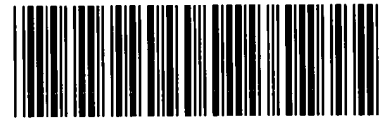


Signed

**Ashby School**  
**(A Company Limited by Guarantee)**  
**Annual Report and Financial Statements**  
**Period ended 28 February 2021**

**Company Registration Number:**  
**08126868 (England and Wales)**

THURSDAY



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COMPANIES HOUSE



**Ashby  
School**

**Empowered to Learn**

# **ASHBY SCHOOL**

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## ASHBY SCHOOL

### REFERENCE AND ADMINISTRATIVE DETAILS

PERIOD ENDED 28TH FEBRUARY 2021

#### Members

Elaine Blunt

Alan Davies (resigned 11 January 2021)

Kay Davies

#### Trustees

Alan Davies\* (resigned 11 January 2021)

Nicola Koncarevic (Principal and Accounting Officer)  
(appointed 12 April 2021)

Alison Bennett (resigned 30 September 2021)

Charlotte Sutton

Clare Bridges (resigned 1 March 2021)

Craig Silcock\*

Elaine Blunt (Chair)

Estelle Vincent

Fiona McCafferty (Staff trustee)

Geoff Staniforth\* (Principal and Accounting Officer) (resigned  
30 April 2021)

Kay Carpenter (nee Davies)\*

Lawrence Robinson

Neville Morrison\*

Nicholas Sutherland\*

Peter McBride\*

Peter Page (Staff trustee)

Ralph Weir (resigned 6 September 2020)

Roy Eady

Waseem Chauhan (Staff trustee) (resigned 26 October  
2020)

\*Members of the Finance and General Purposes  
Committee

#### Senior Leadership Team

Head teacher

Geoff Staniforth / Nicola Koncarevic from 12 April 2021

Deputy Head Teacher

Jevon Hirst

Deputy Head Teacher and Director of Post 16 Studies

Vikki Rundle-Brown

School Business Manager

Andrew Burton

Director of Key Stage 4

Andrew Binns

Director of Teaching and Learning

Alison Jackson

Behaviour Lead

Roger Skervin

Intervention Lead

Catherine Matthews

Exam and Cover Lead

Phil Newman

Company Name

Ashby School

Principal and Registered Office

Ashby School  
Nottingham Road  
Ashby de la Zouch  
Leicestershire

Company Registration Number

LE19 1RJ

08126868 (England and Wales)

**Independent Auditor**

**Burrows Scarborough Chartered Accountants and  
Statutory Auditor**

**12 Warwick Street**

**Coventry**

**CV5 6ET**

**Bankers**

**NatWest Bank PLC**

**54 Market Street**

**Ashby de la Zouch**

**Leicestershire**

**LE65 1DT**

**Solicitors**

**Leicestershire County Legal Services**

**County Hall**

**Glenfield**

**Leicester**

**LE3 8RF**

## **ASHBY SCHOOL**

### **TRUSTEES' REPORT**

**FOR THE PERIOD ENDED 28<sup>TH</sup> FEBRUARY 2021 (Continued)**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1st September 2020 to 28th February 2021. The annual report serves the purposes of both a trustee's report, and a directors' report under company law.

The Academy Trust operates an Academy for pupils aged 14 to 19 serving a catchment area in north Leicestershire. It has a pupil capacity of 1842 and had a roll of 1711 in the January school 2021 census.

#### **Structure, Governance and Management**

##### **Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Ashby School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Ashby School.

Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1-2.

##### **Members' Liability**

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

##### **Trustees' Indemnities**

Governors benefit from indemnity insurance to cover the liability of the Governors 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.

##### **Method of Recruitment and Appointment or Election of Trustees**

The appointment and recruitment of Governors is outlined in the Articles of Association. Governors may appoint up to five Community Governors (Co-opted) by a majority vote. The appointment of three Staff Governors is via a process of a staff ballot. The appointment of five Parent Governors is made via a parent ballot. The Endowed Schools Foundation may appoint one Foundation Governor by giving written notice to the Academy.

##### **Policies and Procedures Adopted for the Induction and Training of Trustees**

Governor induction training forms part of a programme of extensive specialized training which is available through the local network of schools to support all new Governors. The Academy buys into the Leicestershire LA Governor Development Service which offers further Governor training. An internal training day for Governors is held at the Academy in the Spring Term to cover specific curriculum initiatives.

The Governors also subscribe to the Ashby Learning Community and the Forest Way Schools Teaching Alliance, and training and additional courses are offered through the Academy's Link Governor. A skills matrix is maintained to help identify areas of strength and areas requiring further support. Attendance at training events is recorded and when appropriate a report of the event is shared with all the governors.

##### **Organisational Structure**

The Governing Body is responsible for setting the strategic framework for the Academy including its aims and objectives, policies and targets for achieving the objectives, and for reviewing the progress of the Academy by providing support and

## ASHBY SCHOOL

### TRUSTEES' REPORT

FOR THE PERIOD ENDED 28<sup>TH</sup> FEBRUARY 2021 (Continued)

challenge to the leadership team. It also sets the annual budget, ensures the solvency of the Academy and oversees the arrangements in place to enable all statutory responsibilities to be met.

The roles and responsibilities for the Governing Body and its sub-committees are reviewed at the start of each academic period and are identified in the Roles and Responsibilities and Decision Planner.

There are three sub-committees in place to which specific responsibilities are delegated by the main Governing Body. Each sub-committee is convened and serviced by a member of the leadership team and meets termly.

These are:

- **Finance and General Purposes Committee** - monitors and evaluates financial management and property matters, including the health and safety of the academy and carries out the functions of an audit committee;
- **Curriculum Committee** – monitors all learning and other experiences that the school provides for its students, with responsibility for monitoring examination results, teaching of the curriculum, reviewing the assessment policy, provision for pupils with special educational needs, exceptional ability or those on the Pupil Premium register;
- **Personnel Committee** – monitors the Performance Management Policy which includes induction and continuing professional development, the school's welfare and safeguarding procedures, formulates pay policies for teaching and support staff and reviews staffing levels and recruitment procedures; and

The Senior Leadership Team is responsible to the Governors for the implementation and monitoring of plans and policies, student safeguarding, education policies and the day-to-day operation of the Academy. They also provide advice to Governors on a range of educational and business management functions.

The Governors have approved a scheme of financial delegation that allows financial responsibilities to be delegated within appropriate limits to facilitate the effective running of the Academy.

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

Decisions for setting the pay and remuneration of Academy staff which includes payment of pay awards and performance related pay are made by the Governors Personnel Committee during the Autumn Term taking into account any recommendations made by the School Teachers' Review Body and Public Sector Pay Review Body. Day to day responsibility for personnel management has been delegated to the Accounting Officer and the Academy currently subscribes to the Leicestershire County Council Payroll and HR Services as part of a rolling service level agreement.

#### Trade union facility time Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	2

#### Percentage of time spent on facility time

Percentage of time	Number of employees
0%	2
1%-50%	
51%-99%	
100%	

**ASHBY SCHOOL**

**TRUSTEES' REPORT**

**FOR THE PERIOD ENDED 28<sup>TH</sup> FEBRUARY 2021 (Continued)**

**Percentage of pay bill spent on facility time**

Provide the total cost of facility time	£0
Provide the total pay bill	£3,907,000
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0 %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	0%
--	----

**Related Parties and other Connected Charities and Organisations**

The Academy is a member of the Ashby and Coalville Educational Partnership (ACE) which works to support the outcomes for all young people in North West Leicestershire. The partnership develops common policies, agrees a number of shared priorities and is working together in developing a consistent approach to assessment across KS3 and KS4. The ACE Partnership has ceased trading as of 31 August 2020.

