

Registration number: 08977173

The Kirkstead Education Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

The Kirkstead Education Trust

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The Kirkstead Education Trust

Reference and Administrative Details

Members	D Boxall M Grant (Appointed 20 September 2021) S Kashyap T Scott-Wilson (Appointed 24 November 2020) R Benton (until 15 October 2020) C Trask (Resigned 31 August 2021)
Trustees	T Scott-Wilson (Chair from 21 September 2021) C Howe D Boxall (Chair to 20 September 2021) T Kendrick, (Appointed 1 January 2021) R Benton (until 15 October 2020) E Losse (Resigned 31 December 2020) C Trask (Resigned 31 August 2021)
Senior Management Team	E Losse (Resigned 31 December 2020), Head Teacher T Kendrick (Appointed Head Teacher 01 January 2021), Deputy Head Teacher C Potter, Assistant Head Teacher H Walker, Assistant Head Teacher A Powell, SENDCo H Taylor, SENDCo
Principal and Registered Office	Kirkstead Road Cheadle Hulme Cheadle Cheshire SK8 7PZ
Company Registration Number	08977173
Auditors	Beever and Struthers Chartered Accountants and Statutory Auditors St George's House 215-219 Chester Road Manchester M15 4JE

The Kirkstead Education Trust

Reference and Administrative Details (continued)

Bankers

Royal Bank of Scotland
50 Bramhall Lane South
Bramhall
Stockport
SK7 1AJ

Aldermore Business Services
1st Floor, Block B
Western House
Lynch Wood
Peterborough
PE2 6FZ

Solicitors

Eversheds LLP
Eversheds House
70 Great Bridgewater Street
Manchester
M1 5ES

The Kirkstead Education Trust

Trustees' Report for the Year Ended 31 August 2021

The Trustees of The Kirkstead Education Trust (KET) present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

KET is a Multi Academy Trust that operates a single academy, Hursthead Junior School (HJS), for pupils aged 7 to 11 serving a catchment area in Cheadle Hulme.

HJS has a pupil capacity of 360 and had a roll of 360 in the school census in October 2021.

Structure, governance and management

Constitution

The charitable company is known as The Kirkstead Education Trust (KET). The incorporation date of KET was 3rd April 2014. KET 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 KET.

Details of the Trustees who are in office on the date the financial statements are approved and any others who served during the year are included in the Reference and Administrative Details on page 2.

Hursthead Junior School (HJS) is currently the only school in the Multi Academy Trust. Conversion of HJS to Academy status took place on 1st June 2014. The Head Teacher of HJS is a Trustee of KET.

Members' liability

Every member of the Company undertakes to contribute such amount as may be required (not exceeding £10) to the Company's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the Company's debts and liabilities before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

Trustees' indemnities

Trustees benefit from indemnity cover purchased by KET as part of the Risk Protection Arrangement provided by the Department for Education. This covers defence costs and legal liability of the Trustees and Governors to pay damages but not fines, penalties, punitive or exemplary damages. This indemnity is unlimited.

Method of recruitment and appointment or election of Trustees

The KET Articles of Association state that the "number of Trustees shall not be less than three, but shall not be subject to any maximum". The members may appoint up to 5 trustees through such process as they determine, in accordance with the Articles of Association. The Head Teacher of HJS shall be a Trustee. The Trustees may appoint Co-opted Trustees. The usual term of office is a period of four years, with the exception of the Head Teacher who shall serve for as long as they are in post and Co-opted Trustees.

Instead of appointing Parent Trustees, KET has decided that the Local Governing Boards shall include two parent governors.

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Trustees' Report for the Year Ended 31 August 2021 (continued)

Policies and procedures adopted for the induction and training of Trustees

New Trustees are encouraged to take part in a programme of induction training, which is bought back by KET from the Local Authority. A skills audit is undertaken to identify any areas where further training may be necessary and Trustees are invited to take advantage of a full range of training opportunities provided by the Local Authority and other external providers. They are also invited to attend training for HJS staff e.g. INSET days, Safeguarding training etc.

Trustees are always welcomed into HJS to meet staff and pupils. The impact of COVID- 19 meant that such visits were not feasible during much of 2020-21.

Organisational structure

KET is a Multi Academy Trust that currently maintains a single academy (HJS). The Trustees have decided that rather than to establish committees at Trust level it is more effective to delegate responsibility for HJS to a Local Governing Board (LGB). A Scheme of Delegation is in place to ensure the responsibilities of the LGB are clear.

The KET Trust Board maintains oversight of the activities through reports from the LGB (and its subsidiary committees) and by reviewing the monthly accounts statements. The KET Trust Board meets at least three times in every school year. The Head Teacher as a member of the Trust Board reports on the activities at HJS when required.

The Head Teacher is the Accounting Officer.

The LGB must recommend the budget to the Trustees for approval.

The LGB meets termly. It has established a number of committees covering:

- Resources (incorporating remits for Health & Safety, Premises, Finance and Audit & Risk)
- Quality of Education (incorporating Standards, and Teaching and Learning)
- Personnel (incorporating Performance Management)
- Pay

The LGB has devolved responsibility for monitoring, decision making and policy formulation to these committees. The LGB determines the membership and terms of reference of these committees. Usually, the committees meet termly in advance of the LGB meeting. The subsequent reports and activities of each committee are presented to and ratified by the LGB and then made available to the Trustees.

The LGB has devolved responsibility for the day to day running of the school to the Head Teacher and Senior Leadership Team (SLT). The SLT comprises the Head Teacher, Deputy Head Teacher (until 31.12.20), Assistant Head Teachers, and 2 SENDCos.

