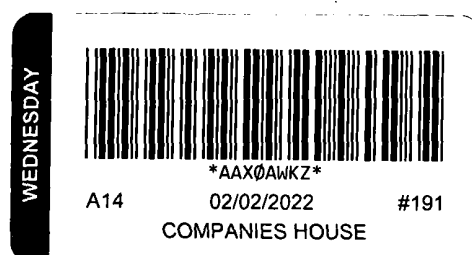


Company Registration Number: 08187197 (England & Wales)

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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



KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mrs S Sayers Mr I R White Mr A Anzie
Trustees	Mrs S Sayers, Chair of Governors ¹ Ms B Houghton Mr I R White, Vice Chair of Governors Ms S Anjonrin-Ohu Mr D Pavitt ¹ Mrs J Shea, Staff Governor ¹ Mrs J Sawtell-Haynes, Head Teacher ¹ Mrs J Johnson Mr A Anzie ¹ Ms N Mercer ¹ Finance, audit and premises committee
Company registered number	08187197
Company name	Kenningtons Primary Academy
Principal and registered office	Kenningtons Primary Academy Tamar Drive Aveley South Ockendon Essex RM15 4NB
Company secretary	Ms J Green
Chief executive officer	Mrs J Sawtell-Haynes
Senior management team	Mrs J Sawtell-Haynes, Headteacher Mrs C Clarke, Deputy Headteacher Miss B Brand (to 31.05.21), Assistant Headteacher
Independent auditors	MWS Chartered accountants Statutory auditor Kingsridge House 601 London Road Westcliff-on-Sea Essex SS0 9PE
Bankers	HSBC 33 Town Square Basildon Essex SS14 1BA

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

Solicitors

Browne Jacobsen LLP
Victoria House
Victoria Square
Birmingham
B2 4BU

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The trust operates an academy for pupils aged 3 to 11 serving a catchment area in Aveley. It has a pupil capacity of 480 and had a roll of 422 (plus 3 actual nursery children) in the school census in October 2020.

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy.

The Trustees of Kenningtons Primary Academy are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Kenningtons Primary Academy.

Details of the Trustees who served during the , and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. 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.

c. Trustees' indemnities

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

d. Method of recruitment and appointment or election of Trustees

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

Governor recruitment is through a combination of approaches, one being the co-option of those with necessary skills, from parents of children at the school to those with an interest in the school community. Nominations for Parent Governors will be requested by a specific date. These nominations must include the reasons why the nominee wishes to become a Governor and the attributes they can bring to the Governing Body. These nominations will be considered by the members of the Academy Trust who will decide the successful candidate.

Parent Governors are elected to the Governing Body in accordance with the terms of the Parent Governor Election procedures.

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

The School provides all new Governors with a comprehensive induction package covering a comprehensive range of issues and topics. This is to ensure they gain a better understanding of the role and responsibilities of being a school Governor so they can fulfil their role with confidence.

The Governing Body is committed to providing training for Governors specific to their roles and the requirements of the Academy, and to achieve this, the Academy purchases training from appropriate bodies, mainly Thurrock Local Authority.

f. Organisational structure

Kenningtons Primary Academy is governed by the Governing Body and is constituted under a Memorandum of Association and Articles of Association.

The Governing Body is responsible for the strategic management of the school; deciding and setting key aspects such as strategic direction, annual budgets, senior staff appointments, policy development and changes and ensuring compliance with legal requirements.

The Headteacher is the Accounting Officer and is supported by the senior leadership team. The Academy Manager is the Chief Financial Officer. The Governing Body has delegated day to day running of the Academy to the Headteacher and while it has retained responsibility for certain aspects of governance, the majority of the roles and responsibilities are delegated to the Committees, as defined in the School's Standing Orders and the individual Committee terms of reference.

There are four main Committees, each with their own terms of reference:

- Finance, audit and premises
- Pay and personnel
- Pupil admissions and curriculum
- Headteacher performance management

There are additional sub-committees that convene as and when required.

g. Arrangements for setting pay and remuneration of key management personnel

The Pay Ranges of Senior Leaders are set and approved by the Governing Body. The Governing Body take into account recommendations from the Teachers Pay & Conditions document whilst also taking into consideration the local context.

Senior Leadership pay awards are determined by Performance Management. The pay range for the Academy Manager is recommended by the Headteacher to the Pay Committee and is ratified by the Governing Body.

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

Objectives and activities

a. Objects and aims

The Object, per the Articles of Association, is specifically restricted to the following to advance for the public benefit education in the United Kingdom, in particular but without prejudice, to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

At Kenningtons Primary Academy, we believe that every child is an individual. All members of our school community should work collaboratively to:

- Have high standards for excellent achievement
- Embrace and adapt to change
- Be included in all aspects of school life
- Support pupils to attend school everyday
- Ensure everyone has the right to be safe
- Enjoy learning through different experiences, have a range of opportunities and experience success
- Demonstrate respect for one another, our environment and ourselves
- Celebrate what makes us different and the same
- Have the skills and knowledge to be healthy in mind and body

Through all of the above, members of our school community will aspire to make ambitious choices about their future.

