

Company Registration Number: 08483768 (England & Wales)

MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members Diocese of Bristol Academies Company
M Cross
S Shaw
C Wilton

Trustees L Musset, Chair of Trustees²
M Harris, Vice Chair²
S Heal, Head Teacher^{1,2}
J E Brown (resigned 6 November 2019)¹
J K Brown²
C Cox (resigned 25 January 2020)^{2,4}
C Dean (appointed 26 February 2020)^{1,3}
D Hampton²
B Leitch^{1,3}
D Luscombe^{1,3}
R Martin
P Muir-McLeod²
C Osborn²
N Roberts¹
O Ross
E Visor¹

- ¹ Finance and Premises Committee
² Curriculum and Staffing Committee
³ Audit Committee
⁴ Foundation Committee

**Company registered
number** 08483768

Company name Malmesbury C Of E Primary School

**Principal and registered
office** Tetbury Hill
Malmesbury
Wiltshire
SN16 9JR

Company secretary N Warne

Accounting Officer S Heal

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
AS AT 31 AUGUST 2020**

Senior Leadership Team

S Heal, Headteacher
J Watkins, Deputy Headteacher
S Hamilton, EYFS Leader
D Hampton, Upper KS2 Leader
J Pearson, Lower KS2 Leader
T Osborne, School Business Manager (Resigned 31 January 2020)
A Duncan, Acting EYFS Leader
K Housley, School Business Manager (Appointed 1 February 2020)
M Moles, KS1 Leader

Independent auditors

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Bankers

Lloyds Bank PLC
29 High Street
Chippenham
Wiltshire
SN15 3HA

Solicitors

Veale Wasborough Vizards LLP
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2020. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates a primary academy for pupils aged 4 to 11 in Malmesbury. It has a pupil capacity of 420 and had a roll of 421 in the school census on 16th January 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Malmesbury Church of England Primary are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Malmesbury Church of England Primary School.

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

Members' Liability

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

Trustees' Indemnities

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

Method of recruitment and appointment or election of Trustees

On 1 June 2013 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

The Academy's Board of Trustees comprises the Headteacher, a minimum of 5 Parent Trustees, up to 2 Staff Trustees (providing that the total number of Trustees, including the Headteacher, who are employees of the Academy Trust, does not exceed one third of the total number of Trustees). The number of trustees will not be fewer than 3 but is not subject to a maximum.

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 2 co-opted Trustees who are appointed by the Board of Trustees.
- up to 4 Foundation Trustees (including the Incumbent Vicar of Malmesbury Abbey) who are appointed by the Diocese of Bristol.
- a minimum of 5 Parent Trustees who are elected by parents of registered pupils at the Academy.
- up to 2 Staff Trustees appointed by the Board of Trustees.
- up to 5 Community Trustees who are appointed by the Members.
- the Headteacher who is treated for all purposes as being an ex officio Trustee.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

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

The Diocese of Bristol is empowered under article 51 to appoint the Foundation Trustees.

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

Policies and Procedures adopted for the Induction and Training of Trustees

The Academy has a Governors' Induction Policy, Governors' Visiting policy and Code of Practice for Governors. Copies can be requested from the Clerk to the Governors and are also available with a large number of other resources on the Trustees' secure area of the academy's website (www.malmesburyprimaryschool.co.uk).

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with a password for the academy's website resource area to facilitate access to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Advantage is taken of specific courses offered by the academy's subscription to Wiltshire Governor Services, and our retained solicitors and auditors.

Organisational Structure

The Board of Members normally meets once a year. The following decisions are reserved to the Board of Members: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, appointment of the Trust's auditors and discuss any other matters arising.

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish working groups to perform specific tasks over a limited timescale.

There are currently 4 committees as follows:

- Finance & Premises Committee: this meets at least 3 times and up to 6 times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, and drafting the annual budget. It also monitors, assesses and recommends the commissioning of works to all buildings and other infrastructure work, including health and safety requirements.
- Curriculum and Staffing Committee: this meets at least 3 times and up to 6 times a year to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues. It also sets staffing levels and receives reports with regards to staffing issues, employment law and recruitment.
- Audit Committee: this meets at least once a year to assess compliance with reporting and regulatory requirements and reporting, receive reports from the Responsible Officer/internal audit and make recommendations to the Board of Trustees regarding compliance and regularity.

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- Foundation Governors: meets at least 3 times per year to monitor and encourage the Christian distinctiveness of the school.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments. The Members and Board of Trustees have devolved responsibility for day to day management of the Academy to the School Leadership Team (SLT). The SLT comprises of the Headteacher, Deputy Headteacher, EYFS Leader, Lower KS2 Leader, Upper KS2 Leader and the School Business Manager.

The Academy has a leadership structure which consists of the Trustees and The School Leadership Team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The SLT controls the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Headteacher, Academy Business Manager and Finance Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to budget holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts always include a Trustee. The Headteacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

All other key management personnel are employed by the academy and subject to the School Teachers Pay and Conditions Document, except for the School Business Manager who is employed under Support Staff terms and conditions. All employees' pay and remuneration is subject to the academy's Pay Policy framework, which is reviewed and adopted annually, and normally increased in accordance with average earnings.

The Trustees benchmark against pay levels in other Academies of a similar size. The benchmark is the mid-point of the range paid for similar roles.

Trade union facility time

There were no relevant union officials for the year/period ended 31 August 2020.

Related Parties and other Connected Charities and Organisations

The Academy has strong collaborative links with nine local cluster primary schools and Malmesbury Secondary School Academy. This is the Malmesbury Area Learning Community. During 2019-20 the academy continued its memberships of the Pickwick Learning Teaching Schools Alliance and the Avon Teaching Schools Alliance. In addition, in 2019-20 the academy participated in the Educational Development Trust School Partnership Programme, a peer review framework. The academy also collaborated with a group of other stand-alone church academies in Wiltshire, both to share expertise between Head Teachers and to develop deputy Head Teachers in the specific skill set required to lead a stand-alone academy. As a Church of England School within the diocese of Bristol we continued to collaborate closely with the local parish and the Diocesan Education Authority.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

The School House Trust is a related party. Mr S Heal, the Head Teacher and ex-officio Trustee of the Academy, is also a Trustee of The School House Trust. The School House Trust's objects are i) the provision of special benefits at Malmesbury Church of England Primary School and ii) the promotion of the education of persons resident in Malmesbury and the neighbourhood thereof. Transactions are therefore limited to grants for educational purposes. In 2019-20 these consisted of the provision of a bible for every pupil in Year 2. The usual financial assistance to enable disadvantaged pupils to participate in residential trips did not take place this year due to the Covid-19 pandemic. The School House Trust is also the managing trustee of the Academy's buildings and some of its land, excluding the playing field.