Arrangements for setting pay and remuneration of key management personnel

KET has devolved its pay powers to the Pay Committee. Pay is reviewed annually for all personnel including management personnel and in accordance with the Pay Policy in operation at that time. Pay for the Head Teacher is determined by the Pay Committee and with advice from an external advisor. All pay decisions are ratified by the LGB and approved by KET.

Trade union facility time

KET buys back into the Local Authority's Trade union facilities time. No HJS staff were engaged in Trade Union activities during 2020-21.

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Trustees' Report for the Year Ended 31 August 2021 (continued)

Connected organisations, including related party relationships

HJS shares the Kirkstead Road site with Hursthead Infant School. KET leases the lands and buildings known as Hursthead Junior School under a Lease Agreement dated 29/05/2014 between The Metropolitan Borough Council of Stockport and Kirkstead Education Trust. The lease makes further provision for shared use of “the Playing Field” and areas for HJS car parking.

HJS also works closely with the University of Manchester in training the teachers of the future. HJS offers placements to students pursuing the PGCE qualification, and is also a School Direct provider, leading an alliance of primary schools in the local area including Hursthead Infant School, Bradshaw Hall Primary, Oak Tree Primary, Handforth Grange and Heald Place and working in partnership with the University of Manchester PGCE course.

HJS receives the majority of its pupils from Hursthead Infant School. The two schools work closely together on key aspects of school life, and ensure a smooth transition for pupils moving from KS1 to KS2.

The HJS Parents' Association run events and fundraising activities throughout the year to raise additional funds for the school.

Other related parties are disclosed in Note 23 of the accounts.

Objectives and activities

Objects and aims

KET endeavours to lay the foundations for children to develop into happy, secure and confident young people well equipped to achieve their maximum potential.

This is achieved by:

- giving a wealth of opportunities from which to learn
- encouraging teamwork and a partnership between home and school
- offering a range of teaching and learning styles to enhance the children's development
- providing a commitment to the highest standards of assessment and learning underpinned by a continuing programme of staff development
- providing a safe, supportive and stimulating learning environment
- enabling children to achieve their maximum potential whilst enjoying their learning experiences
- promoting pupils' spiritual, moral, social and cultural development
- following an established code of behaviour which fosters self-esteem, self-respect, and respect for others
- placing pupils' rights and responsibilities at the heart of everything we do

The trustees of KET and the governors and staff at HJS strive to develop the necessary values, knowledge, skills and understanding for both pupils and adults to become REAL citizens.

- Responsible
- Enthusiastic
- Aspirational
- Leaders

KET's vision is for children to become well-equipped for life with the skills to learn and to be good citizens representing their school community. We put the children at the heart of our decision-making process.

The Kirkstead Education Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Responsibility

Staff at HJS take the responsibility to ensure that the rich, broad curriculum provided for all learners is an exciting, engaging process to be worked through rather than a set model. At HJS, everyone is a learner and expected to take responsibility for developing their knowledge, skills and understanding through a range of challenging opportunities that take place both in and out of the classroom. Children take responsibility for their own behaviour and, through our buddy system, are encouraged to care for each other and promote high standards. Teaching, learning and assessment are tailored to meet the needs of the individual - promoting children's strengths while recognising and taking active steps to address their areas for development. Our unique combination of lesson observations, teaching triads and pupil progress meetings and high quality professional dialogue puts children - and their progress - at the heart of everything we do and ensures that all children are provided with outstanding teaching and learning opportunities within a safe, supportive environment.

Enthusiasm

Children and adults are encouraged to embrace life at HJS and take advantage of everything it has to offer. Staff provide a wide and varied programme of enrichment, from Scrabble to Cross Country, which support children in developing positive relationships within school and in having fun. We recognise that happy children make better learners and put enjoyment at the centre of our curriculum, encouraging children to be inquisitive and ask questions about the world around them. Staff promote a love of learning for its own sake and actively teach children the skills to become good learners and citizens - collaboration, teamwork, compromise and the ability to articulate their opinions whilst being respectful of the views and beliefs of others. Successes are celebrated and children are taught to understand that some of our best learning comes from the mistakes we make. Our vision is for HJS to be a model of best practice for learning behaviours.

Aspiration

Staff embed a sense of ambition for all children. Teachers and pupils articulate and embed high expectations of both learning and behaviour and promote an attitude of resilience and perseverance at an age appropriate level, preparing children for the next stage of their education. All children are given opportunities to experience success, whilst understanding the benefits of challenge. Children are encouraged to think beyond their primary school years and are provided with inspirational role models through academic pursuit, sport, music and creative activity. These include visitors to school, parents and community leaders as well as historical figures who have played a role in shaping society. Staff work with children and their families to promote standards of attainment that are consistently above national averages and strive to ensure that children make the very best progress possible.

Leadership

HJS's vision is for outstanding distributive leadership from children and adults. Right from Year 3 children are given opportunities to develop the qualities of leadership, whether that be through group work, as a school councillor or as a member of a club. As children progress through the school they are encouraged to lead in everything from sport to working with younger children. As a Rights Respecting School (RRSA Level 2) we actively promote an understanding of the UNCRC and the importance of Children's Rights around the world. Our RRSA steering group, School Council and Family system enable children to influence the direction and decision making within the school. Children learn how democracy works and stand for election. All staff in school are considered leaders - whether that be through a club, subject, area of responsibility or through the Senior Leadership team who work closely with the Governing Board and Trustees to achieve the best possible outcomes for all children.