One of the key aims of the Academy following an OFSTED report in June 2018 is to keep the Academy at its current rating of 'Good'.

b. Objectives, strategies and activities

- To continue to develop provision so that pupils are ready for their next phase of learning
- A range of professional development techniques are implemented so that there are excellent outcomes for all pupils
 - o To develop Governing Body monitoring so that it is highly effective
 - o To ensure safeguarding is effective, working with external partners, so that all pupils are safe
 - o To use effective strategies to share the good work of the school with all stakeholders, particularly so that parents' perceptions of the school are positive
 - o To continue to implement strategies for recruitment and retention
- SEND
 - o To ensure the needs of SEND pupils are consistently understood and met
- EYFS
 - o To ensure a cohesive approach across the EYFS

c. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

Strategic report

Achievements and performance

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

Kenningtons Primary Academy has had another positive year and maintains a healthy financial position. End of key stage outcomes were not recorded or collected this year due to the COVID 19 pandemic. The academy closed Monday 4 January 2021 but remained open to pupils of key workers. The number of children in school during this period ranged between 0 and 59. The school reopened on Monday 8 March 2021 to all year groups. After the school reopened and up until the end of the Summer Term bubbles had to close and remote learning took place for one class in each of the following year groups:- Years 1,2, 3 and 4. The Nursery was closed on 3 occasions.

Financial KPI's

The Trustees have considered financial key performance indicators when considering the year end accounts and other financial information, received during the year.

The KFPI's are to be discussed in each Finance, Audit & Premises Committee Meeting and added as an 'Agenda Item for Information' at each Full Governing Body Meeting.

Maintain a positive cash flow position
Autumn 2020
Positive Closing Balance in December 2020
Spring 2021
Positive Closing Balance in March 2021
Summer 2021
Positive Closing Balance in August 2021

Net current assets and liabilities to be in surplus
Autumn 2020
Liabilities are heavier than assets In Year Balance = -£27,554
Spring 2021
Assets are heavier than liabilities In Year Balance = £0
Summer 2021
Assets are heavier than liabilities In Year Balance = £0

Pupil Numbers
Autumn 2020
An increase in pupil numbers As of 1 st September 2020 = 415 As of 31 st December 2020 = 417
Spring 2021
An increase in pupil numbers As of 31 st March = 420
Summer 2021
A decrease in pupil numbers As of 22 nd July 2021 = 414

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

Funds carried forward at the end of year to be in surplus	
Autumn 2020	• Yes, end of year funds are in surplus
£300,000	
All statutory returns are submitted on time	
Autumn 2020	• Yes, submitted on time
Spring 2021	• Yes, submitted on time
Summer 2021	• Yes, submitted on time
Finance reports to Governing Body are provided in a timely manner	
Autumn 2020	• Yes, reports provided in a timely manner
Spring 2021	• Yes, reports provided in a timely manner
Summer 2021	• Yes, reports provided in a timely manner

The Trustees consider these results to be in line with expectations and plans.

b. Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

Strategic report (continued)

Financial review

a. Reserves policy

The Governing Body regularly monitors the reserves to ensure sufficient funds are maintained to meet anticipated future needs whilst avoiding long term accumulation of excessive sums. This is particularly pertinent in a time when a National Funding Formula is under review.

At 31 August 2021, the Academy had free reserves of £178,705 (2020 - £183,262), restricted reserves of £256,698 (2020 - £228,625), restricted asset funds of £5,002,710 (2020 - £4,278,063 and a pension deficit of £1,452,000 (2020 - £1,102,000).

The Governing Body maintains a prudent level of reserves in line with their policy to spend funding received on the pupils in the Academy at that time, except where a specific project required funding to be built up over several years.

It is the Governing Body's intention to utilise reserves in line with the School Improvement Plan.

On conversion, the Academy was operating with a Local Government Pensions Scheme Deficit. However, the Academy has recognised the deficit, the employer's pension contributions (as a percentage of gross pay) have been reduced and a fixed sum is being repaid each month in order to slowly repay the deficit. As a result, there is no actual cash flow deficit on the fund, or direct impact on free reserves on the Academy Trust because of recognizing the deficit.

b. Principal risks and uncertainties

The Academy Trust has a comprehensive Risk Register which is reviewed regularly. Falling pupil numbers would impact on funding streams for the Academy, making a deficit budget a possibility and affecting long-term viability. Consequently, pupil forecasts are monitored carefully and appropriate responsive action is taken.

c. Overview

The principal source of the Academy's funding is provided by the Education Funding Agency (EFA) in the form of recurring grants. The principal grants are the General Annual Grant (GAG). Other smaller grants and capital grants are also received from the EFA. Each of the foregoing grants is 'restricted' for particular purposes for the running of the Academy and providing services in accordance with the Academy's objectives. Additional Funding has been received from the Local Authority in respect of the AWPU for the children in the bulge classes.

Fundraising

Throughout the year we support a number of different charities, for example we hold non uniform days in which children donate £1 to wear their own clothes. We also collect items for the local food bank. All donations are voluntary and our parents are very supportive of this. Children who do not donate are not penalised in any way.

KENNINGTONS PRIMARY ACADEMY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods

Kenningtons 3 Year Strategic Direction 2021 – 2024

- Three form entry across the school
- Maintain strong leadership team
- Offer after school provision
- Maintain 'Good' Ofsted judgement – moving towards 'Outstanding'
- Develop a wild meadow area within the school grounds
- Keep pace with Government implemented changes:
 - o 85% combined pupils to meet National Academic Standard
 - o Make our own interpretations of relevant changes
- Governing Body:
 - o Develop succession planning
 - o Provide professional development

The Governing Body will meet again during the next academic year to review and monitor the plan and implement any changes or strategies that are needed.

Funds held as custodian on behalf of others

Although the charitable company maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors and other funders, Kenningtons Primary Academy does not hold, and the Governors do not anticipate that it will in the future hold, any funds as custodian for third party.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are aware of that information.