There are no other related parties that either control or significantly influence the decisions and operations of Malmesbury C of E Primary School. There are no sponsors or formal Parent Teacher Associations associated with the Academy.

Engagement with employees (including disabled persons)

The Trust engages with their employees through many means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union officials
- Have a staff representative on the board
- Regular updates to all staff members, via termly updates and newsletters
- An annual staff survey

OBJECTIVES AND ACTIVITIES

Objects and Aims

The object of the Academy is defined in its trust deed as being:

To advance for the public benefit education in the United Kingdom, by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character offering a broad and balanced curriculum ("the Academy") conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement) and in having regard to the advice of the Diocesan Board of Education.

The principal object and activity of the Academy is to advance for the public benefit education in Malmesbury and the surrounding area, in particular by establishing, maintaining, carrying on, managing and developing a school that offers a broad, vibrant curriculum for pupils of different abilities, with a strong emphasis on serving the community by providing high quality education and promoting Christian values. We passionately believe in our mission that we are 'Growing together in wisdom and love; discovering life in all its fullness'.

Our aims for pupils are that they will all become:

- Confident individuals - Children who are able to lead safe, healthy and fulfilling lives
- Successful learners
- Responsible citizens

And that children will all:

- Enjoy learning, make great progress and achieve outstanding outcomes
 - Grow and flourish to make a positive contribution to society
 - Be given an equal opportunity to reach their full potential academically and socially;
 - Have their awareness of moral and spiritual values continually raised;
 - Be encouraged to become independent learners equipped with the necessary skills for life;
 - Be encouraged to have understanding, tolerance and a respect for the needs of others that can be shown through thoughts and deeds
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- Be able to demonstrate an increasing respect for their own and others possessions, and increasing appreciation and concern for their immediate and the wider environment.

These aims are summarised in our vision statement: "Growing together in wisdom and love; discovering life in all its fullness."

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Our Academy has a nurturing, caring ethos founded on our Christian distinctiveness established on:

- Love for myself and others
- Love for life and learning
- Love for God

This is promoted through our highly visible values of:

Respect

I respect myself, treat others as I would like to be treated and value what I have around me.

Courage

I have faith, I believe in myself and I rise to a challenge.

Kindness

I am friendly, helpful and polite.

Creativity

I use my imagination to explore and share ideas.

Independence

I am resilient, resourceful and reflective.

In order to achieve these objects and aims the academy strives year-on-year to maintain and continually enhance:

- Safeguarding procedures, ensuring the highest possible standards.
- The effectiveness of the Academy by recruiting the highest quality staff into all roles and investing in Continuing Professional Development for staff.
- Close links with Malmesbury Abbey, the Bristol Diocese and the wider local community.

And also to:

- Continue to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness, obtaining value for money in all transactions.
- Ensure longer term financial sustainability in a national climate of rising costs and diminishing funding
- Engage the whole school community in implementing our vision for the years 2019-2023.

Objectives, Strategies and Activities

Within the overall aims summarised in the previous section, the specific aims and key priorities of the Academy for the period ended 31 August 2020 were contained in the School Development Plan and are summarised below:

- Ensure increased levels of progress and continuing good levels of attainment in mathematics by focusing on the teaching of number fluency and implementing a mastery style of teaching.
- Reading: Sustaining continued levels of high attainment and positive rates of progress in reading for all pupils.
- Writing: to support a previously low attaining Year 6 cohort to achieve levels which prepare them for secondary education. To develop writing at greater depth across the school,
- ICT: To work toward the renewal of Apple Distinguished School status, to train all teaching staff as 'Apple Teachers', to re-establish our status as an Apple Regional Training Centre and to invest in ICT hardware, including completing the renewal of Smart Boards across the school.
- To improve the outdoor play and learning environment by developing the Year 1 outside area.
- To continue the programme of redecoration and refurbishment of classrooms, and renew key parts of the school's infrastructure as the building enters its 12th year.
- To work with the Plastic Free Schools initiative and in local partnership to raise children's environmental awareness and reduce the school's environmental impact.
- To work with the Local Authority towards establishing pre-school provision on site.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

- To build on the school's Outstanding SIAMS report in March 2018 to further develop and embed our Church of England ethos, through collaboration with the local parish of Malmesbury Abbey.

Due to the unforeseen circumstances of the Covid-19 pandemic, the academy's main focus narrowed within the year and became:

- The provision of safe, efficient and effective education for all pupils during the period of national lockdown
- Maximising pupil and staff wellbeing
- Provision of child care for key workers
- Safeguarding of vulnerable pupils
- Protecting the school's financial position from the impact of events.
- Support of the wider schools community.

Public Benefit

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

The Academy aims 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 with a designated Church of England religious character offering a broad and balanced curriculum, conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement) and in having regard to the advice of the Diocesan Board of Education.

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

As an Academy we have a duty to support other schools. This is achieved through a number of collaborations, most notably as members of the Pickwick Learning Alliance, the Avon Schools Teaching Alliance, the Schools Partnership Programme, the local cluster of primary schools, the Bristol Diocese family of schools and the community of Apple Distinguished Schools. We employ a Parent Support Advisor whose services are then used by other schools in the local cluster. We have hosted a wide variety of cluster and Local Authority events, including Early Years forums, safeguarding meetings and staff training for local cluster schools. The Head Teacher is the deputy chair of the local schools' cluster. The deputy Head Teacher is a Local Authority moderator and leads writing moderation within the local cluster. During the period of national lockdown the school was designated as a local hub and the Head Teacher contributed to the planning and development of approaches across the Wiltshire Local Authority region and the Bristol and Salisbury Dioceses.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Academy is in its seventh year of operation and has exceeded the forecast number of students. The total number of students in January 2020 census was 421 (PAN 420). Over the long term we expect demand for places to increase steadily, due to substantial planned housing development in Malmesbury in the next 1-2 years which will offset falling birth rates. Due to pressure on school places in Malmesbury, the Board of Trustees agreed to admit one extra child per class above the PAN in Key Stage 2 from Easter 2018.

