</u>	<u>4,454,728</u>	<u>4,515,625</u>
<b>Expenditure on:</b>						
Raising funds	8	139,494	-	-	139,494	130,230
Charitable activities:						
- Educational operations	9	61,172	4,186,475	187,290	4,434,937	4,193,763
<b>Total</b>	8	<u>200,666</u>	<u>4,186,475</u>	<u>187,290</u>	<u>4,574,431</u>	<u>4,323,993</u>
<b>Net income/(expenditure)</b>		31,673	(115,832)	(35,544)	(119,703)	191,632
Transfers between funds	19	-	(41,973)	41,973	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial (losses)/gains on defined benefit pension schemes	25	-	(449,000)	-	(449,000)	232,000
<b>Net movement in funds</b>		31,673	(606,805)	6,429	(568,703)	423,632
<b>Reconciliation of funds</b>						
Total funds brought forward		408,780	(1,109,160)	6,253,501	5,553,121	5,129,489
Total funds carried forward		<u>440,453</u>	<u>(1,715,965)</u>	<u>6,259,930</u>	<u>4,984,418</u>	<u>5,553,121</u>

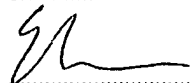
**THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

**BALANCE SHEET**

**AS AT 31 AUGUST 2019**

	Notes	2019		2018	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		6,605,799		6,507,428
<b>Current assets</b>					
Debtors	14	192,341		341,210	
Cash at bank and in hand		199,840		326,930	
		392,181		668,140	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(270,562)		(479,496)	
<b>Net current assets</b>			121,619		188,644
<b>Total assets less current liabilities</b>			6,727,418		6,696,072
Creditors: amounts falling due after more than one year	16		-		(1,951)
<b>Net assets excluding pension liability</b>			6,727,418		6,694,121
Defined benefit pension scheme liability	25		(1,743,000)		(1,141,000)
<b>Net assets</b>			4,984,418		5,553,121
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	19				
- Restricted fixed asset funds			6,259,930		6,253,501
- Restricted income funds			27,035		31,840
- Pension reserve			(1,743,000)		(1,141,000)
<b>Total restricted funds</b>			4,543,965		5,144,341
<b>Unrestricted income funds</b>	19		440,453		408,780
<b>Total funds</b>			4,984,418		5,553,121

The financial statements on pages 25 to 47 were approved by the Board of Trustees and authorised for issue on 17 Dec 19 and are signed on their behalf by:



Edward Cufflin  
Trustee

**THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 AUGUST 2019**

	Notes	2019 £	£	2018 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by/(used in) operating activities	23		77,245		(52,570)
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		245		202	
Capital grants from DfE Group		288,739		297,257	
Capital funding received from others		-		54,992	
Purchase of tangible fixed assets		(484,694)		(131,432)	
<b>Net cash (used in)/provided by investing activities</b>			(195,710)		221,019
<b>Cash flows from financing activities</b>					
Repayment of other loan		(8,625)		(8,625)	
<b>Net cash used in financing activities</b>			(8,625)		(8,625)
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>			(127,090)		159,824
Cash and cash equivalents at beginning of the year			326,930		167,106
<b>Cash and cash equivalents at end of the year</b>			199,840		326,930

# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### 1 Accounting policies

##### General information

The Kibworth School (formerly known as Kibworth High School a Community Technology College) is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

##### Basis of preparation

The financial statements of the Academy Trust have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The Academy Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the Academy Trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

##### Going concern

The Trustees are aware there is financial pressure on the Academy Trust. During the year the Academy Trust has undertaken an internal restructuring plan to reduce the ratio of staff costs to GAG income to a sustainable level. The latest detailed budgets and cash flow forecasts support the future viability of the Academy Trust with cash remaining positive for the forecast period of at least one year from the date of authorisation of these financial statements. On this basis, the Board of Trustees are satisfied that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and for a period of at least one year from the date of authorisation of these financial statements. Under these conditions the going concern basis is adopted in preparing the financial statements.

##### Income

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

##### Grants

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

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

# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

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### 1 Accounting policies (Continued)

Capital grants are recognised in full when there is an entitlement, when performance-related conditions have been met, and are not deferred over the life of an asset on which they are expended. Unspent amounts of capital grants are reflected in the Balance Sheet in the restricted fixed asset fund.