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Trustees' Report for the Year Ended 31 August 2021 (continued)

Objectives, strategies and activities

The principal objective and activity of KET is to manage the operation of HJS to provide free education and care for pupils of different abilities between the ages of 7 and 11 years.

Key priorities for HJS are laid out in the annual School Development Plan. The 2020/21 SDP identified the following foci:

Theme 1: Curriculum Review and Redevelopment

Develop a curriculum that inspires and challenges learning and reflects our values

- Support and challenge subject leaders to review and develop the planning, teaching & learning and assessment of their curriculum areas to create a curriculum that delivers on our REAL wheel values
- Support and challenge class teachers to review year group planning, teaching & learning and assessment
- Pupils to be involved in development of new curriculum themes as well as what/ how they would like to learn (UNCRC, Article 12, Respect for the Views of the Child)
- Develop a Recovery Curriculum that meets the needs of all pupils following partial opening (March to July 2020)
- Develop remote learning provision for children required to self-isolate
- Implement the new statutory Relationships and Health Education to further enhance our PSHE curriculum and to promote the values and ethos of the school

Theme 2: Increase the number of pupils meeting and exceeding age-related expectations in Maths, thereby improving year group progress

Develop mixed-ability class teaching in Maths to improve outcomes for all.

(Progress of middle attainers: IDSR)

- Subject leader and teachers engage in internal and local teacher research groups (TRGs) to develop and share best practice through the MathsHub and development of mastery approach to Maths.
- Teachers identify and target pupils currently not on track to make expected progress, including Pupil Premium pupils
- Teachers plan and deliver lessons to provide opportunities for both proficiency (arithmetic, factual accuracy and 'number sense') and Mastery (deeper understanding).
- Teachers plan and work with teaching assistants to provide appropriate support and challenge in class as well as mathematics/ basic skills intervention groups for targeted children.
- Review of Year 3 planning to focus on basic skills, revision and consolidation of Year 2 objectives before the introduction of formal methods
- Develop further opportunities for girls to increase their confidence in mathematics, enhance their skills and therefore improve performance and close the gap with boys in attainment.

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Trustees' Report for the Year Ended 31 August 2021 (continued)

Theme 3: Increase the number of pupils meeting and exceeding age-related expectations in reading, thereby improving year group progress.

- Teachers introduce children to new and challenging reading material by sharing and discussing a high-quality class book (reading for pleasure).
- Teachers update year group planning for reading to ensure the full range of reading domains are taught.

Theme 4: Behaviour, presentation and environment

Continue to support children in becoming good citizens, demonstrating high levels of self-control and consistently positive attitudes to their education.

- Staff and pupils review the behaviour policy and practice to ensure consistent use of rewards and sanctions.
- Senior leaders and all staff to actively promote self-regulation
- Continue to develop learning and emotional resilience in children (See also Theme 6)

Theme 5: Computing provision and Curriculum

Develop IT provision for staff and pupils

- Hi-Impact to support teachers in reviewing and developing Computing Curriculum in line with changes to the Creative Curriculum
- Take advice from Hi-Impact about next steps to improve both IT systems and teaching and learning in Computing throughout the school
- Replacement of laptops in ICT suite

Theme 6: Health and Wellbeing, safeguarding and workload

Continue to support pupils and staff in developing and maintaining positive physical and emotional health

- Continued development of pupils' emotional resilience
- Develop action plan to improve emotional wellbeing in line with Stockport Emotional health framework
- Continue to ensure that safeguarding is given high priority in school and that staff, governor and pupil awareness of safeguarding issues is strong
- Actively promote, monitor and act on any concerns regarding staff wellbeing/ workload

Other/ Ongoing developments:

- Leadership handover between current and new head teacher to ensure a smooth transition of system, processes and compliance.
- Realignment of new leadership team including new SENCO
- Continued development of parent partnership
- Trustees to review the future development of KET
- Investigate options to improve perimeter fencing

The School's Development Plan is shared with Trustees, Governors, staff and pupils and reviewed termly.

Public benefit

The Trustees have considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by the KET is the provision of high quality education for its pupils. The School catchment is designated by the Local Authority and has remained unchanged since academy conversion.

HJS is non-selective. The admission arrangements are handled by the Local Authority. An online application process has been in place for children joining the school since 2019. Parents applying for Infant places are made aware that they will need to use the online log-in to update details and apply for a place at HJS. Pupils on roll at the Infant school will continue to be given priority after SEN and LAC children.

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Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Achievements and performance

At the end of 2020-2021, there were 17 teaching members of staff, 3 of whom were on the Leadership Scale (Headteacher and 2 AHTs). 4 teachers work 0.8 FTE and 4 teachers were on maternity leave. Of these, 3 teachers (plus the Head Teacher) were non-classed based, covering PPA, leadership time, NQT time and running interventions as required.

M1 (NQT)	M2	M3	M4	M5	M6	MMax	UPS1	UPS2	UPS3	Leadership scale
2	1	1	1	1	2	1	1	3	3	3

In Summer 2020, two teachers retired, one of whom jointly performed the SENDCo role. These teachers were replaced on a permanent basis by one experienced teacher and one teacher in her second year of teaching. One of our existing teachers studied the NASENCO qualification with Manchester Metropolitan University, and has seamlessly moved into the SENDCo role, alongside the existing SENDCo.

Three teachers were appointed to cover teachers on maternity leave (one in November 2020 and two in January 2021). They each commenced their role with a detailed handover, then took over the class when each teacher worked from home from the 28th Week of pregnancy (as per the Royal College of Obstetricians and Gynaecologists' guidance). One has subsequently been retained as a permanent staff member, when a vacancy arose.