Auditors

The auditors, MWS, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 2 December 2021 and signed on its behalf by:

Sarah Sayers - Chair of Trustees

Mrs S Sayers
Chair of Trustees

Mrs J Sawtell-Haynes - Headteacher

Mrs J Sawtell-Haynes
Headteacher

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Kenningtons Primary Academy 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 Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Kenningtons Primary Academy and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 4 times during the year.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs S Sayers, Chair of Governors	3	4
Ms B Houghton	4	4
Mr I R White, Vice Chair of Governors	4	4
Ms S Anjonrin-Ohu	1	4
Mr D Pavitt	3	4
Mrs J Shea, Staff Governor	4	4
Mrs J Sawtell-Haynes, Head Teacher	4	4
Mrs J Johnson	4	4
Mr A Anzie	4	4
Ms N Mercer	3	4

The key changes of the Governing Body during the year were as follows:

The membership of the Governing Body has remained constant during the year.

The Governing Body held three extraordinary general meetings during the year. Furthermore, it delegates finance responsibility to the Finance, Audit and Premises committee so with those meetings taken into account the Full Governing Body believe they have met 10 times last year and have full insight into the finances of the school.

The Finance, Audit and Premises Committee is a sub-committee of the main board of trustees. Its purpose is to report back to the Governing Body on the school's financial undertakings and to make recommendations to the Full Governing Body.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr A Anzie (Chair)	3	3
Mrs J Shea	3	3
Mrs S Sayers	3	3
Mrs J Sawtell-Haynes	3	3
Mr D Pavitt	2	3

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

During the year 2020-2021 the school undertook and restructuring exercises. This was to ensure that the staff structure was affordable and continued to meet the needs of the pupils.

The school was again successful in gaining Condition Improvement Fund Monies to develop the site. The office and main entrance have been redeveloped in conjunction with the perimeter fence and gates. As per the schools Financial Regulations, three quotes were obtained to ensure best value for money. The school also added additional funds to renovate one toilet block. By doing this in conjunction with the office renovations, significant sums were saved.

The school ensured that teachers provided 'Catch Up' to children out of school hours. Using staff that children know, ensure that the best teaching and catch up can be provided.

Introduction

The governing body was accountable for the way in which the school's resources were allocated to meet the objectives set out in the school's improvement and subject development plans. Governors needed to secure the best possible outcome for all pupils, in the most efficient and effective way, at a reasonable cost. This led to continuous improvement in the school's achievements and services.

What Is Best Value?

Governors applied the four principles of best value:

- **Challenge** - Is the school's performance high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently?
- **Compare** - How does the school's pupil performance compare with all schools? How does it compare with LA schools? How does it compare with similar schools?
- **Consult** - How does the school seek the views of stakeholders about the services the school provides?
- **Compete** - How does the school secure efficient and effective services? Are services of appropriate quality, economic?

The Governors' Approach

The Governors and school leaders applied the principles of best value when making decisions about:

- the allocation of resources to best promote the aims and values of the school.
- the targeting of resources to best improve standards and the quality of provision.
- the use of resources to best support the various educational needs of all pupils.

Governors and the school leaders:

- made comparisons with other/similar schools using data provided by the LA and the Government.
- challenged proposals, examining them for effectiveness, efficiency, and cost, e.g. setting of annual pupil achievement targets.
- required suppliers to compete on grounds of cost, and quality/suitability of services/products/backup.
- consulted individuals and organisations on quality/suitability of service we provide to parents and pupils, and services we receive from providers.

This applied in particular to:

- staffing
- use of premises
- use of resources
- quality of learning and teaching

KENNINGTONS PRIMARY ACADEMY
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

- purchasing
- pastoral support
- health and safety
- safeguarding

The pursuit of minor improvements or savings was not cost effective if the administration involved substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important or valuable areas.

Staffing

Governors and school leaders deployed staff to provide best value in terms of quality of learning and teaching, adult-pupil ratio, and curriculum leadership.

Use of Premises

Governors and school leaders considered the allocation and use of teaching areas, support areas and communal areas, to provide the best environment for learning and teaching, for support services, and for communal access to central resources.

Use of Resources

Governors and school leaders deployed equipment, materials and services to provide pupils and staff with resources which support quality of learning and teaching.

Teaching

Governors and school leaders reviewed the quality of curriculum provision and quality of teaching, to provide parents and pupils with:

- a curriculum which meets the needs of the pupils and, the LA Agreed RE Syllabus,
- teaching which builds on previous learning and ensures high achievement

Learning

Governors and school leaders reviewed the quality of children's learning, by cohort, class and group, to provide teaching which enables children to achieve at least nationally expected progress.

Purchasing

Governors and school leaders developed procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time, and cost. Measures already in place included:

- competitive tendering procedures for goods and services over £50,000
- procedures for accepting "best value" quotes, which are not necessarily the cheapest.
- procedures which minimise office time by the purchase of goods or services under £25,000 direct from known, reliable suppliers.

Pastoral Support

Governors and school leaders reviewed the quality of the school environment and the school ethos, in order to provide a supportive environment conducive to learning and recreation. They reviewed the quality of targeted provision for groups and individual pupils.

Health & Safety

Governors and school leaders reviewed the quality of the school environment and equipment, carrying out risk assessments where appropriate, in order to provide a safe working environment for pupils, staff and visitors.

Monitoring

These areas formed the monitoring process:

1. In-house monitoring by the Headteacher and senior leaders and subject leaders
2. School Improvement Plan, and Strategic Monitoring Group
3. Monitoring of budget
4. Staffing Structure
5. Budget setting agenda item
6. Asset Management Plan

KENNINGTONS PRIMARY ACADEMY
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

7. Termly points meetings between the Headteacher and class teachers.
8. Annual Performance Management, with termly reviews
9. Analysis of school pupil performance data, e.g. SATs results, standardised cohort data against all schools, LA schools, similar schools
10. Analysis of DfE pupil performance data, e.g. Raise on Line
11. Ofsted Inspection reports
12. Governors' termly classroom visits
13. Governors' half termly meetings
14. Annual Health Check by external consultant.
15. Attendance panels
16. Audits e.g. Safeguarding (internal and external)
17. LA Audits e.g. EYFS

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Kenningtons Primary Academy for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Trustees has decided to employ EES for Schools as internal auditor.