This year, all primary school assessments were cancelled due to national lockdown and so the usual set of attainment data is not available for the year 2019-20. Before lockdown, teacher assessments indicated good progress in all year groups and we were anticipating a particularly high achieving year 6 group, with excellent progress scores as well. This was the case in Reading, Writing and in Maths.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

The school planned for a possible lockdown, trained all children in using an electronic learning platform and sent home extra workbooks. As a result, when the lockdown actually came we were well placed to bring continuity to children's learning. Work was set and feedback given daily by teachers and the sense of school community was maintained through the online interaction which the learning platform facilitated. Children's engagement levels were very high and we were able to give significant additional support to parents who were struggling to access the online learning. In liaison with a local charity, computers were provided to a number of families. All of this meant that we minimised the loss to children's education and maximised their progress during lockdown. Pastoral and support staff were equipped with school computers and maintained their interactions with children. This included our school counsellor and play therapist, as well as the full range of SEND support staff, all making very significant contributions to children's wellbeing.

The school remained open during the Easter holidays to provide childcare for key workers, staffed by multiple volunteers.

From June, very large numbers of children returned to school in years Reception, 1 and 6, with attendance around 90%, significantly above national averages. We also offered every child a week in school with their teacher before the summer holidays and around 95% of children took up this offer. Those whose families were shielding were invited to come in after school to meet their teachers. All of this had a significant positive impact of children's wellbeing as well as their learning.

Parents and carers were hugely grateful to staff. There was a continual stream of positive feedback emphasising that what we were providing for the children was significantly more than most schools.

In the first part of the year, the objectives relating to maths teaching and the curriculum were implemented, with a lot of staff training and staff being given release time to plan and prepare for the new ways of teaching. Resources were purchased and the project was largely complete before lockdown. Its success has been regarded as exemplary by the local Boolean Maths Hub, who were supporting and quality checking our work. So much so that we have been asked to support other schools on a similar journey in the coming year.

The Apple Distinguished Schools Award was also successfully achieved in the autumn term. Staff attended an award ceremony, meeting with other similar schools. ADS status continues to be a select group, involving fewer than a hundred schools (Primary, Secondary, State and Independent) across Great Britain and Ireland. The programme of replacing Smart Boards across the school was completed. The school also re-established the Apple Regional Training Centre, and courses were delivered to a wide variety of professionals.

The Plastic Free Schools initiative was begun. A committee of children was established and multiple changes were made to reduce our use of plastic and increase recycling. The planned collaboration with other schools has not yet been possible and is now planned for the coming year.

Progress towards the establishment of a pre-school on site was made, with a number of meetings, fact finding visits and discussions with the Local Authority and possible providers. The future of this project will depend on land availability and funding agreement between all parties.

The academy continued to provide an inspirational curriculum, filled with experiences which ignited the children's passion for learning. This is achieved through a carefully planned curriculum which supports integrated, themed learning across subject boundaries. The whole curriculum has been reviewed in the year 2018-19, to ensure breadth of coverage. A wide range of off-site visits were planned to support the curriculum, including a residential trip in Year 4 and a full week in France in Year 6. These were unfortunately cancelled, but full refunds were obtained.

During the year, the Academy successfully replaced two key members of staff: its school Business Manager and Special Educational Needs and Disabilities Coordinator, both of whom retired. The replacements came with excellent experience and qualifications, and have contributed very significantly to the school during a period when both of their roles have been enormously important.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

In the earlier part of the year, the Academy benefitted greatly from the help of volunteers, both parents and other members of the community. They have helped with reading, writing, maths, drama and trips out of school. During lockdown the Malmesbury Community has been immensely supportive of the school and its children. The work of parents teaching their children at home has been vital in enabling children to remain on track with their learning.

The Academy values enormously the partnership with the Parents' Association (FOMPS). A large part of their work is on social events which bring the school community together and on things which the children enjoy, including organising school discos and paying for travelling theatre companies. Many of these events took place before lockdown, but many others had to be cancelled. Fundraising for the year was significantly impacted, but creative ways were found to continue some of the work of the FOMPS. During this financial year the school received funding to purchase a new sound system for the school hall, including a set of high quality microphones which will avoid the need to hire this equipment for theatre productions in future years.

As well as the ongoing programme of redecoration, significant roof repairs were completed during the year, as was the renewal of the projector in the school hall. Both projects cost in excess of £4000.

Key Performance Indicators

All statutory assessment was cancelled for the year 2019-20, so the usual set of academic performance indicators are not available. However, the school retains its dual Outstanding Ofsted and SIAMS status.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2018-19 this was 98%. For 2019-20 it was 106%. To fund this shortfall the Academy has increased other revenue streams. As a result, staffing costs as a percentage of total income, less capital funding, for the 2019-20 year is 78.7% against a planned 77.8%. This was higher than anticipated due to the impact of the Corona Virus pandemic.

Pupil numbers are also a key performance indicator, since funding is largely based on this figure. Pupil numbers in the January census were 421, one over PAN, indicating the ongoing viability of the school as a two-form entry primary school. A further 200 houses will shortly be built adjacent to the school, so continuing high demand for places is anticipated.

Going Concern

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

FINANCIAL REVIEW

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

During the year ended 31 August 2020, the Academy received total income of £1,876,938 and incurred total expenditure of £2,141,013. The excess of expenditure over income for the year was £264,075.

At 31 August 2020 the net book value of fixed assets was £4,655,526 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 23 to the financial statements.

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

The Academy implemented monthly cash flow forecasting during the year. This information is reported to key governors by the school's Business Manager.

Income generation was significantly affected by national lockdown and school closure. This was due to three key factors:

- School meals income dropping to almost zero while staffing costs could not be reduced
- Childcare income also dropping to almost zero, although staff were not furloughed so that a service could be provided to the children of key workers.
- Lettings ceasing.

School reopening has provided an almost immediate rebound in these revenue streams. It continues to limit lettings income, particularly in relation to our ability to expand lettings, but this is by far the smallest of the three effects listed above.

Reserves Policy

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

The Trustees have determined that the appropriate level of free reserves should be approximately £100,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

In August 2020, total reserves of the academy amounted to £4,037,958, although £3,988,526 of this is invested in fixed assets or represents non GAG restricted funds. The remaining £49,432 (representing £39,072 unrestricted funds and £10,360 unspent GAG) is the balance that the Trustees monitor in accordance with the Board's reserves policy. This represents 0.3 months of normal recurring expenditure.

The Covid-19 lockdown had an unanticipated impact on the Academy's reserves amounting to approximately £30,000, mostly in lost income. The Trustees have reviewed the income and reserves position going forward and have identified that:

- Generated income has now returned to pre-lockdown levels, specifically with the resumption of child care provision, school meals provision and lettings. These income streams are judged to be secure for the coming year and beyond. The Government has been clear that any future lockdowns will only involve the closure of primary schools as a last resort.
- GAG income for the year 2020-21 has received a substantial uplift, allowing us to budget for a £50,000 in-year surplus.
- Very substantial investment in the school's ICT infrastructure in 2019-20 included new Smartboards, iPads and hall projector. These items are expected to serve the school for many years to come, so there are no further major capital expenditure projects planned.