In December 2020, Eleanor Losse resigned from her role as Headteacher and following a rigorous selection process, the Trustees appointed Tracy Kendrick, the existing Deputy Headteacher as Headteacher from January 2021. The decision was taken not to fill the resulting Deputy Head Teacher vacancy, and instead to reconfigure the Senior Leadership Team from September 2021.

Four Teaching and Midday Assistants were added to the existing support team for the academic year, to meet the challenges of working in discrete 'bubbles' due to the Covid pandemic. This enabled each class to have a dedicated supporting Teaching Assistant, without the need for staff to work across classes or year groups.

Standards are monitored and key priorities identified through a programme of lesson observations, book looks, learning walks, pupil voice interviews and pupil progress meetings as well as through a rigorous appraisal process. All teachers, with the exception of NQTs and ECTs, are subject leaders. They carry out a review of their subject area through work scrutiny, learning walks and pupil interviews. The subject leader action plans and priorities feed into the School Development Plan.

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Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

The Parents' Association organised numerous fundraising events during the year, rapidly adapting to the constraints imposed by the COVID restrictions. The PA donated funds to support the whole school annual Christmas theatre experience (albeit virtual this year), and the School Adoption of one of the endangered species at Chester Zoo. More information can be found in the Financial Review, later in the report.

From January 2021, when all schools nationally were directed to move to partial opening due to the resurgence of Coronavirus cases, HJS remained open to children of keyworkers. The number of key worker children in school averaged 100 per day during the period January to March. Considerable administrative time was taken up in managing the logistics of different numbers of children in school every day. Those staff working from home provided remote learning for pupils. This consisted of daily Maths and English lessons and weekly Creative Curriculum and PSHE lessons. These were provided through Google Classrooms, with teachers giving feedback to all pupils submitting work. Some families requested paper packs of the work set and these were provided on a weekly basis. SLT maintained contact with vulnerable children including those with EHCPs and in receipt of Pupil Premium, who chose not to attend. School provided vouchers for children in receipt of free school meals as well as some discretionary vouchers. Plans were fully risk assessed and shared with staff, Governors, Trustees and parents at all stages.

The school reopened to all pupils on 8th March 2021, when pupils were welcomed back and taught in class 'bubbles'. Significant staffing challenges were experienced in the Summer term, as COVID cases rose again, leading to bubble closures and staff required to self-isolate.

Key performance indicators

Roll – 362 Pupils were on roll at the end of the 2020-21 academic year.

Pupil Recruitment – At the time of writing, each year group is at capacity, with a waiting list for places:

Year group	Waiting list
3	2
4	7
5	10
6	15

Attendance -During the Autumn term 2020, pupil attendance was 98.2%. From 11th January to 5th March 2021, an average of 100 Keyworkers' children attended each day. Attendance from 8th March - 23rd July 21 was 97.2%, when the school reopened to all pupils. Attendance was, and still is monitored and reported daily to the Department for Education.

Exclusions - there were no fixed-term exclusions during the 2020-21 year.

Summary of Key Stage 2 results

This is the most recent published data set. Nationally, children did not undertake Key Stage 2 assessments (SATs) in 2020 or 2021.

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Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Attainment	Expected standard or above					
	School 2017	National 2017	School 2018	National 2018	School 2019	National 2019
R,W,M combined	86%	61%	77%	64%	76%	65%
Reading	94%	72%	86%	75%	82%	73%
Writing	89%	76%	97%	78%	92%	78%
Maths	92%	75%	82%	76%	81%	79%
SPAG	93%	77%	89%	78%	88%	78%

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Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Progress

	2017	2018	2019
Reading	2.0	-0.2	-0.2
Writing	-3.1	-0.5	-1.1
Maths	0.0	-1.0	-1.4

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Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

'We know from national data that pupils at junior schools, on average, have higher attainment scores at the end of key stage 2 than pupils at other primary schools. However, on average, they also have lower progress scores, which may be for a variety of reasons.' (Primary Inspection Data Summary Report 2019).

Key Stage 2 attainment of the high standard (110+) in reading (43%) was significantly above national and in the highest 20% of all schools in 2019. The three-year reading attainment score (108.6) was in the highest 20%.

Key Stage 2 attainment of the expected standard in writing (92%) was significantly above national and in the highest 20% of all schools in 2019 as well as in 2018 and 2017.

The three-year average mathematics attainment score (106.9) was in the highest 20%. For middle prior attainers, key stage 2 progress in mathematics was significantly below national and in the lowest 20% of all schools in 2019.

(Data taken from Primary Inspection Data Summary Report 2019).

Internal data from 2020-2021:

	Reading		Writing		Maths	
	ARE+	Exceeding	ARE+	Exceeding	ARE+	Exceeding
Year 3	87%	28%	69%	14%	90%	32%
Year 4	89%	42%	75%	24%	90%	27%
Year 5	91%	45%	80%	16%	88%	34%
Year 6	87%	41%	87%	15%	91%	30%

*ARE= age related expectations

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Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

For comparison, National figures in 2019 for end of Key Stage Two results:

	<i>Age related expectations +</i>	<i>Exceeding AREs</i>
<i>Reading</i>	<i>73%</i>	<i>27%</i>
<i>Writing</i>	<i>78%</i>	<i>20%</i>
<i>Maths</i>	<i>79%</i>	<i>27%</i>

The school uses a mixture of 2019 published data and internal data from 2021 to identify strengths and areas for continued development.