#### 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 at fair value of the consideration received or receivable in the period it is receivable and to the extent the Academy Trust has provided the goods or services.

#### Donated fixed assets

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 is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

#### **Expenditure**

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

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

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

#### **Employment benefits**

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### 1 Accounting policies (Continued)

##### **Tangible fixed assets and depreciation**

Assets costing £1 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs of repairs and maintenance are charged to the statement of financial activities as incurred.

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

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life to its residual value, as follows:

Long leasehold buildings	Over 50 years
Assets under construction	Not depreciated
Computer equipment	Over 3 years
Fixtures, fittings and equipment	Over 3 years

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Assets in the course of construction are included at cost less any identified impairment loss. Cost includes professional fees and other directly attributable costs that are necessary to bring the property to its operating condition. 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.

##### **Liabilities**

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

##### **Leased assets**

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

##### **Financial instruments**

The Academy Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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### 1 Accounting policies (Continued)

#### Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Academy Trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

#### **Taxation**

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11 chapter 3 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.

#### **Pensions benefits**

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'), which are multi-employer defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently there is insufficient information available to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.



# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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### 1 Accounting policies (Continued)

The LGPS is a funded scheme and the assets are held separately. 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 reporting date. The amounts charged to net income 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 comprehensive income. Actuarial gains and losses are recognised immediately in other comprehensive income.

#### **Fund accounting**

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

Designated tangible fixed asset funds comprise of tangible fixed assets which are funded by the Academy Trust out of unrestricted funds. Depreciation charged on those assets is allocated to this fund.

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

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

### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

#### *Pension scheme*

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 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

**THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019**

**2 Critical accounting estimates and areas of judgement (Continued)**

Critical areas of judgement

In the opinion of the Trustees they are not aware of any areas of judgement that are critical to the Academy Trust's financial statements.

**3 Comparative year information**

Year ended 31 August 2018	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2018
	£	£	£	£
<b>Income and endowments from:</b>				
Donations and capital grants	-	52,173	490,324	542,497
Charitable activities:				
- Funding for educational operations	-	3,759,267	-	3,759,267
Other trading activities	213,659	-	-	213,659
Investments	202	-	-	202
<b>Total</b>	<b>213,861</b>	<b>3,811,440</b>	<b>490,324</b>	<b>4,515,625</b>
<b>Expenditure on:</b>				
Raising funds	130,230	-	-	130,230
Charitable activities:				
- Educational operations	41,987	3,996,460	155,316	4,193,763
<b>Total</b>	<b>172,217</b>	<b>3,996,460</b>	<b>155,316</b>	<b>4,323,993</b>
<b>Net income/(expenditure)</b>	<b>41,644</b>	<b>(185,020)</b>	<b>335,008</b>	<b>191,632</b>
Transfers between funds	(33,212)	73,860	(40,648)	-
<b>Other recognised gains</b>				
Actuarial gains on defined benefit pension schemes	-	232,000	-	232,000
<b>Net movement in funds</b>	<b>8,432</b>	<b>120,840</b>	<b>294,360</b>	<b>423,632</b>

**4 Donations and capital grants**

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
Capital grants	-	151,746	151,746	490,324
Other donations	-	1,525	1,525	52,173
	-	153,271	153,271	542,497

**THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

**5 Funding for the Academy Trust's educational operations**

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	3,844,129	3,844,129	3,622,082
Other DfE group grants	-	211,433	211,433	134,297
	<u>-</u>	<u>4,055,562</u>	<u>4,055,562</u>	<u>3,756,379</u>
<b>Other government grants</b>				
Local authority grants	-	13,556	13,556	2,888
	<u>-</u>	<u>13,556</u>	<u>13,556</u>	<u>2,888</u>
	<u>-</u>	<u>4,069,118</u>	<u>4,069,118</u>	<u>3,759,267</u>

**6 Other trading activities**

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Hire of facilities	46,994	-	46,994	52,990
Uniform sales	420	-	420	391
Academy trips	128,764	-	128,764	120,458
Other income	55,916	-	55,916	39,820
	<u>232,094</u>	<u>-</u>	<u>232,094</u>	<u>213,659</u>