## **ASHBY SCHOOL**

### **TRUSTEES' REPORT**

**FOR THE PERIOD ENDED 28<sup>TH</sup> FEBRUARY 2021 (Continued)**

## **Objectives and Activities**

### **Objects and Aims**

The Academy Trust's object is specifically restricted to the following:

- To advance for the public benefit, education by 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 Ashby-de-la-Zouch and the surrounding area who have need by reason of their age, disability, financial hardship or social and economic circumstances, the provision of facilities for recreation or other leisure time activities.

The aims of the Academy are:

- To provide an inclusive environment that welcomes and supports all students to be successful;
- To provide activities and events beyond the curriculum that provide students with a wide range of enrichment opportunities;
- To ensure that learning opportunities are of the highest quality, thus enabling students to achieve their academic potential; and
- To encourage students to develop and grow into mature and responsible citizens through our commitment to the local and wider community.

### **Objectives, Strategies and Activities**

The School Improvement Plan had a focus on improving outcomes and at the heart of our work has been a continued focus on further development of the quality of teaching and learning at both KS4 and KS5. Multiple Covid-19 lockdowns have led to a revised timetable for all year groups, and the continued use of Ashby Virtual School and of Microsoft Teams. This has ensured that high quality teaching would continue to be delivered and that where possible the academy curriculum plan was followed closely. This was aided by the provision of additional laptops as detailed below using the academy resources and the DFE Laptop for Schools scheme.

The academy had a focus on improving the quality of education and thus outcomes in key identified faculty areas. All internal analysis indicated that the academy would be achieving a positive progress measure at both KS4 and KS5. The cancellation of the examinations in 19/20 and the resultant use of centre assessed grades has reflected this but these have not been verified by external sources.

The academy is currently in the process of joining the LIFE Multi Academy Trust in March 2021 and is also consulting parents on proposals to change its age range and become an 11-18 school in the Autumn Term 2022.

Following recommendations from Ofsted in October 2019 the Academy has embarked on a huge restructuring of the school site to create separate sites, and improve the safety of, KS4 and KS5 students. This involved converting the Leicester Road languages building into science laboratories, some Nottingham Road science laboratories to classrooms as well as a number of other refurbishment changes to other classrooms throughout the school site.

In 2019/20 the academy successfully applied for £176k of extra funding from the Department for Education (DFE) Condition Improvement Fund (CIF) to enable new security fencing and additional gates to be erected around the school and playing fields to ensure the security of students and staff whilst on site. The majority of this work has been completed and the safeguarding concerns raised by Ofsted have now been addressed. The outstanding portion crosses a public footpath, we are seeking guidance on how to proceed to achieve the original specification.



## **ASHBY SCHOOL**

### **TRUSTEES' REPORT**

**FOR THE PERIOD ENDED 28<sup>TH</sup> FEBRUARY 2021 (Continued)**

Ashby School has continued to face a number of challenges resulting from multiple national lockdowns. The school has continued to focus on remote learning and how technology can support the delivery of education. We have continued to implement Microsoft Teams to support our delivery of education, along with Microsoft-365 cloud. Last year we provided over 100 laptops to students, along with 34 government laptops, to students who did not have access to IT equipment during the lockdown period. Ashby School has worked to overcome the challenges of maintaining our level of support for both staff and students whilst using technology at home.

In 2019/20 the school had secured Section 106 funding of £920K for a six classroom extension, to the English faculty on the Nottingham Road site. Construction began in August 2020 and has significant progress, with an opening date estimated early in autumn 2021.

In January 2021, a burst pipe in a ceiling void resulting in significant flood damage to the Science/Languages Block on the Sixth form site. Repair work has been completed over the Easter holidays, all costs are being claimed through insurance. The block is set to reopen May 2021.

A further major development arising from the creation of the sixth form campus is the conversion of part of the former boarding house to a new sixth form centre offering outstanding facilities for study work and catering.

#### **Public Benefit**

The Governors of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. The activities undertaken to further the Academy Trust's purpose for the Public Benefit include:

- Providing an extensive programme of extra - curricular activities for students;
- Providing a range of opportunities for alternative curriculum students;
- Provision of free buses to enable full participation in after school activities; and
- Provide support for our most vulnerable students.

In setting our objective and planning out activities the Trustees have carefully considered the charity commission's general guidance on public benefit.

#### **STRATEGIC REPORT**

##### **Achievements and Performance**

In 2019/20 the academy had multiple successes across both KS4 and KS5 across a range of curriculum areas. The Department for Education have again chosen to cancel all national exams in 2020/21, opting again to use Teacher Assessed Grades (TAG).

As the Academy has not yet undertaken an exam cycle in the period 1<sup>st</sup> September 2020 to 28<sup>th</sup> February 2021, the academy's KPIs remain unchanged.

##### **Key Performance Indicators**

Due to the national cancellation of all examinations in 2020 and the subsequent use of centre assessed grades there will be no national analysis and publication of performance data.

In the 19/20 academic year, the academy tracked all students' progress throughout the year. Robust systems were put in place to ensure the centre assessed grades reflected the most likely grade each student would have achieved. The academy had conducted some analysis of the centre assessed grades but they did not have external validation.

- Internal analysis indicates the expected improvement at KS4;
- Overall QI Grade 3 Above average;
- Female QI Grade 2 Above average;
- Male QI Grade 5 In line; and

## ASHBY SCHOOL

### TRUSTEES' REPORT

FOR THE PERIOD ENDED 28<sup>TH</sup> FEBRUARY 2021 (Continued)

- Disadvantaged Grade 5 In line.

There were expected increases in Design & Technology, English Language and Literature, French and Maths reflecting the work that had taken place to improve the quality of education.

- At KS5 there were significant improvements;
- Overall QI Grade 3 Above average;
- Female QI Grade 2 Above average; and
- Male QI Grade 4 Above average.

Improvements were made in key subjects of Economics, English Language and Literature, German and Maths with no subject now in a concern category.

Internal analysis indicates expected improvements at KS4 with specific improvements in Design and Technology. English Language and Literature and Maths. At KS5 internal analysis suggests significant improvements, with above average performance. Improvements were made in key subjects with no subject now in a concern category.

Teacher assessed grades due to be issued in the summer, will be reviewed and analysed for future reports.

#### Going Concern

In March 2021, the academy will be joining LiFE Multi-Academy trust. The Trustees have concluded that, as the charitable company is planning to cease activity as at March 2021 and assets are to be transferred to the LiFE Multi Academy Trust, they intend to liquidate the company in due course. Thus they will not adopt the going concern basis of accounting in preparation of the financial statements.

#### Financial Review

In 2020/21 the Academy set a balanced budget (with no planned use of reserves) The Academy did receive extra money from the government during the year to help meet the additional costs of teachers pay and pensions. The actual position of the reserves is detailed below.

The levels of teaching and support staff set at the start of the year were maintained during the year. Benchmarking of similar organisations has been undertaken and will be used to inform future discussions and set targets for our future performance.