The DfE provided COVID-19 catch up funding of £29k to support children to catch up on missed learning provided by Coronavirus. This was used to deliver targeted interventions to individual children, and these interventions will continue into 2021-22.

Going concern

Despite the Coronavirus pandemic, after making appropriate enquiries, the Board of Trustees has a reasonable expectation that KET has adequate resources to continue in operational existence for the foreseeable future. KET continues to have an adequate level of reserves at the year end. For this reason, the trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

The majority of KET's income is received in monthly instalments from the Education and Skills Funding Agency (ESFA), according to the Local Authority's Funding Formula. KET received an additional amount of £89,915 in 2020-21 in order to raise the HJS funding to the Governments' Minimum Per Pupil Funding Level (MPPFL) of £3,750 per pupil.

KET receives an annual Devolved Formula Capital (DFC) grant comprising a lump sum and a per-pupil supplement for capital improvements. This year this was used to purchase a new pupil & staff registration system, and a class set of chromebooks at HJS.

KET has an in-year revenue surplus in 2020-21 of £10k.

KET has taken on the deficit in the Local Government Pension Scheme in respect of the non-teaching staff transferred on conversion. The deficit totalled £739K at the 31st August 2021 actuarial valuation and is incorporated within the Statement of Financial Activity under the heading of other recognised gains and losses.

The Trustees appointed Chris Trask (BA BFP FCA) as Responsible Officer, to carry out a termly programme of internal checks on the School's financial controls. Due to the ongoing Coronavirus pandemic, these checks were performed remotely, using The Trust Governor as a document sharing platform. This programme has been set by the Resources Committee, who also assume the role of the Audit Committee. The findings of each termly check are reported to them at the meeting following the checks. Checks carried out showed no occurrences of control deficiencies or practices.

The following financial issues occurred at HJS during 2020-2021:

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Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

- The most significant event was the continued COVID-19 pandemic, and aside from the operational impact on the school day, there were financial consequences too. Income from parents for school meals was low this year, although increased from the prior year, with the corresponding expenditure also reduced accordingly.
- Additional educational support staff were required this year due to the necessity to maintain separate 'bubbles', and the requirement for pregnant staff members to work from home from 28 weeks onwards generated significant additional Teaching staffing costs. There were also significant costs incurred using supply teachers to cover classes when teachers had to self-isolate.
- Additional costs were incurred in 2020-2021 due to increased need for cleaning materials and cleaning contractors due to the Coronavirus situation, and it is anticipated that this will continue into the Autumn term 2021.
- Educational visits could not take place as usual, with the exception of a Year 6 watersports visit in July 2021 which was funded by the PE & Sports Premium. Consequently there was no Educational Visit income this year, and Year 6 parents were issued with refunds for contributions they had made towards a residential visit which could not take place.
- Although income continued to be generated by HJS Parents' Association through fundraising activities, the donation to school was much smaller than usual, in July 2021 - £665 covering the costs of the virtual Christmas Theatre experience and Chester Zoo adoption.
- No after school clubs took place during 2020-21, resulting in an estimated loss of income of £12K.
- The reduction of income and extra costs were partially offset by the decision not to replace the Deputy Headteacher in January 2021.

Reserves policy

Since 2018-19 the Trustees have set a reserves policy that a minimum cash balance of £100,000 should be retained and this was achieved in 2020/21. The reserves are held to protect the funding of the school in line with the associated 3 year budget forecast and specifically to provide for underfunding for any reason and for investment in HJS building and infrastructure. The level of reserves is reviewed at the first meeting of the Trust Board every Autumn Term.

KET intends to use allocated funding to provide for the children currently on roll, whilst maintaining a prudent level of balances for future use. Both short term and long term scenarios are considered, with Trustees reviewing a three year forecast termly and remaining mindful of funding uncertainty in future years. This situation is kept under review. Scenario planning is used to model the future position. The projected budgets at the end of 2020-21 allow for:

- increasing staffing costs, both in terms of progression up the relevant salary scales for all staff and anticipated national annual percentage increase each year
- small inflationary increases in Government GAG funding.

The cash balance is monitored monthly as part of the management accounts process and the reserves policy is reviewed annually.

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Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Investment policy

KET and HJS keeps the day-to-day cash balances between a current account, and two interest bearing deposit accounts, splitting the cash assets between two financial institutions allowing greater protection under the Financial Services Compensation Scheme (FSCS). All accounts are in the name of The Kirkstead Education Trust, operating as Hursthead Junior School. The Trustees are committed to minimising financial risk and therefore have not entered into any external investment of trust balances outside of those protected by the FSCS.

Principal risks and uncertainties

KET has an agreed programme of internal controls designed to minimise and manage risk in all areas. These are regularly evaluated and the controls reviewed for effectiveness periodically.

The principal risks and uncertainties that KET faces at HJS are as follows:

COVID-19 – A comprehensive risk assessment has been put in place to consider all impacts of the coronavirus pandemic at HJS. This has been shared with staff and parents and has been updated as the situation has evolved. Pupil and staff wellbeing are paramount, and daily dynamic risk assessment is ongoing.

Financial – KET primarily relies on Government funding through the ESFA. Uncertainty around future funding levels and increasing staff costs mean that the medium term financial picture is always unclear. Frequent budget reviews take place, a prudent level of balances are maintained and staffing reviews are undertaken prior to any appointments being made.

Legal / regulatory - The risks in this area arise from potential failure (knowingly or unknowingly) to comply with legislation in areas such as Health and Safety, employment, GDPR etc. KET purchases the services of professionals in each area of specialism to ensure compliance with all statutory requirements.