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

On a termly basis, the internal auditor reports to the board of Trustees through the Finance, Audit and Premises

KENNINGTONS PRIMARY ACADEMY
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities and prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered their schedule of work as planned, and there were no material control or other issues reported by the RO to date.

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Premises committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 2 December 2021 and signed on their behalf by:

Sarah Sayers - Chair of Trustees

Mrs S Sayers
Chair of Trustees

Mrs J Sawtell-Haynes - Headteacher

Mrs J Sawtell-Haynes
Accounting Officer

KENNINGTONS PRIMARY ACADEMY
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

Mrs J Sawtell-Haynes - Headteacher

Mrs J Sawtell-Haynes
Accounting Officer
Date: 2 December 2021

KENNINGTONS PRIMARY ACADEMY
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make 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 2 December 2021 and signed on its behalf
Sarah Sayers - Chair of Trustees

Mrs S Sayers
Chair of Trustees

Mrs J Sawtell-Haynes
Accounting Officer

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

Opinion

We have audited the financial statements of Kenningtons Primary Academy (the 'academy') for the year ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including 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 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

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

Conclusions relating to going concern

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

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

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

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the 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 and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

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

Responsibilities of trustees

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

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

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

Auditors' responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the legal and regulatory frameworks applicable to the Academy Trust and the industry in which it operates. We determined that the following laws and regulations were most significant:

The Companies Act 2006, Safeguarding (including statutory guidance Keeping Children Safe in Education), employment law and public sector pay and conditions. We enquired of management to obtain an understanding of how the Academy Trust is complying with those legal and regulatory frameworks and whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of the board minutes for the year. We did not identify any matters relating to material non compliance with laws and regulation or matters in relation to fraud;

- We obtained an understanding of how the Company is complying with those legal and regulatory frameworks by making inquiries of management and those responsible for legal and compliance procedures;
- In assessing the potential risks of material misstatement, we obtained an understanding of the Company's operations, including its objectives and strategies to understand the expected financial statement disclosures and business risks that may result in risks of material misstatement;
- In assessing the appropriateness of the collective competence and capabilities of the engagement team, the engagement partner considered the engagement team's:
 - understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
 - the specialist skills required and
 - knowledge of the industry in which the client operates.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - challenging assumptions and judgements made by management in its significant accounting estimates;
 - identifying and testing journal entries, in particular manual journal entries made at year end for financial statement preparation; and
 - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

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

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

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. This description forms part of our Auditors' report.

Use of our report

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

Fiona Read

Fiona Read FCA (Senior statutory auditor)

for and on behalf of
MWS

Chartered accountants
Statutory auditor

Kingsridge House

601 London Road

Westcliff-on-Sea

Essex

SS0 9PE

Date: 17 December 2021

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
KENNINGTONS PRIMARY ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 19th February 2013 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Kenningtons Primary Academy during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Kenningtons Primary Academy's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Kenningtons Primary Academy's funding agreement with the Secretary of State for Education dated 20th September 2012 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Assessing the risk of material irregularity in the Academy Trust
- Commissioning a self-assessment review of the Trustees' governance arrangements and consideration of any material non-compliance with the Academies Financial Handbook
- Investigating any areas of significant risk identified
- Consideration of the work performed under our audit engagement and any impact this may have on our regularity conclusion or regularity risk assessment
- A review of the internal controls and internal audit procedures for areas of significant risk and performing further substantive testing where necessary.

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MWS

MWS
Chartered accountants

Kingsridge House
601 London Road
Westcliff-on-Sea
Essex
SS0 9PE

Date: 17 December 2021

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	4	24,518	10,000	824,898	859,416	60,742
Charitable activities		-	2,120,591	-	2,120,591	2,048,079
Other trading activities		41,757	-	-	41,757	48,670
Total income		66,275	2,130,591	824,898	3,021,764	2,157,491
Expenditure on:						
Charitable activities		58,732	2,242,258	118,610	2,419,600	2,387,351
Total expenditure		58,732	2,242,258	118,610	2,419,600	2,387,351
Net income/(expenditure) before taxation		7,543	(111,667)	706,288	602,164	(229,860)
Net income/(expenditure)		7,543	(111,667)	706,288	602,164	(229,860)
Transfers between funds	19	(12,100)	(6,260)	18,360	-	-
Net movement in funds before other recognised gains/(losses)		(4,557)	(117,927)	724,648	602,164	(229,860)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	26	-	(204,000)	-	(204,000)	(161,000)
Net movement in funds		(4,557)	(321,927)	724,648	398,164	(390,860)
Reconciliation of funds:						
Total funds brought forward		183,262	(873,375)	4,278,062	3,587,950	3,978,810
Net movement in funds		(4,557)	(321,927)	724,648	398,164	(390,860)
Total funds carried forward		178,705	(1,195,302)	5,002,710	3,986,113	3,587,950

The Statement of financial activities includes all gains and losses recognised in the year.

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

The notes on pages 29 to 55 form part of these financial statements.