The main proportion of the Academy's income is obtained from the Department for Education (DFE) via the ESFA in the form of a General Annual Grant (GAG), the use of which is restricted for particular purposes. Such grants and all associated expenditure is shown as restricted funds in the Statement of Financial Activities for the year ended 28<sup>th</sup> February 2020. The Academy also generates funds from other activities, and these are classed as unrestricted funds. In addition, the Academy has received Pupil Premium funding to address the inequalities between children eligible for free school meals and their peers. Additional SEN funding has also been received to support students with high needs.

A three year budget plan has been reviewed throughout the year by the Finance and General Purposes Committee and the impact of reductions in future levels of funding arising from the impact on student numbers from age range change in other schools and a proposed restructuring. This indicates that it is anticipated that the finances of the Academy will become increasingly tight and provision has been made within the Academy's reserves so we can continue to support future expenditure. This has been achieved without compromising the quality of education offered to our students, whilst being able to significantly invest in improvements to the school environment and IT provision. The proactive approach to long term budget planning means that the Academy will be best placed to meet the challenges that future funding changes will bring.

## ASHBY SCHOOL

### TRUSTEES' REPORT

FOR THE PERIOD ENDED 28<sup>TH</sup> FEBRUARY 2021 (Continued)

At this time the Academy is still forecasting a balanced budget, but age range change in 2022 will have a significant impact on these forecasts. Part of the action to mitigate this risk is the joining of the LiFE Multi-Academy trust. This will allow Ashby School to more effectively work with the local school involved in the age range change process and reduce any serious impact on the reserves of the academy.

The Academy's finance policy and scheme of delegation was updated and approved by Governors on 28<sup>th</sup> September 2020. This document sets out key financial responsibilities as outlined in the ESFA's Academies Financial Handbook and the ESFA's CEO annual letter to the Accounting Officer. All expenditure of the Academy Trust is made in accordance with this Policy which supports the aims of the School Improvement Plan.

#### Reserves Policy

It is the policy of the Governing Body to seek to maximise the use of revenue funds available for the students in the present cohort, with reserves being clearly identified for long term budget planning and long term predetermined capital projects. A reserves policy was updated and agreed by Governors on 28<sup>th</sup> September 2020.

The Academy holds reserves in anticipation of reductions in future levels of funding as it is expected that the finances of the Academy will become increasingly tight. These reserves are likely to reduce significantly over the next three financial periods. The Governors will continue to review long term financial planning and retain appropriate funds for future plans where this can be achieved without compromising the quality of education offered to students.

Unrestricted funds to be carried forward are set aside for future improvements to the site.

At 28 February 2021 the total funds comprised:		£
Unrestricted		250,000
Designated		400,000
Restricted:	Fixed asset funds	20,016,000
	Unspent committed S106	746,000
	GAG	308,000
Pension		(5,747,000)
Total Reserves		<u>15,973,000</u>

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teacher's scheme, separate assets are held to fund future liabilities as discussed in note 23. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the funds.

#### Investment Policy

The Governors agreed an updated version of the Academy's investment policy on 28<sup>th</sup> September 2020.

At present the Academy only holds a current account. Previously Ashby School held an interest bearing reserve account and a higher interest charity savings account but due to the move into LiFE Multi Academy Trust, management and governors made the decision to consolidate all monies held into a single bank account in February 2021, to help with the transition.

No investment will be made in stocks, shares or any other investment vehicle where there is any risk to the capital element.

At the end of the reporting year, interest rates have been reviewed with the Academy's Banking Relationship Manager and compared with other investment opportunities available. This process will be repeated periodically, on at least an annual basis.

## **ASHBY SCHOOL**

### **TRUSTEES' REPORT**

**FOR THE PERIOD ENDED 28<sup>TH</sup> FEBRUARY 2021 (Continued)**

#### **Principal Risks and Uncertainties**

The Academy Trust practices through its Board, namely the Governing Body and the constituted subcommittees, risk management principles. Any major risks highlighted at any sub-committee are brought to the Governing Body with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior and/or middle leadership teams.

The Academy's Risk Register and Risk Policy is updated throughout the period. These were discussed and reviewed by Governors on 28 September 2020 as well as at each subsequent meeting.

The principal risks facing the Academy are included in the Risk Register and include:

- Strategic and Reputational Risks;
- Operational Risks;
- Compliance Risks; and
- Financial Risks.

Control measures are in place to manage the identified risks; the key risks include:

- Loss of (or reduction in) funding;
- Not operating within its budget and running a deficit;
- Inappropriate or insufficient financial controls and systems;
- Funding of pension deficits under the Local Government Pension Scheme;
- Changing demography resulting in falling rolls; and
- Loss of reputation.

The key controls used by the Academy to reduce risk include:

- Detailed terms of reference for all committees;
- Formal agendas for the Academy Governing Body and committees;
- Formal written policies covering all identified risks;
- Formal procedures for financial delegated powers;
- Clear authorisation and approval levels;
- Annual self-evaluation of Payroll, Financial, Catering, IT and Health & Safety procedures;
- Termly agenda of the Finance and General Purposes Committee;
- Formal response to audit action plans;
- Annual training of all Accounts staff on avoiding fraud and scams; and
- Responding to national and local guidance's in respect of COVID19.

#### **Fundraising**

In the financial year, Ashby School did not undertake any fundraising activities as set out in the Charities Act 1992.

#### **Plans for Future Periods**

We intend to build on our success in the last academic period and continue to provide both a strong academic platform and a varied and exciting enrichment programme.

In the academic year ending August 2021 we will be setting targets based on ALPS at key stage 4, with the intention of having a progress 8 score above zero. At key stage 5 we aim to maintain or improve our ALPS grade and have a value added score of zero or better. A specific post 16 focus will be on increasing the number of students receiving teaching that is ALPS

**ASHBY SCHOOL**

**TRUSTEES' REPORT**

**FOR THE PERIOD ENDED 28<sup>TH</sup> FEBRUARY 2021 (Continued)**

grade 3 or above. We intend to further improve our overall attendance figures and in particular target the attendance rates of our more vulnerable students.

The Governors are committed to further investment in both ICT and our infra-structure and intend to plan for further improvement facilities for the new sixth form centre and an expansion of catering facilities on the Nottingham Road site as part of preparations for incoming KS3 students in the Autumn Term 2022.

A balanced revenue budget for 2020/21 has been approved by the Governing Board that reflects these changes and the surplus balance will be continually monitored and reported throughout the financial year, with some of the balance used as a contribution to the capital projects.

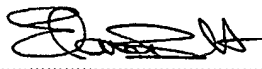
The Governors are committed to keeping our staffing costs in line with national benchmarks and ensuring that we were able to set a balanced in-year budget.

**AUDITOR**

Insofar as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 21 June 2021 and signed on the board's behalf by:



**Elaine Blunt**  
Chair of Trustees

Date: 21 June 2021

## ASHBY SCHOOL

### GOVERNANCE STATEMENT

FOR THE YEAR ENDED 28TH FEBRUARY 2021

#### Scope of Responsibility

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

As Trustees we have reviewed and taken account of the guidance in DfE's governance handbook and competency framework for governance.