**7 Investment income**

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Interest from short term deposits	245	-	245	202
	<u>245</u>	<u>-</u>	<u>245</u>	<u>202</u>

**THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

**8 Expenditure**

	Staff costs	Non Pay Expenditure Premises	Other	Total 2019	Total 2018
	£	£	£	£	£
Expenditure on raising funds					
- Direct costs	-	-	139,494	139,494	130,230
Academy's educational operations					
- Direct costs	2,262,679	-	143,326	2,406,005	2,471,520
- Allocated support costs	1,220,866	444,705	363,361	2,028,932	1,722,243
Total support costs	<u>3,483,545</u>	<u>444,705</u>	<u>646,181</u>	<u>4,574,431</u>	<u>4,323,993</u>

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

	2019	2018
	£	£
Operating lease rentals	31,796	10,700
Depreciation of tangible fixed assets	248,462	197,303
Net interest on defined benefit pension liability	33,000	32,000
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	19,055	14,180
- Other services	15,090	6,035

**9 Charitable activities**

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
Direct costs				
Educational operations	-	2,406,005	2,406,005	2,471,520
Support costs				
Educational operations	61,172	1,967,760	2,028,932	1,722,243
	<u>61,172</u>	<u>4,373,765</u>	<u>4,434,937</u>	<u>4,193,763</u>

	2019	2018
	£	£
<b>Analysis of support costs</b>		
Support staff costs	1,220,866	1,069,228
Depreciation	248,462	197,303
Premises costs	196,243	130,880
Other support costs	329,216	304,617
Governance costs	34,145	20,215
	<u>2,028,932</u>	<u>1,722,243</u>

**THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

**10 Staff**

**Staff costs**

Staff costs during the year were:

	2019 £	2018 £
Wages and salaries	2,493,802	2,480,566
Social security costs	238,690	232,393
Pension costs	587,938	552,789
Staff costs	3,320,430	3,265,748
Agency staff costs	66,334	73,564
Staff restructuring costs	96,781	73,176
Staff development and other staff-related costs	3,483,545	3,412,488
	20,875	11,766
Total staff expenditure	3,504,420	3,424,254

Staff restructuring costs comprise:

Redundancy payments	96,781	73,176
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Included in staff restructuring costs are non-statutory payments totalling £96,781 (2018: £73,176). Individually, the payments were: £293; £623; £998; £4,287; £4,540; £5,018; £8,665; £10,296; £14,147; £22,096; and £25,820.

**Staff numbers**

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

	2019 Number	2018 Number
Teachers	48	42
Administration and support	42	42
Management	6	10
	96	94

**Higher paid staff**

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

	2019 Number	2018 Number
£80,001 - £90,000	1	1

# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### 10 Staff (Continued)

##### Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the Headteacher. The total amount of employee benefits (including employer pension contributions and employers national insurance) received by key management personnel for their services to the Academy Trust was £110,352 (2018: £103,487).

#### 11 Trustees' remuneration and expenses

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

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

Emma Merry (Headteacher and Accounting Officer) received remuneration of £85,605 (2018: £80,310) in 2019 and is accruing retirement benefits under the Teacher's Pension Scheme. The contributions paid in the year amounted to £14,108 (2018: £13,235).

Edward McCann (Staff Trustee) received remuneration of £40,445 (2018: £37,358) in 2019 and is accruing retirement benefits under the Teachers' Pension Scheme. The contributions paid in the year amounted to £6,665 (2018: £6,157).

Lee Donovan (Staff Trustee) received remuneration of £19,968 (2018: £44,544) in 2019 and is accruing retirement benefits under the Teachers' Pension Scheme. The contributions paid in the year amounted to £1,863 (2018: £7,341).

Lee Holmes (Staff Trustee) received remuneration of £29,929 (2018: £nil) in 2019 and is accruing retirement benefits under the Teachers' Pension Scheme. The contributions paid in the year amounted to £4,932 (2018: £nil).

During the year ended 31 August 2019, no Trustees (2018: 1 Trustee) claimed expenses or had their expenses met by the Academy Trust. The expenses incurred were in respect of travel and subsistence and other expenses paid on behalf of the Academy Trust. Total expenses reimbursed amounted to £nil (2018: £386).