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08187197

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	4,223,177	4,161,316
Investment property	14	118,375	106,275
		<u>4,341,552</u>	<u>4,267,591</u>
Current assets			
Debtors	15	653,012	44,432
Cash at bank and in hand		617,253	532,266
		<u>1,270,265</u>	<u>576,698</u>
Creditors: amounts falling due within one year	16	(163,168)	(141,820)
Net current assets		<u>1,107,097</u>	<u>434,878</u>
Total assets less current liabilities		<u>5,448,649</u>	<u>4,702,469</u>
Creditors: amounts falling due after more than one year	17	(10,536)	(12,520)
Net assets excluding pension liability		<u>5,438,113</u>	<u>4,689,949</u>
Defined benefit pension scheme liability	26	(1,452,000)	(1,102,000)
Total net assets		<u><u>3,986,113</u></u>	<u><u>3,587,949</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	19	5,002,710	4,278,062
Restricted income funds	19	256,698	228,625
		<u>5,259,408</u>	<u>4,506,687</u>
Restricted funds excluding pension asset	19	5,259,408	4,506,687
Pension reserve	19	(1,452,000)	(1,102,000)
Total restricted funds	19	<u>3,807,408</u>	<u>3,404,687</u>
Unrestricted income funds	19	178,705	183,262
Total funds		<u><u>3,986,113</u></u>	<u><u>3,587,949</u></u>

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08187197

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 24 to 55 were approved by the Trustees, and authorised for issue on 02 December 2021 and are signed on their behalf, by:

Sarah Sayers - Chair of Trustees
Mrs S Sayers
Chair of Trustees

Mrs J Sawtell-Haynes - Headteacher
Mrs J Sawtell-Haynes
Accounting Officer

The notes on pages 29 to 55 form part of these financial statements.

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	21	(547,340)	(83,131)
Cash flows from investing activities	22	632,327	29,250
Change in cash and cash equivalents in the year		84,987	(53,881)
Cash and cash equivalents at the beginning of the year		532,266	586,147
Cash and cash equivalents at the end of the year	23, 24	<u>617,253</u>	<u>532,266</u>

The notes on pages 29 to 55 form part of these financial statements

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

1. General information

The Academy Trust is a company limited by guarantee, it was incorporated in England and Wales. The registered office is Tamar Drive, South Ockendon RM15 4NB.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

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

Kenningtons Primary Academy meets the definition of a public benefit entity under FRS 102.

2.2 Going concern

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

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.3 Income

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

- **Grants**

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

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

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

- **Sponsorship income**

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of financial activities in the year in which it is receivable (where there are no performance-related conditions) where 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 year it is receivable and to the extent the Academy has provided the goods or services.

2.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

2.6 Taxation

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

Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

2.7 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Furniture and equipment	- 25% reducing balance
Computer equipment	- 3 year straight line

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

2.8 Investment property

Investment property is carried at fair value determined by the Trustees and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of financial activities.

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 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 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.

2.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. 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.

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

2. Accounting policies (continued)

2.13 Pensions

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

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

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

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

2.14 Concessionary loans

Concessionary loans are measured at the amount received, with the carrying amount adjusted for any repayments, accrued interest or impairments.

2.15 Fund accounting

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

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

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

KENNINGTONS PRIMARY ACADEMY
(A company limited by guarantee)

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

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

4. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations and educational trips	24,518	10,000	-	34,518	31,492
ESFA capital grants	-	-	824,898	824,898	29,250
	<u>24,518</u>	<u>10,000</u>	<u>824,898</u>	<u>859,416</u>	<u>60,742</u>
<i>Total 2020</i>	<u>31,492</u>	<u>-</u>	<u>29,250</u>	<u>60,742</u>	

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5. Funding for the Academy's educational operations

	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	1,637,931	1,637,931	1,597,673
Other DfE/ESFA grants			
Teachers pension and pay grants	83,650	83,650	83,851
Pupil premium	129,504	129,504	136,808
UFSM	52,463	52,463	57,029
PE grant	19,740	19,740	19,770
Others	8,192	8,192	9,334
	1,931,480	1,931,480	1,904,465
Other Government grants			
Local authority grants	144,368	144,368	143,614
	144,368	144,368	143,614
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	33,290	33,290	-
Other COVID-19 funding	11,453	11,453	-
	44,743	44,743	-
	2,120,591	2,120,591	2,048,079
<i>Total 2020</i>	2,048,079	2,048,079	

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

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6. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Hire of facilities	10,160	10,160	10,215
Catering income	18,270	18,270	21,838
Before and after school clubs	5,992	5,992	9,340
Nursery income	7,335	7,335	7,277
	<u>41,757</u>	<u>41,757</u>	<u>48,670</u>
<i>Total 2020</i>	<u>48,670</u>	<u>48,670</u>	

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Educational Operations:					
Direct costs	1,580,986	-	60,588	1,641,574	1,624,195
Allocated support costs	425,558	174,275	178,192	778,025	763,156
	<u>2,006,544</u>	<u>174,275</u>	<u>238,780</u>	<u>2,419,599</u>	<u>2,387,351</u>
<i>Total 2020</i>	<u>1,915,420</u>	<u>186,992</u>	<u>284,939</u>	<u>2,387,351</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational Operations	<u>1,641,574</u>	<u>778,025</u>	<u>2,419,599</u>	<u>2,387,351</u>
<i>Total 2020</i>	<u>1,624,195</u>	<u>763,156</u>	<u>2,387,351</u>	

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8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational Operations 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	1,580,986	1,580,986	1,519,985
Educational supplies	52,957	52,957	78,974
Staff development	2,441	2,441	5,370
Legal and professional fees	5,190	5,190	19,866
	<u>1,641,574</u>	<u>1,641,574</u>	<u>1,624,195</u>
<i>Total 2020</i>	<u>1,624,195</u>	<u>1,624,195</u>	