In light of these considerations, the Trustees believe that the Academy's reserves will return to the long term target level of £100,000 by September 2021.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

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

Investment Policy

All funds surplus to immediate requirements are invested to best effect, within the rules of the Academies' Financial Handbook.

Due to the nature and timing of receipt of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates, although recent funding cuts have negated any meaningful balance surplus so currently all funds remain in the academy's current bank account. No other form of investment is authorised.

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

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

Financial: the Academy has considerable reliance on continued Government funding through the EFA. In the last year 93% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. This level would have been reduced to 92% if the C-19 pandemic had not impacted on some of the other income streams which have been used to supplement the budget. For example lettings, wrap around childcare and school meals income. Staffing costs per head continue to rise, in particular employers' National Insurance and pension contributions, along with pressure from national agreements on cost of living pay awards and incremental salary scale awards.

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

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

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

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

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Fraud and mismanagement of funds: The Academy has established a system of internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained, reviewed and updated on a regular basis.

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Academy is over-subscribed, risks to revenue funding from a falling roll are small. However, the reduction in funding levels, the freeze on the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 23 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

FUNDRAISING

The Academy does not carry out any formal fundraising practices and does not work with any commercial or professional fundraisers.

The PTA (Friends of Malmesbury Primary School) is the principal fundraiser for the school and in 2019-20 their donations included:

- £1,433 for a PA system
- £230 for a rabbit hutch

Because of the Covid-19 pandemic their fundraising opportunities were severely restricted and this has had an impact on their ability to provide donations to the school.

The school also enjoys the support of the School House Trust, an independent charitable trust set up using the proceeds from the sale of property. The trust presented bibles to every Year 2 pupil. This was a direct gift to the children, not accounted for through the school.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

PLANS FOR FUTURE PERIODS

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

1. The Academy's first key objective for the coming year is to teach a recovery curriculum, to enable children to make up for the impact of lockdown on their education. Pupils will have additional and extended lessons in mathematics and English, with less time devoted to other subjects, while retaining a balance in the curriculum. Additional time will also be spent addressing children's wellbeing as necessary.
2. The second key objective will be the implementation of two projects addressing literacy: First the Dyslexia Friendly Schools initiative and second, in association with Wiltshire Local Authority, a whole school focus on vocabulary development. In addition, appraisal targets for teaching staff will target children with potential to progress to greater depth in writing, in order to increase the proportion of children working at greater depth.
3. Subject Leadership. The development of all teachers in the role of subject leader, evaluating and developing their curriculum area and preparing for an in-depth inspection focus.

Full details of our plans for the future are given in our Academy Development Plan, which is available from the Clerk to the Trustees.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

AUDITOR

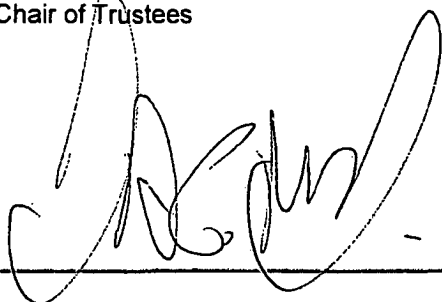
In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 24/11/20 and signed on the board's behalf by:

L Musset
Chair of Trustees



**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Malmesbury C of E Primary School and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 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
L Musset, Chair of Trustees	6	6
M Harris, Vice Chair	6	6
S Heal, Head Teacher	6	6
J E Brown	0	1
J K Brown	5	6
C Cox	2	2
C Dean	2	2
D Hampton	5	6
B Leitch	5	6
D Luscombe	4	6
R Martin	6	6
P Muir-McLeod	6	6
C Osborn	5	6
N Roberts	5	6
O Ross	0	6
E Visor	6	6

There have been 2 resignations and 1 appointments to the Governing Body during 2019-20. 1 Foundation Governor was appointed (Claire Dean). These appointments were made with regard to the skill set of the existing trustees and informed by a skills audit of governors carried out in May 2018. One Staff Trustee (Judith Brown) resigned.

In 2018 the Governing Body and Headteacher redefined the school's vision as 'Growing together in wisdom and love; discovering life in all its fullness'. This prompted a 'Vision Day' whereby staff and governors met to consider the medium and long terms aims for the school. Pupils also took part in a similar exercise with all findings being collated and used to inform school improvement planning. This vision is still being used to inform all planning.

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

The board has been highly effective in discharging its duties through the lockdown period. In order to facilitate effective governance, meetings were held using video conferencing and emergency powers were temporarily granted to the chair and vice-chair. Visits to school by trustees were necessarily suspended but the board initiated a review of the governor visits policy to identify ways in which it could continue to monitor the work of the school. Throughout this difficult year the board has maintained its focus on strategic issues. This has included training in the new Ofsted framework by the vice-chair, robust challenge over the academy's finances and an in-depth review of the admissions policy led by a specially appointed working group.

Due to the Corona Virus pandemic, trustees were unable to review their governance during the 2019-20 academic year as they usually would. The focus of governance was on dealing effectively with the national emergency situation. The next review of governance is planned for January 2021.

The Finance and Premises Committee is a sub-committee of the main Board of Trustees. Its strategic purpose is to

- Ensure that all strategic goal action plans are funded as fully as possible within the constraints of the school budget.
- Work to create a school with a learning environment for our pupils that will inspire and support learning and positively reflect the ethos of continuous improvement that is at the heart of our school.

Areas of responsibility include:

- Setting the annual school budget with reference to the priorities identified in the School Improvement Plan and recommending the budget for approval by the full governing body.
- Monitoring income and expenditure against predicted levels
- Ensuring that the school achieves value for money in its budgetary decisions and that appropriate financial procedures are in place for the effective discharging of staff responsibilities in terms of financial management.
- Support internal audit process and participate in risk management for the academy
- Establishing and maintaining a stimulating, safe learning and working environment for pupils and staff.

The Premises and Finance Committee only met for 5 out of its 6 intended meetings during the year. The meeting scheduled for Monday 16th March was cancelled because a national restrictions on gatherings had just been imposed.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
N Roberts (Chair)	5	5
J Brown	0	0
S Heal	5	5
B Leitch	4	5
D Luscombe	3	5
M Harris	5	5

The Audit Committee is also a sub-committee of the main Board of Trustees. Its purpose is to maintain an oversight of the Academy Trust's governance, risk management, internal control and value for money framework. It reports its findings annually to the Governing Body and the Accounting Officer as a critical element of the AT's annual reporting requirements. The Audit Committee has no executive powers or operational responsibilities/duties.