During the year there were no other related party transactions involving Trustees other than those stated above.

#### 12 Trustees and officers insurance

In accordance with normal commercial practice, the Academy Trust has purchased combined liability insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2019 was £725 (2018: £5,217).

**THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

**13 Tangible fixed assets**

	Long leasehold buildings construction £	Assets under construction £	Computer equipment £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>					
At 1 September 2018	6,870,383	266,308	297,046	111,855	7,545,592
Additions	101,600	150,427	39,916	54,890	346,833
Disposals	-	-	(29,984)	-	(29,984)
Transfer	416,735	(416,735)	-	-	-
At 31 August 2019	7,388,718	-	306,978	166,745	7,862,441
<b>Depreciation</b>					
At 1 September 2018	773,951	-	217,505	46,708	1,038,164
Charge for the year	141,339	-	61,966	45,157	248,462
On disposals	-	-	(29,984)	-	(29,984)
At 31 August 2019	915,290	-	249,487	91,865	1,256,642
<b>Net book value</b>					
At 31 August 2019	6,473,428	-	57,491	74,880	6,605,799
At 31 August 2018	6,096,432	266,308	79,541	65,147	6,507,428

**14 Debtors**

	2019 £	2018 £
Trade debtors	8,363	47,082
VAT recoverable	17,600	9,219
Prepayments and accrued income	166,378	284,909
	192,341	341,210

**15 Creditors: amounts falling due within one year**

	2019 £	2018 £
Other loans	1,951	8,625
Trade creditors	-	53,198
Other taxation and social security	72,828	70,131
Other creditors	35,215	45,352
Accruals and deferred income (see note 17)	160,568	302,190
	270,562	479,496

**THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

<b>16 Creditors: amounts falling due after more than one year</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other loans	-	1,951
	<u>          </u>	<u>          </u>
<b>Analysis of loans</b>		
Wholly repayable within five years	1,951	10,576
Less: included in current liabilities	(1,951)	(8,625)
	<u>          </u>	<u>          </u>
Amounts included above	-	1,951
	<u>          </u>	<u>          </u>
<b>Loan maturity</b>		
Debt due in one year or less	1,951	8,625
Due in more than one year but not more than two years	-	1,951
	<u>          </u>	<u>          </u>
	<u>1,951</u>	<u>10,576</u>

Included within other loans is a loan of £1,951 (2018: £10,576) from Salix. The loan is interest free and payable by annual instalments.

<b>17 Deferred income</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Deferred income is included within:		
Creditors due within one year	72,769	40,214
	<u>          </u>	<u>          </u>
Deferred income at 1 September 2018	40,214	38,088
Released from previous years	(40,214)	(38,088)
Resources deferred in the year	72,769	40,214
	<u>          </u>	<u>          </u>
<b>Deferred income at 31 August 2019</b>	<u>72,769</u>	<u>40,214</u>

At 31 August 2019 deferred income was made up of £72,769 (2018: £27,988) for Academy trip income for trips taking place in the following year.

<b>18 Financial instruments</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	74,444	237,859
	<u>          </u>	<u>          </u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	(89,750)	(325,750)
	<u>          </u>	<u>          </u>



**THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

**19 Funds**

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(15,438)	3,844,129	(3,811,914)	-	16,777
Other DfE / ESFA grants	5,305	211,433	(208,005)	-	8,733
Other government grants	-	13,556	(13,556)	-	-
Other restricted funds	41,973	1,525	-	(41,973)	1,525
Pension reserve	(1,141,000)	-	(153,000)	(449,000)	(1,743,000)
	<u>(1,109,160)</u>	<u>4,070,643</u>	<u>(4,186,475)</u>	<u>(490,973)</u>	<u>(1,715,965)</u>
<b>Restricted fixed asset funds</b>					
Inherited funds	4,350,890	-	(100,988)	-	4,249,902
DfE Group capital grants	1,403,552	151,746	(37,989)	-	1,517,309
Capital expenditure from GAG	499,059	-	(34,951)	-	464,108
Capital expenditure from other restricted funds	-	-	(13,362)	41,973	28,611
	<u>6,253,501</u>	<u>151,746</u>	<u>(187,290)</u>	<u>41,973</u>	<u>6,259,930</u>
<b>Total restricted funds</b>	<u>5,144,341</u>	<u>4,222,389</u>	<u>(4,373,765)</u>	<u>(449,000)</u>	<u>4,543,965</u>
<b>Unrestricted funds</b>					
General funds	-	232,339	(139,494)	(40,000)	52,845
Designated fixed assets	408,780	-	(61,172)	-	347,608
Designated general fund	-	-	-	40,000	40,000
	<u>408,780</u>	<u>232,339</u>	<u>(200,666)</u>	<u>-</u>	<u>440,453</u>
<b>Total funds</b>	<u>5,553,121</u>	<u>4,454,728</u>	<u>(4,574,431)</u>	<u>(449,000)</u>	<u>4,984,418</u>