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

#### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met once during the year plus an additional 2 Extra-ordinary meetings. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings Attended	Out of a possible
Alan Davies	3	3
Alison Bennett	2	2
Charlotte Sutton	5	5
Clare Bridges	5	5
Craig Silcock	5	5
Elaine Blunt (Chair)	5	5
Estelle Vincent	5	5
Fiona McCafferty	5	5
Geoff Staniforth (Principal and Accounting Officer)	5	5
Kay Carpenter	5	5
Lawrence Robinson	5	5
Nicholas Sutherland	4	5
Neville Morrison	5	5
Peter McBride	5	5
Peter Page	5	5
Ralph Weir	0	0
Roy Eady	5	5
Waseem Chauhan	1	2

In the last period there have been no new appointments to the Board of Trustees and four resignations. The Governors have completed a review of the Board of Governors in respect of the number of the terms of office coming to an end of a four-year cycle in August 2020.

CPD practice at the school is outstanding and in our CPD mark assessment, no significant weaknesses were identified. A link Governor Role for CPD has been established and the nominated Governor coordinates training sessions, to ensure governors are fully updated of educational developments.

## ASHBY SCHOOL

### GOVERNANCE STATEMENT

FOR THE YEAR ENDED 28TH FEBRUARY 2021

The Trustees have considered the quality of the data they receive and consider it to be adequate for the purposes of overseeing the work of the Academy. Their assessment has been made having regard to externally validated data, which is consistent with that received from within the Academy and data provided by the work of the internal and external auditors.

The Finance and General Purposes Committee is a sub-committee of the main Board of Trustees. Its purpose is, in consultation with the Head teacher and Business Manager, to draft the first formal budget plan of the year, establish and maintain an up-to-date three year financial plan, monitor and forecast relevant income and expenditure for all areas, report significant anomalies, ensure the school operates in accordance with the financial regulations and the direction of the Education and Skills Funding Agency, annually review the Academy's scale of charges, oversee the arrangements for competitive tendering, and review and update policies relating to financial matters.

It also carries out the functions of an Audit Committee by driving the process of independent checking of financial controls, systems, transactions and risks. It also receives the termly report from the Health and Safety Committee.

Attendance at meeting in the period was as follows:

Trustee	Meetings Attended	Out of a possible
Alan Davies	2	2
Craig Silcock	2	2
Elaine Blunt (Chair)	2	2
Geoff Staniforth (Principal and Accounting Officer)	2	2
Kay Carpenter	2	2
Nicholas Sutherland	2	2
Neville Morrison	1	2
Peter McBride	2	2

### Review of Value for Money

As Accounting Officer, the Head teacher 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 outcome achieved in return for the taxpayer resources received.

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

- Ensuring the school has performed in line with academic targets at both KS4 and KS5.
- Reviewing our provision for disadvantaged students following Ofsted recommendations and introduced several initiatives to improve outcomes for these students.
- Increasing spending on alternative curriculum, SEND and pupil premium strategies.
- Reviewing procedures and staffing to improve attendance levels for all students.
- Carrying out benchmarking comparisons in teaching expenditure, pupil teacher ratio, average salaries and pupil contact ratios
- Using financial benchmarking data to monitor staff costs and ensure that levels are in accordance with DfE recommended levels. As a member of the Leicestershire Academies Forum the Business Manager has been able to engage in discussions with other academies to scrutinise the costs of services.
- Secured additional funding from the DfE's Condition Improvement Fund for a new heating system in the Leicester Road Science Block and security fencing throughout the whole site.
- Carrying out a staffing review leading to in period appointments of an extended leadership team, an Education Welfare Office, and full time Medical Supervisor.
- Reviewing the boarding house provision and prepare a business case for ceasing boarding provision due to an ongoing decline in boarding applications.

## **ASHBY SCHOOL**

### **GOVERNANCE STATEMENT**

**FOR THE YEAR ENDED 28TH FEBRUARY 2021**

- Working closely with local schools to mitigate the risk to future funding arising from decisions to change their age range.
- Completing risk assessments for Covid-19, fire procedures, and a whole school health and safety audit and engage in ongoing discussions with the Governors' Finance and General Purposes Committee about risks identified in the risk register.

#### **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 school 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 Ashby School for the period 1st September 2020 to 28 February 2021 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1st September 2020 to 28 February 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

#### **The Risk and Control Framework**

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts
- Regular reviews 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 has considered the need for a specific internal audit function and has decided to appoint Leicestershire County Council Internal Audit Service as internal auditor. The internal auditor's role includes giving advice on financial matters, performing a wide range of checks on the Academy's financial systems.

The Leicestershire County Councils Internal Audit Functions Service includes advice on financial matters and performing a range of checks on the academy's trusts financial systems. In particular, the checks carried out in the current period included:

- Testing of payroll systems;
- Testing of purchase systems;



## ASHBY SCHOOL

### GOVERNANCE STATEMENT

FOR THE YEAR ENDED 28TH FEBRUARY 2021

- Testing of sales systems;
- Testing of control account/ bank reconciliations; and
- Testing of income received.

On an annual basis, auditor reports to the Board of Trustees, through the finance and general purposes committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and prepares an annual summary report to the committee outline the areas reviews, key findings, recommendations and conclusions to help the committee consider actions and assess period on period progress.

#### Review of Effectiveness

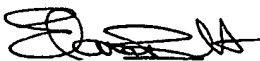
As accounting officer, the Head teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

A full internal audit was carried out by Leicestershire County Council in September. The internal audit concluded that many of the school's systems of internal control are very strong indeed.

The Accounting Officer is advised of the results from the continuous review of the system of internal control and, in conjunction with the Finance and General Purposes Committee, a plan to address any weaknesses and ensure continuous improvement of the system is put in place.

Approved by order of the members of the Board of Trustees on 21 June 2021 and signed on its behalf by:



**Elaine Blunt**

Chair of Trustees



**Nicola Koncarevic**

Accounting Officer and Head teacher

**ASHBY SCHOOL**

**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

**FOR THE YEAR ENDED 28TH FEBRUARY 2021**

As accounting officer of Ashby School I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy 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 2019.

I confirm that I and the Academy Trust 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 2019.

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



**Nicola Koncarevic**

**Accounting Officer**

21 June 2021

## ASHBY SCHOOL

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 28TH FEBRUARY 2021

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

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

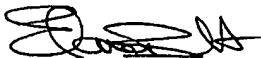
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards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

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

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

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

Approved by order of the members of the board of trustees on 21 June 2021 and signed on its behalf by:



**Elaine Blunt**

Trustee

## **ASHBY SCHOOL**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASHBY SCHOOL**

**FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)**

#### **Opinion**

We have audited the financial statements of Ashby School (the 'academy') for the period ended 28 February 2021 which comprise the Statement of Financial Activities incorporating the income and expenditure account, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 28 February 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

#### **Basis for opinion**

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

#### **Emphasis of matter – financial statements prepared on a basis other than going concern**

We draw attention to the Trustees' Report which explains that the Trustees intend to liquidate the company in due course, following the transfer of the Academy to LiFE Multi Academy Trust on 1 March 2021. The Trustees therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in Note 1. Our opinion is not modified in respect of this matter.

#### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Other information includes the trustees' report (incorporating the strategic report and the directors' report), the governance statement, and the Accounting Officer's statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## **ASHBY SCHOOL**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASHBY SCHOOL**

**FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)**

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

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

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

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

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

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

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

#### **Responsibilities of trustees**

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

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

#### **Auditor'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.

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

## ASHBY SCHOOL

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ASHBY SCHOOL

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

We have assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, as low risk. Through discussions with management and review of our documented understanding of the company, we have obtained an understanding of:

- The legal and regulatory framework applicable to the company and how the company is complying with that framework.
  - The company's policies and procedures on compliance with laws and regulations, including documentation of any instances of noncompliance.
  - The company's policies and procedures on fraud risks, including knowledge of any actual, suspected or alleged fraud.
- We have identified that non-compliance with the health and safety legislation is of significance in the context of the company.