Analysis of support costs

	Educational Operations 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Pension finance costs	17,000	17,000	15,000
Staff costs	425,558	425,558	395,435
Depreciation	118,610	118,610	124,375
Recruitment and support	433	433	326
Maintenance of premises	3,761	3,761	20,796
Cleaning	9,706	9,706	8,958
Rent and rates	20,561	20,561	10,470
Energy costs	21,002	21,002	22,393
Insurance	9,847	9,847	11,716
Security and transport	1,070	1,070	3,100
Catering	58,732	58,732	70,030
Legal and professional fees	75,921	75,921	64,908
Other support costs	15,824	15,824	15,649
	<u>778,025</u>	<u>778,025</u>	<u>763,156</u>
<i>Total 2020</i>	<u>763,156</u>	<u>763,156</u>	

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9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Depreciation of tangible fixed assets	118,610	124,375
Fees paid to auditors for:		
- audit	8,200	8,000
	<u>8,200</u>	<u>8,000</u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	1,473,043	1,362,962
Social security costs	108,884	112,631
Pension costs	424,617	389,158
	<u>2,006,544</u>	<u>1,864,751</u>
Agency staff costs	-	50,669
	<u>2,006,544</u>	<u>1,915,420</u>

b. Staff numbers

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

	2021 No.	2020 No.
Management	2	3
Teachers	23	23
Administration and support	36	41
	<u>61</u>	<u>67</u>

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10. Staff (continued)

c. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	1	-
In the band £90,001 - £100,000	1	1
	<u>1</u>	<u>1</u>

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2021 pension contributions for this staff member amounted to £47,471 (2020 - £21,792).

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £306,713 (2020 £283,030).

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. 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:

		2021 £	2020 £
Mrs J Sawtell-Haynes, Headteacher	Remuneration	95,000 -	90,000 -
		100,000	95,000
	Pension contributions paid	20,000 -	20,000 -
		25,000	25,000
Mrs J Johnson, Staff Governor	Remuneration	35,000 -	35,000 -
		40,000	40,000
	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000
Mrs J Shea, Staff Governor	Remuneration	30,000 -	30,000 -
		35,000	35,000
	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

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12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2021 is included in the total insurance cost.

13. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2020	4,596,260	683,977	255,713	5,535,950
Additions	155,850	5,809	18,814	180,473
At 31 August 2021	<u>4,752,110</u>	<u>689,786</u>	<u>274,527</u>	<u>5,716,423</u>
Depreciation				
At 1 September 2020	529,988	597,010	247,636	1,374,634
Charge for the year	88,384	23,071	7,158	118,613
At 31 August 2021	<u>618,372</u>	<u>620,081</u>	<u>254,794</u>	<u>1,493,247</u>
Net book value				
At 31 August 2021	<u>4,133,738</u>	<u>69,705</u>	<u>19,733</u>	<u>4,223,176</u>
At 31 August 2020	<u>4,066,272</u>	<u>86,967</u>	<u>8,077</u>	<u>4,161,316</u>

14. Investment property

	Freehold investment property £
Valuation	
At 1 September 2020	106,275
Additions	12,100
At 31 August 2021	<u>118,375</u>

The 2021 valuations were made by the insurers in 2012, on an open market value for existing use basis.

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15. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	-	45
Other debtors	12,935	11,195
Prepayments and accrued income	640,077	33,192
	<u>653,012</u>	<u>44,432</u>

16. Creditors: Amounts falling due within one year

	2021 £	2020 £
Other loans	10,536	6,260
Other taxation and social security	59,313	27,369
Other creditors	26,698	64,148
Accruals and deferred income	66,621	44,043
	<u>163,168</u>	<u>141,820</u>

	2021 £	2020 £
Deferred income at 1 September 2020	43,948	66,629
Resources deferred during the year	56,970	43,948
Amounts released from previous periods	(43,948)	(66,629)
	<u>56,970</u>	<u>43,948</u>

At the balance sheet date the Academy was holding income received in advance for:
 Universal Infant Free School Meals £30,604 (2020 - £33,846)
 Rates relief £Nil (2020 - £8,192)
 Early years funding £25,466 (2020 - £Nil)
 Educational trips and visits £560 (2020 - £886)
 Music income £891 (2020 - £224)
 Rental income £900 (2020 - £800)

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17. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Other loans	10,536	12,520

The above relates to two Salix loans provided by the Department of Education, both at 0%.

The existing loan has a total carrying amount at the year end of £12,520 (2020 - £18,780). The total loan was for £50,080 and is being paid off £6,260 yearly for 8 years. There are 3 years remaining.

The new loan has a total carrying amount at the year end of £8,552 (2020 - £Nil). The total loan was for £8,552 and is being paid off £4,276 yearly for 2 years. There are 2 years remaining.

18. Transfer between funds

£6,260 has been transferred from the restricted fund to restricted fixed asset fund representing Salix loan repayments.

£99,000 has been transferred from GAG to the pension reserve representing employer contributions to the Local Government Defined Benefit Pension Scheme.