Fraud / Misappropriation of Funds - KET has appointed a non - employed trustee to regularly check the level of internal controls used during financial activity. The Academies Financial Handbook provides the start point for the financial procedures and strict segregation of duties lessens the opportunity for fraudulent activity to take place. The annual external audit provides assurance as to whether the financial statements as a whole are free from material misstatement.

Social - A primary and secondary free school opened in 2018 close to HJS, and this may have an effect on pupil numbers and / or the number of pupils attending HJS from outside the catchment. A change to admission criteria for the main local high school may also affect parents' choice of primary school. This will be monitored closely by Governors and Trustees.

IT Failure - Local and remote backups of the school servers are undertaken by our IT provider to protect against data loss. A rolling programme is in place to replace ageing infrastructure.

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Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Information - Risk arising from breaches of GDPR, either accidental, malicious or by technical error. Sensitive documents are password protected, and physical document security practices are observed.

Partnerships - The admission of another school into the MAT would pose risks as well as opportunities. Due diligence would be undertaken prior to the incorporation of another school, and regular monitoring would take place.

Resource - Staff turnover provides both opportunities and risks. Opportunities include potentially being able to recruit at a lower cost and the chance to restructure. Risks include difficulty in finding good quality candidates and loss of skills. Staff absence leads to increased costs, although this is mitigated by the provision of Staff Absence insurance.

Business continuity - the risks of a major event leading to the disruption of the normal HJS operation are mitigated by the Critical Incident and Business Continuity plans being regularly reviewed, membership of the DfE's Risk Protection Arrangement, and reciprocal arrangements being in place with other local schools.

Health and Safety - The key risks in this area arise from the possibility of a fire within the school and the security of the shared perimeter of the site. Several mitigating actions are in place with regard to fire prevention and systems. A detailed risk assessment and mitigation plan is in place with regard to the perimeter.

Political - Risks arise from the uncertainty of the current and future political climate, which may lead to the introduction / cessation of Government initiatives.

Fundraising

The Parents' Association raise funds on behalf of HJS by running a number of activities and events throughout the school year. A programme of funding is agreed between the Head teacher and the PA committee, with a donation being made to the school toward the end of the academic year. In 2020/21, a donation of £665 was received (previous year donation was £3,040). This year, the programme of events was adapted to accommodate the COVID restrictions in place.

Plans for future periods

KET will continue to challenge and support pupils to achieve their potential, whilst aiming to attract the highest calibre teaching and non-teaching staff to HJS

The priorities outlined in the SDP for 2021-22 are as follows:

The Kirkstead Education Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

What do we want at HJS?	How will we achieve this in 2021-2022?
<p>Quality of Education:</p> <ul style="list-style-type: none"> • All learners to fulfil their academic potential, regardless of their starting points, so that they are fully prepared for the next stage in their learning • The percentage of pupils meeting and exceeding age related expectations in reading, writing and maths to be above national figures in every year group through aspirational target setting for every child • A progressive and coherently planned curriculum that inspires, challenges, excites and enthuses our children, alongside reflecting our school's REAL Wheel values, British Values and the UNCRC 	<ul style="list-style-type: none"> ⇒ A relentless focus on <u>basic skills</u> in Maths and English ⇒ Regular <u>tuition</u> with our in-house Recovery Champion for identified pupils ⇒ Putting in place strategies to meet criteria for the <u>Dyslexia Friendly School</u> award ⇒ Time for staff to collaboratively review and update curriculum learning journeys, ensuring a clear <u>progression of skills</u>, plan to build <u>cumulative sufficient knowledge</u> and opportunities to <u>share learning</u> with parents and carers ⇒ Staff training with Hi-Impact Consultancy to develop our effective use of <u>cross curricular computing</u> ⇒ Create "live" <u>Teaching and Learning folders</u> which outline how we teach at HJS, including subject specific guidance (Intent, Implementation, Impact); guide to marking and feedback; guide to homework; guide to presentation
<p>Behaviour and Welfare:</p> <ul style="list-style-type: none"> • Learners' who take responsibility for their behaviour and conduct, ensuring it is of the highest standard at all times, where they are able to exercise high levels of self-control and consistently positive attitudes 	<ul style="list-style-type: none"> ⇒ School Council to develop a <u>pupil voice</u> version of anti-bullying and behaviour policies ⇒ Review and update behaviour management system to ensure rewards and sanctions are <u>consistently applied, and understood</u>, by all members of the school community ⇒ Work with Nick Dux (Resilience Coach) to develop our <u>learning "super powers"</u> and skills-based language
<p>Personal Development :</p> <ul style="list-style-type: none"> • A warm and inclusive environment where any bullying or harassment will not be tolerated and where everyone is welcome irrespective of their age, gender reassignment, disability, race, religion or belief, sex, sexual orientation, being 	<ul style="list-style-type: none"> ⇒ Fully review, update and resource our <u>PSHE curriculum</u> so that it fulfils the needs of our pupils and meets statutory requirements ⇒ Staff training to increase our knowledge and skills in how we can best support the <u>emotional wellbeing</u> of our children ⇒ Review the range of literature studied and shared in school, to ensure that our children are exposed to a <u>wide range of issues</u>