Our approach to responding to these risks was as follows:

- Enquiry of management around actual and potential litigation and claims, including health and safety.
- Enquiry of company's staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of management.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

#### Use of our report

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



**Zoe Walsh FCCA**  
**Senior Statutory Auditor**  
**For and on behalf of**  
**Burrows Scarborough**  
**Chartered Accountants**  
**Statutory Auditors**

**12 Warwick Street**  
**Coventry**  
**West Midlands**  
**CV5 6ET**

**21 June 2021**

## **ASHBY SCHOOL**

### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ASHBY SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

**FOR THE PERIOD ENDED 28TH FEBRUARY 2021**

In accordance with the terms of our engagement letter dated 3 February 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Ashby School during the period from 1 September 2020 to 28 February 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Respective responsibilities Ashby School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Ashby School's funding agreement with the Secretary of State for Education dated 8 October 2012 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2020 to 28 February 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

**ASHBY SCHOOL**

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

**FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)**

- a review of the objectives and activities of the Academy Trust, with reference to the income streams and other information available to us as auditors of the Academy Trust; • testing of a sample of grants received and other income streams;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of payroll payments to staff;
- evaluating the internal control procedures and reporting lines, and testing as appropriate;
- reviewing the Minutes of the meetings of the Board of Trustees and other evidence made available to us, relevant to our consideration of regularity; and
- consideration of governance issues.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 28 February 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Burrows Scarborough*

**Burrows Scarborough  
Chartered Accountants  
Statutory Auditors  
12 Warwick Street  
Coventry  
West Midlands  
CV5 6ET**

**21 June 2021**



# ASHBY SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 28TH FEBRUARY 2021 (Including Income and Expenditure Account)

Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 6 months ended 28 February 2021 £000	Total 2020 £000
<b>Income and endowments from:</b>					
Donations and capital grants	2	-	(35)	(35)	1,212
<i>Charitable activities:</i>					
Funding for the academy trust's educational operations	3	4,905	-	4,905	9,214
Provision of boarding facilities	27	-	-	-	242
Other trading activities	4	184	-	184	347
Investments	5	-	-	-	5
<b>Total</b>	<b>184</b>	<b>4,905</b>	<b>(35)</b>	<b>5,054</b>	<b>11,020</b>
<b>Expenditure on:</b>					
Raising funds	6	(181)	-	(181)	(364)
<i>Charitable activities:</i>					
Academy trust educational operations	7	(4,710)	(289)	(4,999)	(9,494)
Provision of boarding facilities	-	-	-	-	(499)
	<b>(181)</b>	<b>(4,710)</b>	<b>(289)</b>	<b>(5,180)</b>	<b>(10,357)</b>
<b>Net (expenditure)</b>	<b>3</b>	<b>195</b>	<b>(324)</b>	<b>(126)</b>	<b>663</b>
Transfer between funds	16	(160)	160	-	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains (losses) on defined benefit pension schemes	23	(494)	-	(494)	922
<b>Net movement in funds</b>	<b>3</b>	<b>(459)</b>	<b>(164)</b>	<b>(620)</b>	<b>1,585</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	647	(4,980)	20,926	16,593	15,008
<b>Total funds carried forward</b>	<b>650</b>	<b>(5,439)</b>	<b>20,762</b>	<b>15,973</b>	<b>16,593</b>

# ASHBY SCHOOL

## BALANCE SHEET

28TH FEBRUARY 2021

	Notes	2021 £000	2021 £000	2020 £000	2020 £000
<b>Fixed assets</b>					
Tangible assets	12		20,016		20,036
<b>Current assets</b>					
Stocks	13	6		4	
Debtors	14	1,066		1,287	
Cash at bank and in hand		1,361		1,678	
		<u>2,433</u>		<u>2,969</u>	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	15	(729)		(1,348)	
<b>Net current assets</b>			<u>1,704</u>		<u>1,621</u>
<b>Total assets less current liabilities</b>			<u>21,720</u>		<u>21,657</u>
<b>Net assets excluding pension liability</b>			<u>21,720</u>		<u>21,657</u>
Defined benefit pension scheme liability	23		(5,747)		(5,064)
<b>Total net assets</b>			<u>15,973</u>		<u>16,593</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund(s)	16	20,762		20,926	
Restricted income fund(s)	16	308		84	
Pension reserve	16	(5,747)		(5,064)	
<b>Total restricted funds</b>			15,323		15,946
<b>Unrestricted income funds</b>	16	650		647	
<b>Total unrestricted funds</b>			650		647
<b>Total funds</b>			<u>15,973</u>		<u>16,593</u>

The financial statements on pages 23 to 47 were approved by the trustees, and authorised for issue on 21 June 2021 and are signed on their behalf by:



**Elaine Blunt**  
Trustee



**Nicola Koncarevic**  
Head teacher and Accounting Officer

Company Limited by Guarantee  
Registration Number 08126868

**ASHBY SCHOOL**

**CASH FLOW STATEMENT**

**FOR THE PERIOD ENDED 28TH FEBRUARY 2021**

	Notes	<b>2021 £000</b>	<b>2020 £000</b>
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	19	42	(564)
<b>Cash flows from investing activities</b>	20	(359)	391
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(317)</u>	<u>(173)</u>
Cash and cash equivalents at 1 September 2020		1,678	1,851
<b>Cash and cash equivalents at 28 February 2021</b>		<u>1,361</u>	<u>1,678</u>

# ASHBY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

### 1 Statement of accounting policies

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

#### General information and basis of preparation

Ashby School is a company limited by guarantee incorporated in England and Wales. The address of the registered office is given in the Reference and Administrative Details given on page 1 of these financial statements. The nature of the academy trusts operations and principal activities are set out in the Trustees' Report on pages 3-11.

The financial statements period has been shortened due to this company ceasing to trade at 28 February 2021 and all assets and liabilities are to be transferred to the LiFE Multi Academy Trust. The trust has the legal authority to change the reporting period.

This means that the comparative figures are not entirely comparable.

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

Ashby School constitutes a public benefit as defined by FRS 102.

#### Going Concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one period from the date of authorisation for issue of the financial statements. The Trustees have concluded that, as the charitable company is planning to cease activity as at 1 March 2021 and assets are to be transferred to the LiFE Multi Academy Trust, they intend to liquidate the company in due course. Thus they will not adopt the going concern basis of accounting in preparation of the financial statements. No restatement of assets and liabilities is expected to be required at the date of transfer.

#### 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 year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

## ASHBY SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

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

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

- **Donated goods, facilities and services**

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

#### **Expenditure**

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

#### **Tangible Fixed Assets**

## ASHBY SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

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

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, as follows:

Long leasehold property	2%
Long leasehold land	125 years over the life of the lease
Property improvements	2%
Furniture and equipment	10%
Computer hardware	33⅓%
Motor Vehicles	20%

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

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

#### Liabilities

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

#### Provisions

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

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

#### Leased Assets

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

#### Financial Instruments

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

## ASHBY SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### **Taxation**

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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'). These are defined benefit schemes.

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

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

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

#### **Fund Accounting**

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

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

## ASHBY SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

#### Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 25.

#### Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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 28 February 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

## 2 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Capital grants – S106	-	-	-	920
Capital grants - CIF	-	(35)	(35)	292
	-	(35)	(35)	1,212



# ASHBY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

### 3 Funding for academy trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	4,397	4,397	8,183
Pupil premium	-	115	115	189
Capital grants	-	-	-	37
Other DfE/ESFA grants	-	275	275	509
	-	4,787	4,787	8,918
<b>Other Government grants</b>				
Local authority grants	-	93	93	117
	-	93	93	117
Trips income and parental contributions	-	-	-	170
Exams income	-	2	2	5
	-	2	2	175
<b>Exceptional Government Funding</b>				
Coronavirus exceptional support grant	-	23	23	4
	-	23	23	4
	-	4,905	4,905	9,214

The Academy Trust has been eligible to claim additional funding in the period from Government support schemes in response to the Coronavirus outbreak. The funding received is shown above under "exceptional Government funding".

### 4 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Catering income	118	-	118	256
Lettings income	14	-	14	33
School shop income	-	-	-	26
Income from other charitable activities	52	-	52	32
	184	-	184	347

# ASHBY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

### 5 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Short term deposits	-	-	-	5
	-	-	-	5

### 6 Expenditure on raising funds

	Unrestricted Funds £000	Total 2021 £000	Total 2020 £000
Catering costs	77	77	154
Lettings costs	4	4	15
Catering and lettings wages and salaries	80	80	156
Catering and lettings social security	2	2	4
Catering and lettings pension costs	18	18	35
	181	181	364

### 7 Expenditure

	Staff Costs £000	Non Pay Expenditure		Total 2021 £000	Total 2020 £000
		Premises £000	Other Costs £000		
Expenditure on raising funds					
Direct costs	101	-	80	181	364
Academy educational operations:					
Direct costs	3,137	-	780	3,917	7,441
Allocated support costs	669	286	127	1,082	2,053
Boarding activities:					
Directs costs	-	-	-	-	133
Allocated support costs	-	-	-	-	366
	3,907	286	987	5,180	10,357

# ASHBY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

Net expenditure for the year includes:

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Operating lease rentals		7
Depreciation	287	547
Loss on disposal of fixed assets	2	13
Fees payable to the auditor for:		
Audit	10	15
Other services	2	2
	<u>2</u>	<u>2</u>

### 8 Charitable activities

	<b>Total</b>	<b>Total</b>
	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Direct costs – educational operations	3,917	7,441
Direct costs – boarding	-	133
Support costs – educational operations	1,082	2,053
Support costs - boarding	-	366
	<u>4,999</u>	<u>9,993</u>

### Analysis of direct costs

	<b>Boarding</b>	<b>Educational</b>	<b>6 months</b>	<b>Year</b>
	<b>£000</b>	<b>operations</b>	<b>2020/21</b>	<b>2019/20</b>
		<b>£000</b>	<b>Total</b>	<b>Total</b>
			<b>£000</b>	<b>£000</b>
Educational supplies	-	235	235	406
Examination fees	-	210	210	262
Staff development	-	8	8	15
Other direct costs	-	38	38	129
Catering	-	-	-	31
Loss on disposal	-	2	2	13
Depreciation	-	287	287	547
Staff costs	-	3,137	3,137	6,171
<b>Total direct costs</b>	<u>-</u>	<u>3,917</u>	<u>3,917</u>	<u>7,574</u>

**ASHBY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)**

<b>Analysis of support costs</b>	<b>Boarding £000</b>	<b>Educational operations £000</b>	<b>6 months 2020/21 Total £000</b>	<b>Year 2019/20 Total £000</b>
Pension finance cost	-	189	189	102
Travel and subsistence	-	6	6	14
Recruitment and support	-	16	16	15
Maintenance of premises and equipment	-	134	134	266
Cleaning	-	27	27	30
Rent and rates	-	42	42	98
Energy costs	-	83	83	148
Insurance	-	9	9	58
Professional fees	-	29	29	44
Other support costs	-	49	49	95
Bank charges and interest	-	4	4	10
Governance costs	-	13	13	18
Staff costs	-	481	481	1,521
<b>Total support costs</b>	<b>-</b>	<b>1,082</b>	<b>1,082</b>	<b>2,419</b>

**9 Staff**

**(a) Staff costs**

	<b>2021 £000</b>	<b>2020 £000</b>
Staff costs during the period were:		
Wages and salaries	2,740	5,648
Social security costs	268	540
Pension Costs	629	1,598
	<u>3,637</u>	<u>7,786</u>
Agency staff costs	81	77
Staff restructuring costs	-	24
Pension finance costs	189	102
	<u>3,907</u>	<u>7,989</u>

	<b>2021 £000</b>	<b>2020 £000</b>
Staff restructuring costs comprise:		
Redundancy payments	-	23
Severance payments	-	1
	<u>-</u>	<u>24</u>

**(b) Non statutory/non-contractual staff severance payments**

Included in staff restructuring costs is a non-statutory/non-contractual severance payment of £- (2020: £732).

**ASHBY SCHOOL****NOTES TO THE FINANCIAL STATEMENTS****FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)****(c) Staff numbers**

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

	<b>2021 Number</b>	<b>2020 Number</b>
Teachers	96	97
Boarding	-	12
Administration and support	108	103
Management	8	6
	<u>212</u>	<u>218</u>

**(d) Higher paid staff**

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

	<b>2021 No.</b>	<b>2020 No.</b>
£60,001 - £70,000	4	3
£70,001 - £80,000	1	1
£100,001 - £110,000	1	-
£120,001 - £130,000	<u>-</u>	<u>1</u>

Included within the salary banding disclosure for £120k-£130k is a backdated allowance relating to the financial period ended 31 August 2019 which should have been applied on appointment. Had the allowance been reflected in that accounting period then the salary bandings for this individual in 2019 would have been £100k-£110k and for 2020 £110k-£120k.

**(e) Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £377,087 (2020: £609,927).

## ASHBY SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

#### 10 Related party transactions - Trustees' remuneration and expenses

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

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

G Staniforth (Head teacher and trustee):

Remuneration	£110,000 - £115,000	(2020: £120,000 - £125,000)
Employer's pension contributions	£25,000 - £30,000	(2020: £25,000 - £30,000)

Fiona McCafferty, staff trustee

Remuneration	£50,000 - £55,000	(2020: £45,000 - £50,000)
Employer's pension contributions	£10,000 - £15,000	(2020: £10,000 - £15,000)

Peter Page Staff Trustee

Remuneration	£25,000 - £30,000	(2020: £20,000 - £25,000)
Employer's pension contributions	£5,000 - £10,000	(2020: £5,000 - £10,000)

Waseem Chauhan Staff Trustee

Remuneration	£45,000 - £50,000	(2020: £40,000 - £45,000)
Employer's pension contributions	£0 - £5,000	(2020: £0 - £5,000)

During the period ended 28 February 2021, travel and subsistence expenses totalling £Nil were reimbursed or paid directly to no trustees (2020: £Nil).

Other related party transactions involving the trustees are set out in note 24.

#### 11 Trustees and officers insurance

In accordance with normal commercial practice, the Academy Trust has purchased 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 period ended 28 February 2021 was £1,467 (2020: £1,467). The cost of this insurance is included in the total insurance cost.