The Audit Committee meets as part of other governors' meetings in order to make efficient use of time and resources. Discussions are minuted at the Finance and Premises Committee meeting.

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
B Leitch (Chair)	4	5
M Harris	5	5
D Luscombe	3	5

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:

- Robust financial governance and budget management – a target to restore financial reserves to £100,000 by August 2022 is likely to be delayed, due to the impact of the Corona Virus pandemic as a large part of the plan relies upon income from Wrap-Around Childcare, which has been impacted during 19-20 with possible further impact during 20-21.
- Continually reviewing and acting to improve the quality of curriculum provision and quality of teaching (eg: weekly & minuted School Leadership Team meetings)
- Making comparisons with similar academies using benchmarking data provided by the ESFA, the Government and Kreston UK.
- Implementing effective measures to ensure continuity in children's learning during lockdown, including digital learning, and ensuring all staff have contributed to the school's work during over this period despite the difficulties of staff illness and shielding.
- Maintaining the school's provision of childcare both during and after the school day for key workers and vulnerable children.
- Offering every child in the school the opportunity to spend at least a week in school with their teacher during the summer term.

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 Malmesbury C of E Primary School for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT (CONTINUED)

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 2019 to 31 August 2020 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 considered the need for a specific internal audit function and has decided:

- To appoint an internal audit to conduct Financial Controls Assurances. This was carried out in August by Wiltshire Council Accounting and Budget Support and focussed on Governance, Financial Controls, Planning and Monitoring.
- The academy also purchases support visits per year from Wiltshire Council's Accounting and Budget Support Team. Our Accounting Technician, Sharon Bembridge, provides informal guidance and support for all financial matters.

The internal reviewer'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 by S Bembridge
- Testing of budget monitoring systems by S Bembridge

The Audit Committee are informed by the work of the internal audit and S Bembridge, and reports to the Board of Trustees, through the Finance and Premises Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

GOVERNANCE STATEMENT (CONTINUED)

REVIEW OF EFFECTIVENESS

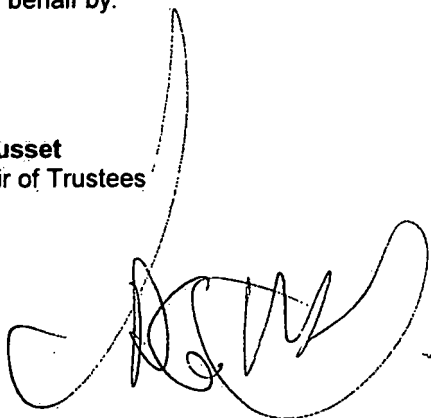
As accounting officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the Internal auditor/reviewer;
- The work of the external auditors;
- The work of the Chief Financial Officer within the Academy Trust who has responsibility for the development and maintenance of the internal control framework

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit 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 *27 November 20* and signed on their behalf by:

L Musset
Chair of Trustees



S Heal
Accounting Officer



**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

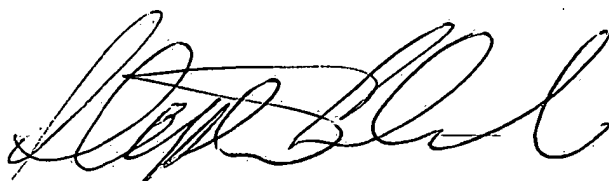
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Malmesbury C of E Primary School 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 2019.

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 2019.

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

S Heal
Accounting Officer
Date: 27/11/20



**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
AS AT 31 AUGUST 2020**

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

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

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

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

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

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

L Musset
Chair of Trustees
Date: 24/11/20



**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MALMESBURY C OF E PRIMARY SCHOOL**

OPINION

We have audited the financial statements of Malmesbury C of E Primary School (the 'academy') for the year ended 31 August 2020 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 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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

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

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

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MALMESBURY C OF E PRIMARY SCHOOL (CONTINUED)**

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report, and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MALMESBURY C OF E PRIMARY SCHOOL (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.

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

USE OF OUR REPORT

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

David Butler FCA DChA

David Butler FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date: *9 December 20*

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
MALMESBURY C OF E PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 27 September 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Malmesbury C of E Primary School during the year 1 September 2019 to 31 August 2020 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 Malmesbury C of E Primary School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Malmesbury C of E Primary School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Malmesbury C of E Primary School and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF MALMESBURY C OF E PRIMARY SCHOOL'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Malmesbury C of E Primary School's funding agreement with the Secretary of State for Education dated 19 December 2012 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

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

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

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
MALMESBURY C OF E PRIMARY SCHOOL 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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Bishop Fleming Ltd

David Butler FCA DChA (Reporting Accountant)
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: *9 Dec 20*

MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
AS AT 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:						
Donations and capital grants	3	4,054	27,529	8,784	40,367	68,359
Charitable activities	4	32,702	1,740,976	-	1,773,678	1,721,028
Other trading activities	5	62,800	-	-	62,800	77,339
Investments	6	93	-	-	93	145
TOTAL INCOME		99,649	1,768,505	8,784	1,876,938	1,866,871
EXPENDITURE ON:						
Charitable activities	7	153,542	1,852,506	134,965	2,141,013	2,034,271
TOTAL EXPENDITURE		153,542	1,852,506	134,965	2,141,013	2,034,271
NET EXPENDITURE		(53,893)	(84,001)	(126,181)	(264,075)	(167,400)
Transfers between funds	16	-	(37,929)	37,929	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		(53,893)	(121,930)	(88,252)	(264,075)	(167,400)
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial gains/(losses) on defined benefit pension schemes	23	-	37,000	-	37,000	(290,000)
NET MOVEMENT IN FUNDS		(53,893)	(84,930)	(88,252)	(227,075)	(457,400)
RECONCILIATION OF FUNDS:						
Total funds brought forward		92,965	(571,710)	4,743,778	4,265,033	4,722,433
Net movement in funds		(53,893)	(84,930)	(88,252)	(227,075)	(457,400)
TOTAL FUNDS CARRIED FORWARD		39,072	(656,640)	4,655,526	4,037,958	4,265,033

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

The notes on pages 30 to 52 form part of these financial statements.