£12,100 has been transferred from the unrestricted fund to restricted fixed asset fund representing capital expenditure.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds - all funds	183,262	66,275	(58,732)	(12,100)	-	178,705
Restricted general funds						
General Annual Grant	207,779	1,637,932	(1,504,158)	(105,260)	-	236,293
Other ESFA	-	8,192	(8,192)	-	-	-
Local Authority Grants	-	144,367	(144,367)	-	-	-
Pupil Premium	20,846	129,504	(129,945)	-	-	20,405
Donated equipment	-	10,000	(10,000)	-	-	-
PE grant	-	19,740	(19,740)	-	-	-
Teachers pay and pension grant	-	83,650	(83,650)	-	-	-
UIFSM	-	52,463	(52,463)	-	-	-
COVID catch up premium	-	33,290	(33,290)	-	-	-
Other COVID-19 funding	-	11,453	(11,453)	-	-	-
Pension reserve	(1,102,000)	-	(245,000)	99,000	(204,000)	(1,452,000)
	(873,375)	2,130,591	(2,242,258)	(6,260)	(204,000)	(1,195,302)
Restricted fixed asset funds						
Inherited Fixed Assets	2,213,402	-	(56,622)	-	-	2,156,780
Purchased Fixed Assets	1,836,516	-	(55,956)	55,735	-	1,836,295
ESFA Capital Grants	9,025	9,073	-	(9,693)	-	8,405
CIF Grants	20,225	815,825	(938)	(27,682)	-	807,430
LA Capital Grants	7,095	-	(3,473)	-	-	3,622
Restricted Fixed Assets	191,799	-	(1,621)	-	-	190,178

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
	4,278,062	824,898	(118,610)	18,360	-	5,002,710
Total Restricted funds	3,404,687	2,955,489	(2,360,868)	12,100	(204,000)	3,807,408
Total funds	3,587,949	3,021,764	(2,419,600)	-	(204,000)	3,986,113

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

Restricted general funds

These funds relate to the Academy's development and operational activities.

Restricted pension funds

These funds represent the LGPS obligation to the employees of the Academy Trust.

Restricted fixed asset fund

These funds relate to long term assets held by the Academy Trust and grants to purchase or maintain these assets.

Unrestricted funds

These funds relate to amounts generated or acquired with no restricted covenants attached to them other than for use within the charitable objects of the Academy.

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

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds - all funds	188,130	80,162	(85,030)	-	-	183,262
Restricted general funds						
General Annual Grant	207,709	1,597,673	(1,496,343)	(101,260)	-	207,779
Other ESFA	-	169,984	(169,984)	-	-	-

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19. Statement of funds (continued)

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Local Authority Grants	-	143,614	(143,614)	-	-	-
Pupil Premium	26,043	136,808	(142,005)	-	-	20,846
Pension reserve	(810,000)	-	(226,000)	95,000	(161,000)	(1,102,000)
	<u>(576,248)</u>	<u>2,048,079</u>	<u>(2,177,946)</u>	<u>(6,260)</u>	<u>(161,000)</u>	<u>(873,375)</u>
Restricted fixed asset funds						
Inherited Fixed Assets	2,274,651	-	(61,249)	-	-	2,213,402
Purchased Fixed Assets	1,887,994	-	(57,738)	6,260	-	1,836,516
ESFA Capital Grants	-	29,250	-	-	-	29,250
LA Capital Grants	10,567	-	(3,472)	-	-	7,095
Restricted Fixed Assets	193,715	-	(1,916)	-	-	191,799
	<u>4,366,927</u>	<u>29,250</u>	<u>(124,375)</u>	<u>6,260</u>	<u>-</u>	<u>4,278,062</u>
Total Restricted funds	<u>3,790,679</u>	<u>2,077,329</u>	<u>(2,302,321)</u>	<u>-</u>	<u>(161,000)</u>	<u>3,404,687</u>
Total funds	<u><u>3,978,809</u></u>	<u><u>2,157,491</u></u>	<u><u>(2,387,351)</u></u>	<u><u>-</u></u>	<u><u>(161,000)</u></u>	<u><u>3,587,949</u></u>

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20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	(11,898)	-	4,235,075	4,223,177
Investment property	-	-	118,375	118,375
Current assets	190,603	409,330	670,332	1,270,265
Creditors due within one year	-	(152,632)	(10,536)	(163,168)
Creditors due in more than one year	-	-	(10,536)	(10,536)
Provisions for liabilities and charges	-	(1,452,000)	-	(1,452,000)
Total	178,705	(1,195,302)	5,002,710	3,986,113

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	4,161,316	4,161,316
Investment property	-	-	106,275	106,275
Current assets	185,173	362,274	29,251	576,698
Creditors due within one year	(1,910)	(133,649)	(6,260)	(141,819)
Creditors due in more than one year	-	-	(12,520)	(12,520)
Provisions for liabilities and charges	-	(1,102,000)	-	(1,102,000)
Total	183,263	(873,375)	4,278,062	3,587,950

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

21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income/(expenditure) for the year (as per Statement of financial activities)	602,164	(229,860)
Adjustments for:		
Depreciation	118,610	124,374
Capital grants from DfE and other capital income	(824,899)	(29,250)
Defined benefit pension scheme cost less contributions payable	129,000	116,000
Defined benefit pension scheme finance cost	17,000	15,000
(Increase)/decrease in debtors	(608,580)	7,399
Increase/(decrease) in creditors	19,365	(86,794)
Net cash used in operating activities	(547,340)	(83,131)

22. Cash flows from investing activities

	2021 £	2020 £
Purchase of tangible fixed assets	(192,572)	-
Capital grants from DfE Group	824,899	29,250
Net cash provided by investing activities	632,327	29,250

23. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	617,253	532,266
Total cash and cash equivalents	617,253	532,266

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

24. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	Other non- cash changes £	At 31 August 2021 £
Cash at bank and in hand	532,266	84,987	-	617,253
Debt due within 1 year	(6,260)	-	(4,276)	(10,536)
Debt due after 1 year	(12,520)	-	1,984	(10,536)
	<u>513,486</u>	<u>84,987</u>	<u>(2,292)</u>	<u>596,181</u>

25. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	<u>673,822</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments

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

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

Contributions amounting to £31,458 were payable to the schemes at 31 August 2021 (2020 - £34,017) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £195,320 (2020 - £177,027).