# ASHBY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

### 12 Tangible fixed assets

	Long leasehold land and property £000	Assets under construction £000	Furniture and Fixtures £000	Computer equipment £000	Motor Vehicles £000	Total £000
<b>Cost</b>						
At 1 September 2020	22,506	28	396	916	39	23,885
Additions	-	167	71	86	-	324
Disposals	(56)	-	-	-	-	(56)
Reclassification/transfer	(145)	-	145	-	-	-
At 28 February 2021	22,305	195	612	1,002	39	24,152
<b>Depreciation</b>						
At 1 September 2020	2,896	-	161	753	39	3,849
Reclassification/transfer	(18)	-	18	-	-	-
Charged in period	206	-	27	54	-	287
On disposals	-	-	-	-	-	-
At 28 February 2021	3,084	-	206	807	39	4,136
<b>Net book values</b>						
At 28 February 2021	19,221	195	406	195	-	20,016
At 31 August 2020	19,610	28	235	163	-	20,036

Included in long leasehold property is land valued at £2,786,400 (2020: £2,786,400) on conversion in 2012 by Andrea Hopkins MRICS from Leicestershire County Council, using the depreciated replacement method. The Trustees consider that the valuation remains appropriate for the purposes of these financial statements.

The freehold of this land and buildings is owned by Ashby de la Zouch Endowed Schools Foundation and vested in the name of The Official Custodian for Charities. The Academy Trust holds a 125 period lease on a peppercorn rent from 2012.

### 13 Stocks

	2021 £000	2020 £000
Educational books	6	4
	6	4

# ASHBY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

### 14 Debtors

	2021 £000	2020 £000
Trade debtors	-	69
Other debtors	-	5
VAT recoverable	80	143
Prepayments and accrued income	986	1,070
	<u>1,066</u>	<u>1,287</u>

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

	2021 £000	2020 £000
Trade creditors	173	543
Other taxation and social security	275	126
Other creditors	18	242
Accruals and deferred income	263	437
	<u>729</u>	<u>1,348</u>

### Deferred income

	2021 £000	2020 £000
Deferred income at start of year	61	272
Resources deferred in the year	13	61
Amounts released from the previous years	(61)	(272)
Deferred income at end of year	<u>13</u>	<u>61</u>

Deferred income at 28 February 2021 relates to trips and 16-19 Bursary Funds.



# ASHBY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

### 16 Funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers In/(out) £000	Gains/(Losses) £000	Balance at 28 February 2021 £000
<b>Designated funds</b>						
Designated funds	400	-	-	-	-	400
<b>General funds</b>						
Unrestricted funds	247	184	(181)	-	-	250
<b>Total unrestricted funds</b>	<b>647</b>	<b>184</b>	<b>(181)</b>	<b>-</b>	<b>-</b>	<b>650</b>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	84	4,397	(4,013)	(160)	-	308
Pension reserve	(5,064)		(189)	-	(494)	(5,747)
Other DfE/ESFA	-	275	(275)	-	-	-
Pupil premium	-	115	(115)	-	-	-
Local authority grants	-	93	(93)	-	-	-
Exceptional support grant	-	23	(23)	-	-	-
Other income from academy trusts educational operations	-	2	(2)	-	-	-
	(4,980)	4,905	(4,710)	(160)	(494)	(5,439)
<b>Restricted fixed asset funds</b>	<b>20,926</b>	<b>(35)</b>	<b>(289)</b>	<b>160</b>	<b>-</b>	<b>20,762</b>
<b>Total restricted funds</b>	<b>15,946</b>	<b>4,870</b>	<b>(4,847)</b>	<b>-</b>	<b>(494)</b>	<b>15,323</b>
<b>Total funds</b>	<b>16,593</b>	<b>5,054</b>	<b>(5,028)</b>	<b>-</b>	<b>(494)</b>	<b>15,973</b>

The £400,000 carried forward balance in the designated fund has been specifically set aside to fund expected future deficits on restricted income.

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

#### Unrestricted funds

Unrestricted funds are to be used towards meeting any of the charitable objectives of the Academy Trust at the discretion of the Trustees.

#### General Annual Grant (GAG)

Funds from the Education and Skills Funding Agency for the provision of education, in line with the funding agreement.

## ASHBY SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (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 28 February 2021. Transfers of £160,000 from restricted fixed asset fund represents allocations from GAG towards long leasehold land and property, furniture and fixtures, and computer equipment.

#### **Other DfE/ESFA Grants**

Other funds provided by the DfE/ESFA for particular purposes within the Academy Trust's educational operations.

#### **Pupil Premium**

Additional funds from the Education and Skills Funding Agency to support their disadvantaged pupils and close the attainment gap between them and their peers. This is allocated for every pupil who receives free school meals.

#### **Local Authority grants**

These are funds and grants received from the Local Authority and other institutions for use on specific educational projects.

#### **Other income**

These consist of income from all other sources to be used primarily for the Academy Trust's educational operations.

#### **Pension reserve**

Being the fund in relation to the defined benefit pension scheme liability included in the Balance Sheet. The fund is in deficit given the nature of the liability, however, this is not payable immediately. Plans are in place to address the deficit.

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

The restricted fixed asset fund was funded predominately by the funds inherited on conversion to an Academy Trust from the Local Authority following transfer of assets. It included further amounts invested in long leasehold land and property, furniture and fixtures, computer equipment and motor vehicles. Also included in the funds is depreciation charged on fixed assets held.

#### **Capital grants**

This consists of Conditional Improvement Fund (CIF) and Devolved Formula Capital (DFC) from the Education and Skills Funding Agency, and Section 106 from the Local Authority. CIF and DFC are to be used for ICT items, improvements to building and other facilities or capital repairs and refurbishments and minor works. Section 106 is to be used to expand the pupil capacity of the Academy Trust.

**ASHBY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)**

Comparative information in respect of the proceeding period is as follows;

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers In/(out) £000	Gains/(Losses) £000	Balance at 31 August 2020 £000
<b>Designated funds</b>						
Designated funds	400	-	-	-	-	400
<b>General funds</b>						
Unrestricted funds	290	352	(364)	(31)	-	247
<b>Total unrestricted funds</b>	<b>690</b>	<b>352</b>	<b>(364)</b>	<b>(31)</b>	<b>-</b>	<b>647</b>
<b>Restricted general funds</b>						
Boarding income	133	242	(499)	124	-	-
General Annual Grant (GAG)	-	8,183	(7,506)	(593)	-	84
Pension reserve	(5,458)	-	(438)	-	922	(5,064)
Other DfE/ESFA	-	509	(509)	-	-	-
Pupil premium	-	189	(189)	-	-	-
Local Authority grants	-	117	(117)	-	-	-
Other income	-	175	(175)	-	-	-
Exceptional support grant	-	4	-	(4)	-	-
	<b>(5,415)</b>	<b>9,419</b>	<b>(9,433)</b>	<b>(473)</b>	<b>922</b>	<b>(4,980)</b>
<b>Restricted fixed asset funds</b>	<b>19,733</b>	<b>1,249</b>	<b>(560)</b>	<b>504</b>	<b>-</b>	
<b>Total restricted funds</b>	<b>14,318</b>	<b>10,668</b>	<b>(9,993)</b>	<b>31</b>	<b>922</b>	<b>15,946</b>
<b>Total funds</b>	<b>15,008</b>	<b>11,020</b>	<b>(10,357)</b>	<b>-</b>	<b>922</b>	<b>16,593</b>