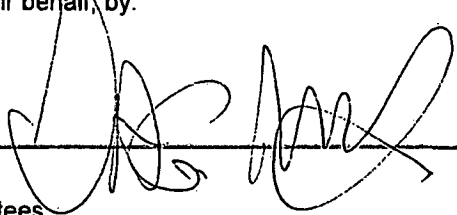
MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08483768

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	13	4,655,526	4,743,778
CURRENT ASSETS			
Debtors	14	34,777	42,572
Cash at bank and in hand		125,764	174,904
		<u>160,541</u>	<u>217,476</u>
Creditors: amounts falling due within one year	15	(111,109)	(110,221)
NET CURRENT ASSETS		<u>49,432</u>	<u>107,255</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,704,958</u>	<u>4,851,033</u>
Defined benefit pension scheme liability	23	(667,000)	(586,000)
TOTAL NET ASSETS		<u><u>4,037,958</u></u>	<u><u>4,265,033</u></u>
FUNDS OF THE ACADEMY			
Restricted funds:			
Fixed asset funds	16	4,655,526	4,743,778
Restricted income funds	16	10,360	14,290
		<u>4,665,886</u>	<u>4,758,068</u>
Restricted funds excluding pension asset	16		
Pension reserve	16	(667,000)	(586,000)
Total restricted funds	16	<u>3,998,886</u>	<u>4,172,068</u>
Unrestricted income funds	16	<u>39,072</u>	<u>92,965</u>
TOTAL FUNDS		<u><u>4,037,958</u></u>	<u><u>4,265,033</u></u>

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 27 to 52 were approved and authorised for issue by the Trustees and are signed on their behalf, by:


L Musset
 Chair of Trustees
 Date: 24/11/20

The notes on pages 30 to 52 form part of these financial statements.

MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash (used in)/provided by operating activities	18	(11,304)	30,378
CASH FLOWS FROM INVESTING ACTIVITIES	19	(37,836)	(49,076)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(49,140)	(18,698)
Cash and cash equivalents at the beginning of the year		174,904	193,602
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	20, 21	<u>125,764</u>	<u>174,904</u>

The notes on pages 30 to 52 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020**

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Malmesbury C of E Primary School meets the definition of a public benefit entity under FRS 102.

1.2 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.

1.3 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**

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

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

• **Donations**

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

• **Other income**

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

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE

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

1.5 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.

1.6 TANGIBLE FIXED ASSETS

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

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

Where the academy has been granted use of school buildings from the Bristol Diocesan Board of Finance Limited (BDBFL) under Supplemental Agreements, the Academies Accounts Direction prescribes that where the Academy concludes it has control over access and works of the land and buildings they can be recognised as an asset. The land and buildings have been included within the long-term property of the Academy as the BDBFL are currently not exerting control over the assets.

The Supplemental Agreement includes the right for the BDBFL Trustees to give not less than 2 years written notice to the Academy and the Secretary of State for Education to terminate the agreement. No Such written notice has been received at the date of approval of Financial Statements

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS (CONTINUED)

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

Long term leasehold building	- 50 years straight line
Long term leasehold land	- 125 years straight line
Fixtures and fittings (external)	- 10 - 20% straight line
Computer equipment	- 50% straight line

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

1.7 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.

1.8 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.

1.9 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.

1.10 OPERATING LEASES

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

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

1.11 PENSIONS

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

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

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

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

1.12 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020**

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020**

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	4,054	27,529	-	31,583	59,592
Capital Grants	-	-	8,784	8,784	8,767
	<u>4,054</u>	<u>27,529</u>	<u>8,784</u>	<u>40,367</u>	<u>68,359</u>
Total 2019	<u>3,306</u>	<u>39,804</u>	<u>25,249</u>	<u>68,359</u>	

4. FUNDING FOR THE ACADEMY'S EDUCATION

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA GRANTS				
General Annual Grant	-	1,458,811	1,458,811	1,452,518
Pupil Premium	-	58,643	58,643	51,445
UIFSM	-	58,995	58,995	67,517
Other DfE/ESFA grants	-	110,519	110,519	47,545
	<u>-</u>	<u>1,686,968</u>	<u>1,686,968</u>	<u>1,619,025</u>
OTHER GOVERNMENT GRANTS				
High Needs	-	48,672	48,672	52,353
Other Government grants: non-capital	-	5,336	5,336	1,718
	<u>-</u>	<u>54,008</u>	<u>54,008</u>	<u>54,071</u>
OTHER FUNDING				
Internal catering income	24,750	-	24,750	39,699
Sales to students	7,644	-	7,644	7,045
Other	308	-	308	1,188
	<u>32,702</u>	<u>1,740,976</u>	<u>1,773,678</u>	<u>1,721,028</u>
Total 2019	<u>47,932</u>	<u>1,673,096</u>	<u>1,721,028</u>	

MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings	2,541	2,541	4,384
External catering	-	-	24
Consultancy	18,036	18,036	17,674
Peas in the Pod	42,223	42,223	55,257
	<u>62,800</u>	<u>62,800</u>	<u>77,339</u>

6. INVESTMENT INCOME

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	<u>93</u>	<u>93</u>	<u>145</u>

7. EXPENDITURE

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Direct costs	1,482,466	116,655	59,018	1,658,139	1,553,529
Support costs	232,684	129,853	120,337	482,874	480,742
	<u>1,715,150</u>	<u>246,508</u>	<u>179,355</u>	<u>2,141,013</u>	<u>2,034,271</u>
Total 2019	<u>1,581,426</u>	<u>249,083</u>	<u>203,762</u>	<u>2,034,271</u>	

MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Education	1,658,139	482,874	2,141,013	2,034,271
Total 2019	1,553,529	480,742	2,034,271	

Analysis of direct costs

	Total funds 2020 £	Total funds 2019 £
Pension finance costs	7,000	4,000
Staff costs	1,482,466	1,346,479
Depreciation	116,655	122,731
Educational supplies	20,039	34,214
Staff development	2,669	7,639
Educational visits	12,141	14,733
Supply teachers	-	14,455
Technology costs	17,169	9,278
	<u>1,658,139</u>	<u>1,553,529</u>

MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Pension finance costs	6,000	3,000
Staff costs	232,684	220,492
Depreciation	18,310	18,931
Educational supplies	2,514	4,606
Other costs	1,669	181
Recruitment and support	1,961	2,627
Maintenance of premises and support	32,792	25,935
Cleaning	41,397	39,014
Rent and rates	20,498	22,664
Energy costs	16,856	19,808
Insurance	7,876	8,813
Security and transport	1,194	1,286
Catering	32,399	45,755
Technology costs	15,291	19,626
Office overheads	6,304	4,980
Legal and professional	31,511	26,184
Bank interest	761	2,055
Governance	12,857	14,785
	482,874	480,742