The Kirkstead Education Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

<p>married or in a civil partnership, being pregnant or on maternity leave</p> <ul style="list-style-type: none"> • Children who understand how to keep themselves safe, both in real life and online, and how to maintain a physically and mentally healthy lifestyle • Children who are leaders, able to demonstrate strong leadership qualities inside and outside of the classroom 	<p><u>and a diverse mix of characters</u></p> <p>⇒ Reintroduce <u>children's leadership positions</u> across the school and increase the impact that these leaders have on school life and decisions</p> <p>⇒ Create a pupil group to work alongside the School Council and Family Leaders to help design <u>new playground layout</u> and choose equipment</p>
<p>Leadership and Management:</p> <ul style="list-style-type: none"> • High levels of support for wellbeing issues • A strong culture of safeguarding where everyone understands their responsibilities • Senior and middle leaders who are highly knowledgeable about their own subject areas or phases, and are able to impact on improving teachers' subject knowledge and pedagogy • Focused and highly effective professional development for all staff • Governors and Trustees who understand their duties, ensure there is a clear vision in place for the Trust and the School, and are active in school life 	<p>⇒ Fully review and implement <u>Staff Wellbeing policy</u> and workload, in consultation with staff and governors</p> <p>⇒ Develop a <u>full, regular programme of Safeguarding CPD</u> for all staff, including a focus on sexual harassment and online sexual harassment</p> <p>⇒ Create an <u>holistic appraisal process</u> which uses evidence from learning walks, book looks, pupil voice and coaching conversations</p> <p>⇒ Introduce <u>peer coaching</u> for all teachers</p> <p>⇒ Staff training and coaching to <u>develop leadership at all levels</u></p> <p>⇒ Work with Bright Futures Teaching School Hub to deliver training and support for <u>Early Career Teachers</u></p> <p>⇒ Plan to promote, enhance and expand the <u>Hursthead Junior School School Direct Alliance</u></p> <p>⇒ Continued <u>recruitment of, and training for, Governors and Trustees</u></p> <p>⇒ Reintroduce <u>Governor/Trustee Visit Days</u> and staff meetings</p>

Recovery following the COVID-19 disruption continues to be a priority, using Government funding streams to support pupils through interventions and school-led tutoring.

KET intends to bid for funding through the Condition Improvement Fund (CIF) for replacement of the deteriorating school roof. A consultant was appointed in September 2021, with a view to submitting a bid in December. If successful, it is hoped the roof replacement works may take place during the Summer 2022 break. Funds have been earmarked for playground refurbishment during 2021-22. Capital funding (DFC) and a substantial donation from the Parents Association will allow us to replace the current ageing wooden structures with new equipment.

The Kirkstead Education Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Funds held as Custodian Trustee on behalf of others

KET does not act as the Custodian Trustee of any other charity.

Auditor

Insofar 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.

Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the board of Trustees on and signed on its behalf by:

.....
T Scott-Wilson (Chair from 21 September 2021)
Trustee

The Kirkstead Education Trust

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The Kirkstead Education Trust 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 Government Handbook and competency framework for governance.

The board of Trustees has delegated the day-to-day responsibility to T Kendrick, (Appointed 1 January 2021), 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 The Kirkstead Education Trust 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 5 times during the period. Attendance during the year at meetings of the Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Dr R Benton	-	1
Mr D Boxall	5	5
Ms E Losse	3	3
Mrs C Howe	5	5
Mrs T Kendrick	2	2
Mr C Trask	4	5
Mr T Scott-Wilson	4	5

The board maintained financial oversight throughout the year through review of the monthly management accounts.

KET constantly reviews its governance structure and has undertaken a period of recruitment for Governors and Trustees, which will bring greater depth and experience to the Board. There are plans to reviews the Scheme of Delegation this year.

The Local Governing Board has formally met 3 times during the period. Attendance during the year at meetings of the Governing Board was as follows:

Governor	Meetings attended	Out of a possible
Mr D Boxall	3	3
Ms E Losse	2	2
Mr M Tonge	2	3
Mrs T Kendrick	1	1

The Kirkstead Education Trust
Governance Statement (continued)

Mrs L Ashworth	3	3
Mrs A Valentine	1	2
Mrs D Pownall	2	2
Mrs L Powner	1	2
Mr A Foden	1	1
Mrs J Quinn	3	3
Mr N Mather	3	3
Mr P Gibson	1	1
Mrs A Dennett	-	1
Ms C Vaughan	1	1

The Resources Committee is a sub-committee of the main board of governors. Its purpose is to plan the budget and monitor spending, to ensure that pupils receive the best possible education in the best possible environment. The committee will monitor:

- projected numbers of pupils in the coming years and the effect on the budget
- the adequacy of resources
- financial policies
- the financial implications of the SDP and Post Ofsted Action Plan
- the major expenses that school will be facing over the next 3 - 5 years
- the school's action taken to meet Health & Safety requirements
- any bids for additional funding
- the issues faced in regard to provision with regard to space/layout/decoration/ vandalism etc.
- the working conditions for the staff

During the year, P Gibson joined the committee. The committee formally met 3 times during the period. Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
D Boxall	3	3
E Losse (Resigned 31 December 2020)	1	1
T Kendrick, (Appointed 1 January 2021)	2	2
J Quinn (Chair)	2	3
M Tonge	3	3
P Gibson	1	1

The Kirkstead Education Trust

Governance Statement (continued)

The Resources Committee also assumes the role and responsibilities of the Audit Committee. Its purpose is to:

- provide independent assurance of the adequacy of the risk management framework and associated control environment
- investigate any activity within its terms of reference
- seek any information it requires from the internal audit service, the financial statements auditor, Governors, Committees and school employees, plus relevant information from subcontractors and other third parties.
- obtain external professional advice.