# ASHBY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

### 16 Analysis of net assets between funds

Fund balances at 28 February 2021 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	20,016	20,016
Current assets	647	1,041	745	2,433
Current liabilities	-	(729)	-	(729)
Pension scheme liability	-	(5,747)	-	(5,747)
<b>Total net (liabilities)</b>	<b>647</b>	<b>(5,435)</b>	<b>20,761</b>	<b>15,973</b>

Comparative information in respect of the proceeding period is as follows;

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	20,036	20,036
Current assets	647	1,432	890	2,969
Current liabilities	-	(1,348)	-	(1,348)
Pension scheme liability	-	(5,064)	-	(5,064)
<b>Total net (liabilities)</b>	<b>647</b>	<b>(4,980)</b>	<b>20,926</b>	<b>16,593</b>

### 17 Capital commitments

	2021 £000	2020 £000
Contracted for, but not provided in the financial statements	714	822

### 18 Commitments under operating leases

#### Operating leases

At 28 February 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £000	2020 £000
Amounts due within one year	11	11
Amounts due between one and five years	13	24
	<b>24</b>	<b>35</b>

# ASHBY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

### 19 Reconciliation of net income to net cash inflow from operating activities

	2021 £000	2020 £000
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	(126)	663
Adjusted for:		
Depreciation (note 12)	287	547
Loss on disposal	2	13
Capital grants from DfE and other capital income	35	(1,249)
Interest receivable (note 5)	-	(5)
Defined benefit pension scheme cost less contribution payable	201	336
Defined benefit pension scheme finance cost	43	102
Decrease / (Increase) in debtors	219	(1,015)
(Decrease) in provisions	-	(13)
(Decrease) / Increase in creditors	(619)	57
	<u>42</u>	<u>(564)</u>

### 20 Cash flows from investing activities

	2021 £000	2020 £000
Interest	-	5
Purchase of tangible fixed assets	(324)	(863)
Capital grants	(35)	1,249
<b>Net cash provided by investing activities</b>	<u>(359)</u>	<u>391</u>

### 21 Analysis of cash and cash equivalents

	2021 £000	2020 £000
Cash at bank and in hand	<u>1,361</u>	<u>1,678</u>

### 22 Members' Liability

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

### 23 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 West Midlands Pension Fund. Both are multi-employer defined-benefit schemes.

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

Contributions amounting to £143,242 were payable to the schemes at 28 February 2021 (31 August 2020:£139,000) and are included within creditors.

## ASHBY SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

#### Teachers' Pension Scheme

##### *Introduction*

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

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

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

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

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

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

The employer's pension costs paid to TPS in the period amounted to £448,000 (2020: £892,000).

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

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

##### **Local Government Pension Scheme**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 28 February 2021 was £237,000 (2020: £527,000), of which employer's contributions totalled £191,000 (2020: £430,000), and employees' contributions totalled £46,000 (2020: £97,000). The current agreed contribution rates for future years are 25.8% for employers and 5.5% and 12.5% for employees.

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

**ASHBY SCHOOL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)**

**Principal actuarial assumptions**

	<b>At 28 February 2021</b>	<b>At 31 August 2020</b>
Rate of increase in salaries	3.25%	2.70%
Rate of increase for pensions in payment / inflation	2.75%	2.20%
Discount rate for scheme liabilities	2.00%	1.70%
Inflation assumption (CPI)	2.75%	2.20%
Commutation of pensions to lump sums	50.00%	50.00%

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

	<b>At 28 February 2021</b>	<b>At 31 August 2020</b>
<b>Retiring today</b>		
Males	21.5	21.5
Females	23.8	23.8
<b>Retiring in 20 years</b>		
Males	22.2	22.2
Females	25.2	25.2

**Sensitivity analysis**

	<b>At 28 February 2021 £000</b>	<b>At 31 August 2020 £000</b>
Discount rate +0.1	(287)	(264)
Discount rate -0.1%	287	264
Mortality assumption - 1 year increase	503	464
Mortality assumption - 1 year decrease	(503)	(464)
CPI rate +0.1%	249	228
CPI rate -0.1%	(249)	(228)

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

	<b>Fair value at 28 February 2021 £000</b>	<b>Fair value at 31 August 2020 £000</b>
Equities	4,310	3,859
Bonds	1,738	1,897
Property	556	523
Cash	347	262
<b>Total market value of assets</b>	<b>6,951</b>	<b>6,541</b>

The actual return on scheme assets was £249,000 (2020: £118,000).

The Academy expects to contribute £400,000 to its defined benefit pension scheme in 2022.

# ASHBY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

### Amounts recognised in the statement of financial activities

	2021 £000	2020 £000
Current service cost (net of employee contributions)	(337)	(723)
Past service cost	-	(43)
Interest income	55	118
Interest cost	(98)	(220)
<b>Total operating charge</b>	<b>420</b>	<b>(868)</b>

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

	2021 £000	2020 £000
<b>At 1 September</b>	<b>11,605</b>	<b>11,850</b>
Current service cost	337	723
Interest cost	98	220
Employee contributions	46	97
Actuarial (gains)/loss	655	(1,233)
Benefits paid	(43)	(95)
Past service cost	-	43
<b>At 31 August</b>	<b>12,698</b>	<b>11,605</b>

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

	2021 £000	2020 £000
<b>At 1 September</b>	<b>6,541</b>	<b>6,302</b>
Interest income	55	118
Actuarial (losses)/gains	161	(311)
Employer contributions	191	430
Employee contributions	46	97
Benefits paid	(43)	(95)
<b>At 31 August</b>	<b>6,951</b>	<b>6,541</b>

## 24 Related Party Transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

A Jackson, daughter of R Eady, a Trustee, is employed by the Academy Trust as Director of Teaching and Learning on the Senior Management Team. A Jackson's appointment was made in open competition and R Eady was not involved in the decision making process regarding appointment. A Jackson is paid within normal pay scale for her role and received no special treatment as a result of her relationship to a Trustee.

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



# ASHBY SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28TH FEBRUARY 2021 (Continued)

### 25 Agency arrangements

The academy trust distributes 16-19 Bursary Funds to students as an agent for the ESFA. In the accounting period ended 28 February 2021, the trust received £14,559 (2020 - £35,224) and disbursed £6,662 (2020 - £35,224) from the fund. An amount of £7,897 (2020 - £-) is included in other creditors relating to the undistributed funds that are repayable to the ESFA.

### 26 Post balance sheet events

On 1 March 2021 all assets, liabilities and operations were transferred to LiFE Multi Academy Trust.

### 27 Academy boarding trading account

	2021 £000	2021 £000	2020 £000	2020 £000
Income				
Boarding income		-	242	
<b>Total income</b>		-		242
Expenditure Direct costs				
Direct staff costs		-	102	
Goods and services		-	31	
<b>Total direct costs</b>		-		133
Staff development		-	-	
Maintenance of premises and equipment		-	7	
Pastoral and administrative staff costs		-	305	
Rates		-	5	
Energy costs		-	26	
Marketing costs		-	9	
Administrative costs		-	9	
Other support costs		-	5	
<b>Total indirect costs</b>		-	366	
<b>Total operating costs</b>		-		499
Transfers between funds excluding depreciation		-		(124)
<b>Deficit on Boarding</b>		-		(133)
<b>Surplus brought forward at 1 September 2020</b>		-		133
<b>(Deficit)/surplus carried forward at 28 February 2021</b>		-		-