9. NET EXPENDITURE

Net expenditure for the year includes:

	2020 £	2019 £
Operating lease rentals	2,717	2,446
Depreciation of tangible fixed assets	134,965	141,662
Fees paid to auditors for:		
- audit	7,500	7,250
- other services	1,250	1,450

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020**

10. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	1,244,529	1,194,457
Social security costs	93,362	91,817
Pension costs	377,259	280,697
	<u>1,715,150</u>	<u>1,566,971</u>
Agency staff costs	-	14,455
	<u>1,715,150</u>	<u>1,581,426</u>

b. STAFF NUMBERS

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

	2020 No.	2019 No.
Teachers	27	20
Educational Support	40	43
Administration and Clerical	5	5
Management	2	2
	<u>74</u>	<u>70</u>

The average headcount expressed as full-time equivalents was:

	2020 No.	2019 No.
Teachers	16	16
Educational support	23	22
Administration	3	3
Management	2	2
	<u>44</u>	<u>43</u>

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020**

10. STAFF (CONTINUED)

c. HIGHER PAID STAFF

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	-	1

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £397,787 (2019 £435,540).

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the key management personnel other than in their role as Trustee, their remuneration as per note 11 has not been included in the total benefits received by key management personnel above.

11. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy in respect of their role as Trustees. The value of Trustees' Remuneration and other benefits was as follows: S Heal: Remuneration £60,000 - £65,000 (2019: £70,000 - £75,000), Employer's pension contributions: £Nil (2019: £Nil); D Hampton: Remuneration £35,000 - £40,000 (2019: £35,000 - £40,000), Employer's pension contributions: £5,000 - £10,000 (2019: £5,000 - £10,000); and J Brown: Remuneration £Nil (2019: £25,000 - £30,000), Employer's pension contributions £Nil (2019: £5,000 - £10,000).

During the year ended 31 August 2020, expenses totalling £8 were reimbursed or paid directly to 1 Trustee (2019 - £NIL).

12. TRUSTEES' AND OFFICERS' INSURANCE

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

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020**

13. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
COST OR VALUATION				
At 1 September 2019	5,170,948	195,222	144,975	5,511,145
Additions	-	21,904	24,809	46,713
At 31 August 2020	5,170,948	217,126	169,784	5,557,858
DEPRECIATION				
At 1 September 2019	532,752	106,971	127,644	767,367
Charge for the year	87,948	21,267	25,750	134,965
At 31 August 2020	620,700	128,238	153,394	902,332
NET BOOK VALUE				
At 31 August 2020	4,550,248	88,888	16,390	4,655,526
At 31 August 2019	4,638,196	88,251	17,331	4,743,778

14. DEBTORS

	2020 £	2019 £
DUE WITHIN ONE YEAR		
Trade debtors	5,327	9,959
Prepayments and accrued income	29,183	30,497
VAT recoverable	267	2,116
	34,777	42,572

**MALMESBURY C OF E PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020**

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other taxation and social security	21,640	21,576
Accruals and deferred income	89,469	88,645
	<u>111,109</u>	<u>110,221</u>
	2020 £	2019 £
DEFERRED INCOME		
Deferred income at 1 September	55,549	62,622
Resources deferred during the year	57,992	55,549
Amounts released from previous periods	(55,549)	(62,622)
Deferred income at 31 August	<u>57,992</u>	<u>55,549</u>

At the balance sheet date the Academy was holding ESFA grants, trip and dinner monies received in advance, for the 2020/21 academic year.

MALMESBURY C OF E PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020

16. STATEMENT OF FUNDS

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfer s in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
General funds	92,965	99,649	(153,542)	-	-	39,072
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	14,290	1,458,811	(1,434,812)	(27,929)	-	10,360
Pupil Premium	-	63,885	(63,885)	-	-	-
PE and Sports Grant	-	19,650	(19,650)	-	-	-
High Needs	-	48,672	(48,672)	-	-	-
Universal Infant Free School Meals (UIFSM)	-	58,995	(58,995)	-	-	-
Educational visits	-	3,710	(3,710)	-	-	-
Teachers pay grant	-	19,768	(19,768)	-	-	-
Teachers pension grant	-	55,857	(55,857)	-	-	-
Rates relief	-	12,164	(12,164)	-	-	-
Other restricted funds	-	26,993	(16,993)	(10,000)	-	-
Pension reserve	(586,000)	-	(118,000)	-	37,000	(667,000)
	<u>(571,710)</u>	<u>1,768,505</u>	<u>(1,852,506)</u>	<u>(37,929)</u>	<u>37,000</u>	<u>(656,640)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	4,655,583	-	(92,764)	-	-	4,562,819
Fixed assets purchased from GAG and other restricted funds	88,195	8,784	(42,201)	37,929	-	92,707
	<u>4,743,778</u>	<u>8,784</u>	<u>(134,965)</u>	<u>37,929</u>	<u>-</u>	<u>4,655,526</u>
TOTAL RESTRICTED FUNDS	<u>4,172,068</u>	<u>1,777,289</u>	<u>(1,987,471)</u>	<u>-</u>	<u>37,000</u>	<u>3,998,886</u>
TOTAL FUNDS	<u><u>4,265,033</u></u>	<u><u>1,876,938</u></u>	<u><u>(2,141,013)</u></u>	<u><u>-</u></u>	<u><u>37,000</u></u>	<u><u>4,037,958</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020**

16. STATEMENT OF FUNDS (CONTINUED)

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

RESTRICTED FUNDS

General Annual Grant (GAG) represents funding received from the Education and Skills Funding Agency (ESFA) which is to be used for the normal running costs of the Academy, including education and support costs. During the year £27,929 (2019: £49,221) was transferred to the restricted fixed asset fund to represent fixed asset purchased from GAG.

Pupil Premium funding represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying socio-economic inequalities.

PE and Sports Grant funding is funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

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

Universal Infant Free School Meals (UIFSM) represents funding received from the ESFA to enable Malmesbury C of E Primary School to offer free school meals to every pupil in reception, Y1 and Y2.

Educational visits represents restricted donations received from parents.

Devolved formula capital represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

Teachers Pay Grant - Funding received from the ESFA to support increased pay for all teachers.

Teachers Pension Grant - Funding received from the ESFA to support increased pension contributions for all teachers.

Rates relief - Funding received from the ESFA for the reimbursement of business rates costs.

Other restricted funds represents restricted donations received from parents and other charitable bodies.