# **THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **19 Funds (Continued)**

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

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

##### **Restricted general funds**

This fund represents grants received for the Academy Trust's operational activities and development. This includes the pension reserve which represents the potential liability due by the Academy Trust's at the year end.

##### **Restricted fixed asset fund**

This fund represents the net book value of fixed assets that the Academy Trust has purchased out of grants received or those that have been transferred on conversion along with any unspent capital funding at the year end.

A transfer of £41,973 (2018: £nil) was made between other restricted funds and restricted fixed asset funds in respect of fixed assets purchased.

##### **Unrestricted funds**

The unrestricted funds represent funds available to the Trustees to apply for the general purposes of the Academy Trust.

Included within unrestricted funds is a designated tangible fixed asset fund which recognises tangible fixed assets funded by the Academy out of unrestricted funds. Depreciation charged on those assets is allocated to this fund.

In the current year, a transfer of £nil (2018: £33,386) was made between unrestricted general funds and designated fixed asset funds in respect of assets purchased during the year. A transfer of £nil (2018: £41,184) was made between designated fixed asset funds and restricted fixed asset funds in respect of further assets purchased during the year. A transfer of £nil (2018: £536) was made in respect of fixed assets purchased using Pupil Premium and SEN funding.

Further, a fund transfer of £nil (2018: £74,396) was made between the general annual grant restricted fund and unrestricted general funds, in order to cover a deficit in restricted funds.

Finally, a transfer of £40,000 (2018: £nil) was made between unrestricted general funds and designated general funds in respect of designated funding for the 3G pitch that will need to be resurfaced in the future.

**THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

**19 Funds (Continued)**

**Funds prior year**

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	3,622,082	(3,711,916)	74,396	(15,438)
Other DfE / ESFA grants	-	134,297	(128,872)	(120)	5,305
Other government grants	-	2,888	(2,472)	(416)	-
Other restricted funds	-	52,173	(10,200)	-	41,973
Pension reserve	(1,230,000)	-	(143,000)	232,000	(1,141,000)
	<u>(1,230,000)</u>	<u>3,811,440</u>	<u>(3,996,460)</u>	<u>305,860</u>	<u>(1,109,160)</u>
<b>Restricted fixed asset funds</b>					
Inherited funds	4,451,878	-	(100,988)	-	4,350,890
DfE Group capital grants	972,651	490,324	(18,775)	(40,648)	1,403,552
Capital expenditure from GAG	534,612	-	(35,553)	-	499,059
	<u>5,959,141</u>	<u>490,324</u>	<u>(155,316)</u>	<u>(40,648)</u>	<u>6,253,501</u>
<b>Total restricted funds</b>	<u>4,729,141</u>	<u>4,301,764</u>	<u>(4,151,776)</u>	<u>265,212</u>	<u>5,144,341</u>
<b>Unrestricted funds</b>					
General funds	24,151	213,861	(130,230)	(107,782)	-
Designated fixed assets	376,197	-	(41,987)	74,570	408,780
	<u>400,348</u>	<u>213,861</u>	<u>(172,217)</u>	<u>(33,212)</u>	<u>408,780</u>
<b>Total funds</b>	<u>5,129,489</u>	<u>4,515,625</u>	<u>(4,323,993)</u>	<u>232,000</u>	<u>5,553,121</u>

**THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**20 Analysis of net assets between funds**

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
<b>Fund balances at 31 August 2019 are represented by:</b>				
Tangible fixed assets	347,608	-	6,258,191	6,605,799
Current assets	161,214	156,378	74,589	392,181
Creditors falling due within one year	(68,369)	(129,343)	(72,850)	(270,562)
Defined benefit pension liability	-	(1,743,000)	-	(1,743,000)
<b>Total net assets</b>	<b>440,453</b>	<b>(1,715,965)</b>	<b>6,259,930</b>	<b>4,984,418</b>

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
<b>Fund balances at 31 August 2018 are represented by:</b>				
Tangible fixed assets	408,780	-	6,098,648	6,507,428
Current assets	207,029	95,547	365,564	668,140
Creditors falling due within one year	(205,078)	(63,707)	(210,711)	(479,496)
Creditors falling due after one year	(1,951)	-	-	(1,951)
Defined benefit pension liability	-	(1,141,000)	-	(1,141,000)
<b>Total net assets</b>	<b>408,780</b>	<b>(1,109,160)</b>	<b>6,253,501</b>	<b>5,553,121</b>

**21 Capital commitments**

	2019 £	2018 £
Expenditure contracted for but not provided in the financial statements	-	150,580

**22 Commitments under operating leases**

At 31 August 2019 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Amounts due within one year	41,532	26,925
Amounts due between one and five years	111,436	79,610
	<b>152,968</b>	<b>106,535</b>

# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

<b>23 Reconciliation of net (expenditure)/income to net cash flow from operating activities</b>		
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(119,703)	191,632
Adjusted for:		
Capital grants from DfE and other capital income	(151,746)	(490,324)
Interest receivable	(245)	(202)
Defined benefit pension scheme costs less contributions payable	120,000	111,000
Defined benefit pension scheme finance cost	33,000	32,000
Depreciation of tangible fixed assets	248,462	197,303
<b>Movements in working capital:</b>		
Decrease/(increase) in debtors	11,876	(55,438)
(Decrease) in creditors	(64,399)	(38,541)
<b>Net cash provided by/(used in) operating activities</b>	<b>77,245</b>	<b>(52,570)</b>

## 24 Members' liability

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

## 25 Pension and similar obligations

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

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

Contributions amounting to £35,215 (2018: £35,454) were payable to the schemes at 31 August 2019 and are included within creditors.

### Teachers' Pension Scheme

#### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 2014.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer.

# THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

#### 25 Pension and similar obligations (Continued)

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

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 except it has been prepared following the Government's decision to pause the operation of the cost control mechanisms at the time when legal challenges were still pending.

The valuation report was published in April 2019. The key results of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19.) DfE has agreed to pay a teachers' pension employer contribution grant to cover the additional costs during the 2019-20 academic year.

The employer's pension costs paid to the TPS in the period amounted to £278,308 (2018: £292,789).

The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme as a defined benefit plan so it is accounted for as a defined contribution plan.

##### 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 2019 was £202,000 (2018 - £186,000), of which employer's contributions totalled £165,000 (2018 - 149,000) and employees' contributions totalled £37,000 (2018 - £37,000). The agreed contribution rates for future years are 12.9 per cent for employers and 5.5 to 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

Total contributions made	2019 £	2018 £
Employer's contributions	165,000	149,000
Employees' contributions	37,000	37,000
Total contributions	<u>202,000</u>	<u>186,000</u>

# **THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 AUGUST 2019**

### **25 Pension and similar obligations (Continued)**

#### **Principal actuarial assumptions**

The following information is based upon a full actuarial valuation of the fund at 31 March 2016 updated to 31 August 2019 by a qualified independent actuary.

	2019 %	2018 %
Rate of increase in salaries	3.3	3.4
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	1.8	2.8

The assumed life expectations on retirement age 65 are:

	2019 Years	2018 Years
Retiring today		
- Males	21.2	22.1
- Females	23.4	24.3
Retiring in 20 years		
- Males	22.2	23.8
- Females	24.7	26.2

#### **The Academy Trust's share of the assets in the scheme**

	2019 Fair value £	2018 Fair value £
Equities	1,101,420	996,340
Bonds	588,690	433,890
Property	151,920	144,630
Other assets	56,970	32,140
Total fair value of assets	1,899,000	1,607,000

The actual return on scheme assets was £110,000 (2018: £68,000).