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

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

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26. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £125,000 (2020 - £121,000), of which employer's contributions totalled £99,000 (2020 - £95,000) and employees' contributions totalled £ 26,000 (2020 - £26,000). The agreed contribution rates for future years are 23.6 per cent for employers and 5.5-12.5 per cent for employees.

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

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

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.85	3.2
Rate of increase for pensions in payment/inflation	2.85	2.2
Discount rate for scheme liabilities	1.70	1.65
Inflation assumption (CPI)	2.85	2.2
Increase in RPI	3.1	3

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	21.6	21.8
Females	23.6	23.8
<i>Retiring in 20 years</i>		
Males	22.9	23.2
Females	25.1	25.2

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NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate +0.1%	80	59
Discount rate -0.1%	(83)	(61)
Mortality assumption - 1 year increase	(91)	(61)
Mortality assumption - 1 year decrease	88	59
Salary increases +0.1%	(5)	(4)
Salary increases -0.1%	5	4
	=====	=====

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

Share of scheme assets

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

	2021 £	2020 £
Equities	606,000	408,000
Gilts	24,000	28,000
Corporate bonds	44,000	37,000
Property	66,000	51,000
Cash and other liquid assets	26,000	18,000
Alternative assets	105,000	76,000
Other managed funds	75,000	40,000
Total market value of assets	946,000	658,000

The actual return on scheme assets was £164,000 (2020 - £18,000).

The amounts recognised in the Statement of financial activities are as follows:

	2021 £	2020 £
Current service cost	(228,000)	(211,000)
Interest cost	(17,000)	(15,000)
Total amount recognised in the Statement of financial activities	(245,000)	(226,000)

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

	2021 £	2020 £
At 1 September	1,760,000	1,451,000
Current service cost	228,000	211,000
Interest cost	29,000	28,000
Employee contributions	26,000	26,000
Actuarial losses	204,000	46,000
Benefits paid	(1,000)	(7,000)
Other	152,000	5,000
At 31 August	2,398,000	1,760,000

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26. Pension commitments (continued)

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

	2021	2020
	£	£
At 1 September	658,000	641,000
Expected return on assets	152,000	5,000
Interest income	12,000	13,000
Actuarial gains/(losses)	-	(115,000)
Employer contributions	99,000	95,000
Employee contributions	26,000	26,000
Benefits paid	(1,000)	(7,000)
At 31 August	946,000	658,000

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26. Pension commitments (continued)

Impact of the McCloud/Sargeant judgement on the Local Government Pension Scheme

An allowance was made in 2019 for the Court of Appeal judgement in relation to the McCloud & Sargeant cases which relate to age discrimination within the Judicial & Fire Pension schemes respectively. On 27 June 2019 the Supreme Court denied the Government's request for an appeal, and on 15 July 2019 the Government released a statement to confirm that it expects to have to amend all public service schemes, including the LGPS.

The estimated impact on the total liabilities at 31 August 2019 was allowed for as a past service cost and has resulted in a slight increase in the defined benefit obligation as at 31 August 2021.

This adjustment is an estimate of the potential impact on the Trust's defined benefit obligation as provided by the scheme's actuary. The Actuary's assessment is based on analysis carried out by the Government Actuary's Department (GAD) and the Trust's liability profile.

The GAD assessment is based on a "worst-case" scenario whereby this case impacts on all active members in the scheme as at 31 March 2019. It is the view of the Trustees and their actuary that this is not a realistic estimate. The actuary has therefore adjusted their estimate to only include members who were active at 31 March 2012.

On 13 May 2021, the Government issued a ministerial statement on the proposed remedy to be applied to LGPS benefits in response to the McCloud and Sargeant cases. It is not anticipated that there are any material differences between the approach underlying the estimated allowance in 2019 and the proposed remedy.

Guaranteed Minimum Pension (GMP) Equalisation

As a result of the High Court's recent Lloyds ruling on the equalisation of GMPs between genders, a number of pension schemes have made adjustments to accounting disclosures to reflect the effect this ruling has on the value of pension liabilities. HM Treasury have confirmed that the judgement "does not impact on the current method used to achieve equalisation and indexation in public service pension schemes".

It is anticipated that the Fund will pay limited increases for members that have reached State Pension Age (SPA) by 6 April 2016, with the Government providing the remainder of the inflationary increase.

For members that reach SPA after this date, it is assumed that the Fund will be required to pay the entire inflationary increase. It is not therefore necessary to make any adjustments to the value placed on the liabilities as a result of the above outcome.

Goodwin case

Following a case involving the Teachers' Pension scheme, known as the Goodwin case, differences between survivor benefits payable to members with same-sex or opposite-sex survivors have been identified within a number of public sector pension schemes. As a result, the Government have confirmed that a remedy is required in all affected public sector pension schemes, which includes the LGPS.

It is anticipated that the impact on the value of LGPS liabilities as a whole, and for the majority of employers participating in the LGPS, will not be material. However, the impact on individual employers will vary depending on their specific membership profile.

Sufficient information is not currently available to assess the actual impact on the Academy Trust but as the worst case scenario for the scheme as whole is expected to be in the region of be 0.025% no provision has been included within these financial statements.

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27. Members' liability

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

28. Related party transactions

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

No related party transactions took place, other than certain trustees' remuneration and expenses already disclosed in note 11. The remunerated trustees hold no significant influence over levels of remuneration.

In entering into the above transactions the trust has complied with the requirements of the Academies Financial Handbook 2019.

29. Controlling party

There is no ultimate controlling party.