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

FIXED ASSET FUNDS

Fixed assets transferred on conversion represents the land, buildings and equipment donated to the school from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG and other restricted funds represent amounts spent on fixed assets from the GAG, DFC and ACMF funding received from the ESFA.

OTHER INFORMATION

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

**MALMESBURY C OF E PRIMARY SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020**

16. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
UNRESTRICTED FUNDS						
General funds	107,245	128,722	(143,002)	-	-	92,965
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	20,451	1,465,163	(1,430,870)	(40,454)	-	14,290
Pupil Premium	-	51,445	(51,445)	-	-	-
PE and Sports Grant	-	19,690	(19,690)	-	-	-
High Needs	-	52,353	(52,353)	-	-	-
Universal Infant Free School Meals (UIFSM)	-	67,517	(67,517)	-	-	-
Educational visits	-	15,670	(15,670)	-	-	-
Devolved formula capital	-	41,062	(41,062)	-	-	-
Teachers pay grant	-	8,767	-	(8,767)	-	-
Pension reserve	(225,000)	-	(71,000)	-	(290,000)	(586,000)
	<u>(204,549)</u>	<u>1,721,667</u>	<u>(1,749,607)</u>	<u>(49,221)</u>	<u>(290,000)</u>	<u>(571,710)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	4,748,392	-	(92,809)	-	-	4,655,583
Fixed assets purchased from GAG and other restricted funds	71,345	16,482	(48,853)	49,221	-	88,195
	<u>4,819,737</u>	<u>16,482</u>	<u>(141,662)</u>	<u>49,221</u>	<u>-</u>	<u>4,743,778</u>
TOTAL RESTRICTED FUNDS	<u>4,615,188</u>	<u>1,738,149</u>	<u>(1,891,269)</u>	<u>-</u>	<u>(290,000)</u>	<u>4,172,068</u>
TOTAL FUNDS	<u><u>4,722,433</u></u>	<u><u>1,866,871</u></u>	<u><u>(2,034,271)</u></u>	<u><u>-</u></u>	<u><u>(290,000)</u></u>	<u><u>4,265,033</u></u>

MALMESBURY C OF E PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
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17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	4,655,526	4,655,526
Current assets	39,072	121,469	-	160,541
Creditors due within one year	-	(111,109)	-	(111,109)
Provisions for liabilities and charges	-	(667,000)	-	(667,000)
TOTAL	39,072	(656,640)	4,655,526	4,037,958

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	4,743,778	4,743,778
Current assets	92,965	124,511	-	217,476
Creditors due within one year	-	(110,221)	-	(110,221)
Provisions for liabilities and charges	-	(586,000)	-	(586,000)
TOTAL	92,965	(571,710)	4,743,778	4,265,033

MALMESBURY C OF E PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020

18. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(264,075)	(167,400)
ADJUSTMENTS FOR:		
Depreciation	134,965	141,662
Capital grants from DfE and other capital income	(8,784)	(16,482)
Interest receivable	(93)	(145)
Defined benefit pension scheme cost less contributions payable	105,000	64,000
Defined benefit pension scheme finance cost	13,000	7,000
Decrease in debtors	7,795	978
Increase in creditors	888	765
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	(11,304)	30,378

19. CASH FLOWS FROM INVESTING ACTIVITIES

	2020 £	2019 £
Dividends, interest and rents from investments	93	145
Purchase of tangible fixed assets	(46,713)	(65,703)
Capital grants from DfE Group	8,784	16,482
NET CASH USED IN INVESTING ACTIVITIES	(37,836)	(49,076)

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash in hand	125,764	174,904
TOTAL CASH AND CASH EQUIVALENTS	125,764	174,904

NOTES TO THE FINANCIAL STATEMENTS
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21. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	174,904	(49,140)	125,764
	<u>174,904</u>	<u>(49,140)</u>	<u>125,764</u>

22. CAPITAL COMMITMENTS

	2020 £	2019 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS		
Acquisition of tangible fixed assets	-	17,778

23. 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 Wiltshire County Council. Both are multi-employer defined benefit schemes.

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

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

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.

**NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury 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 £149,432 (2019 - £103,261).

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.

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 2020 was £147,000 (2019 - £140,000), of which employer's contributions totalled £120,000 (2019 - £113,000) and employees' contributions totalled £ 27,000 (2019 - £27,000). The agreed contribution rates for future years are 24.5 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.

MALMESBURY C OF E PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (CONTINUED)

Principal actuarial assumptions

	2020	2019
	%	%
Discount rate for scheme liabilities	1.70	1.90
Future salary increases	2.60	2.60
Future pension increases	2.20	2.30

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

	2020	2019
	Years	Years
<i>RETIRING TODAY</i>		
Males	21.7 years	21.4 years
Females	24.0 years	23.7 years
<i>RETIRING IN 20 YEARS</i>		
Males	22.5 years	22.3 years
Females	25.5 years	25.1 years

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

	2020	2019
	£	£
Equities	917,000	1,051,000
Gilts	524,000	207,000
Corporate bonds	197,000	193,000
Cash and other liquid assets	-	30,000
TOTAL MARKET VALUE OF ASSETS	1,638,000	1,481,000

The actual return on scheme assets was £34000 (2019 - £80,000).

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

	2020	2019
	£	£
Current service cost	225,000	(177,000)
Interest income	29,000	37,000
Interest cost	(42,000)	(44,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	212,000	(184,000)

MALMESBURY C OF E PRIMARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (CONTINUED)

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

	2020 £	2019 £
Opening defined benefit obligation	2,067,000	1,498,000
Current service cost	225,000	177,000
Interest cost	42,000	44,000
Employee contributions	27,000	27,000
Actuarial gains/(losses)	(43,000)	333,000
Benefits paid	(12,000)	(12,000)
Closing defined benefit obligation	2,306,000	2,067,000

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

	2020 £	2019 £
Opening fair value of scheme assets	1,481,000	1,273,000
Interest income	29,000	37,000
Actuarial gains/(losses)	(6,000)	43,000
Employer contributions	120,000	113,000
Employee contributions	27,000	27,000
Benefits paid	(12,000)	(12,000)
Closing fair value of scheme assets	1,639,000	1,481,000

24. OPERATING LEASE COMMITMENTS

At 31 August 2020 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	1,717	2,717
Later than 1 year and not later than 5 years	1,717	3,433
	3,434	6,150

**NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 AUGUST 2020**

25. 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.

26. 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.

S Heal, Trustee, is also a Trustee of the School House Trust. During the year the School House Trust donated £nil (2019: £680) to the academy. There was no balance outstanding at the year end.