#### **Amount recognised in the Statement of Financial Activities**

	2019 £	2018 £
Current service cost	242,000	260,000
Net interest cost	33,000	32,000
Plan introductions, changes, gain/(loss) on curtailment and gain/(loss) on settlement	43,000	-
Total operating charge	318,000	292,000

# **THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE)**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 AUGUST 2019**

### **25 Pension and similar obligations (Continued)**

Changes in the present value of defined benefit obligations	2019 £
At 1 September 2018	2,748,000
Current service cost	242,000
Interest cost	80,000
Employee contributions	37,000
Actuarial loss/(gain)	512,000
Benefits paid	(20,000)
Past service cost	43,000
At 31 August 2019	<u>3,642,000</u>

Changes in the fair value of the Academy Trust's share of scheme assets	2019 £
At 1 September 2018	1,607,000
Interest income	47,000
Return on plan assets (excluding net interest on the net defined pension liability)	63,000
Employer contributions	165,000
Employee contributions	37,000
Benefits paid	(20,000)
At 31 August 2019	<u>1,899,000</u>

The current valuation does not reflect the expected increase in benefits and therefore liability as a result of Guaranteed Minimum Pension ('GMP') equalisation between men and women which is required as a result of the removal of the Additional State Pension. Methodologies for a long-term solution are still being investigated by the Government as set out in the published (January 2018) outcome of the Government Consultation 'Indexation and Equalisation of GMP in Public Sector Pensions Schemes' and therefore the expected impact cannot be reliably estimated and consequently no provision/liability has been recognised.

The current valuation reflects the implication of the McCloud judgement. A past service costs of £43,000 has been recognised in the year as a result of this.

### **26 Related party transactions**

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

No such related party transactions have occurred in the year, other than certain Trustees remuneration and expense already included in note 11. Key management personnel disclosures are included in note 10.



# **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE) AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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## **Conclusion**

We have carried out an engagement in accordance with the terms of our engagement letter dated 1 November 2016 and further to the requirements of the Education and Skills Funding Agency ("ESFA") as included in the Academies Accounts Direction 2018 to 2019, to obtain limited assurance about whether the expenditure disbursed and income received by The Kibworth School (formerly known as Kibworth High School a Community Technology College) during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

## **Basis for conclusion**

The framework that has been applied is set out in the Academies Accounts Direction 2018 to 2019 Part 9: Regularity Reporting. We are independent of The Kibworth School (formerly known as Kibworth High School a Community Technology College) in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

## **Responsibilities of The Kibworth School (formerly known as Kibworth High School a Community Technology College)'s accounting officer and Trustees**

The Accounting Officer is responsible, under the requirements of The Kibworth School (formerly known as Kibworth High School a Community Technology College)'s funding agreement with the Secretary of State for Education dated 1 September 2014 and the Academies Financial Handbook, extant from 1 September 2018, 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. The Accounting Officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of The Kibworth School (formerly known as Kibworth High School a Community Technology College) and appointment of the Accounting Officer.

## **Reporting Accountant's responsibilities for reporting on regularity**

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 2018 to 2019.

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 the procedures vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes identified by Parliament or that the financial transactions do not conform to the authorities which govern them.

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON  
REGULARITY TO THE KIBWORTH SCHOOL (FORMERLY KNOWN AS KIBWORTH  
HIGH SCHOOL A COMMUNITY TECHNOLOGY COLLEGE) AND THE EDUCATION AND  
SKILLS FUNDING AGENCY (CONTINUED)**

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Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academies Financial Handbook 2018 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in Academies Accounts Direction 2018 to 2019.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

**Use of our report**

This report is made solely to The Kibworth School (formerly known as Kibworth High School a Community Technology College) and the ESFA in accordance with the terms of our engagement letter dated 1 November 2016. Our work has been undertaken so that we might state to the The Kibworth School (formerly known as Kibworth High School a Community Technology College) and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Kibworth School (formerly known as Kibworth High School a Community Technology College) and the ESFA, for our work, for this report, or for the conclusion we have formed.

*RSM UK Audit LLP*

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Dated: 18/12/19