Attendance at meetings during the year was as follows:

Governor	Meetings attended	Out of a possible
D Boxall	3	3
E Losse (Resigned 31 December 2020)	1	1
T Kendrick, (Appointed 1 January 2021)	2	2
J Quinn (Chair)	2	3
M Tonge	3	3
P Gibson	1	1

Review of value for money

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

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

- Replacing UPR teachers on maternity leave with a main scale teachers when the opportunity arose
- Not replacing the Deputy Headteacher upon her appointment as Head Teacher, and instead reassessing and restructuring the existing SLT.
- Maintaining a competitive tendering policy to ensure best value is achieved with high value purchases / contracts
- Using North West Buying Hub to run a competitive tender for Telephone services
- Using the Crescent Purchasing Consortium to tender for the Photocopier contract.

Areas for development:

- Continuous review of staffing structures, including the use of supply teachers
- Submit a CIF bid in December 2021 to secure funding for roof replacement

The Kirkstead Education Trust

Governance Statement (continued)

The purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust 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 The Kirkstead Education Trust for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

The Risk and Control Framework

The KET'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 Resources and Audit 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.

In 2020-2021 the board of Trustees appointed Chris Trask, a non-employed trustee, to carry out a programme of internal checks instead of appoint specific internal auditors.

Mr Trask's role included giving advice on financial matters and performing a range of checks on KET's financial systems. In particular, the checks carried out in the current period included:

The Kirkstead Education Trust

Governance Statement (continued)

- Check a sample of orders from PO, delivery note, invoice, cheque processing
- Review of payroll to ensure all changes have been appropriately authorised and actioned
- Review of salary reports and corresponding FMS transactions
- Review of Register of Business Interests and related party transactions
- Review of latest Management Accounts
- Review of bank reconciliation process, including a review of the validity of reconciling items
- Review of Cashflow
- Review of Petty Cash process and supporting documentation
- Review of the Gifts & Hospitality register
- Review a sample of expense claims to ensure there is appropriate documentation to support the claims
- Review of asset register
- Review of insurance arrangements
- Review of control accounts
- Tendering policy - review of transactions ensuring appropriate procedures have been followed with regard to quotations
- AOB as agreed at previous Resources / Audit Committee meeting

On a termly basis, Mr Trask reported to the board of Trustees, through the Audit Committee on the operation of the systems of control and on the discharge of the board of Trustees's financial responsibilities.

Review of Effectiveness

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

- the work of the Trustee performing internal audit checks;
- the work of the external auditor;

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources and 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 and signed on its behalf by:

.....
Mr Tim Scott-Wilson
Chair of Trustees

.....
Mrs T Kendrick
Accounting Officer

The Kirkstead Education Trust

Statement on Regularity, Propriety and Compliance

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

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

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

.....
T Kendrick, (Appointed 1 January 2021)
Accounting officer

Date:.....

The Kirkstead Education Trust

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 on and signed on its behalf by:

.....
T Scott-Wilson (Chair from 21 September 2021)
Trustee

The Kirkstead Education Trust

Independent Auditor's Report on the Financial Statements to the Members of The Kirkstead Education Trust

Opinion

We have audited the financial statements of The Kirkstead Education Trust “the academy trust” for the year ended 31 August 2021, which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

The Kirkstead Education Trust

Independent Auditor's Report on the Financial Statements to the Members of The Kirkstead Education Trust (continued)

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees (who are also the directors of the academy for the purposes of company law) are responsible for the other information. 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, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- in the light of the 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; or
- 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.

The Kirkstead Education Trust

Independent Auditor's Report on the Financial Statements to the Members of The Kirkstead Education Trust (continued)

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 27, 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.

Auditor's responsibilities for the audit of the financial statements

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

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

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the academy through discussions with trustees and other management, and from our knowledge and experience of the academy sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including the Companies Act 2006, the Charities Act 2011, and the Academies Accounts Direction 2020 to 2021 and Academies Financial Handbook 2020, both issued by the Education and Skills Funding Agency.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

The Kirkstead Education Trust

Independent Auditor's Report on the Financial Statements to the Members of The Kirkstead Education Trust (continued)

- performed analytical procedures on material balances for which robust, substantive analytical procedures have been undertaken to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditor's report.

Use of our report

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

Andrew McLaren (Senior Statutory Auditor)

For and on behalf of
Beever and Struthers
Statutory Auditor
St George's House
215/219 Chester Road
Manchester M15 4JE

Date:.....

The Kirkstead Education Trust

Independent Reporting Accountant's Report on Regularity to The Kirkstead Education Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 26 June 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Kirkstead Education Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Kirkstead Education Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the board of Trustees's funding agreement with the Secretary of State for Education dated 30 May 2014 and the Academies Financial Handbook extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the framework and guide for external auditors and reporting accountant of academy trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Review and testing of financial systems of internal control
- Sample testing of transactions
- Discussions with management

Conclusion

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

The Kirkstead Education Trust

Independent Reporting Accountant's Report on Regularity to The Kirkstead Education Trust and the Education and Skills Funding Agency (continued)

.....

Andrew McLaren
For and on behalf of Beever and Struthers, Chartered Accountants

St George's House
215-219 Chester Road
Manchester
M15 4JE

Date:.....

The Kirkstead Education Trust

Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2020/21 Total £ 000
Income and endowments from:					
Donations and capital grants	2	1	1	8	10
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	1,561	-	1,561
Other trading activities	4	71	2	-	73
Investments	5	-	-	-	-
Total		72	1,564	8	1,645
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	58	1,646	52	1,757
Net income/(expenditure)		14	(82)	(44)	(112)
Transfers between funds		(4)	4	-	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	22	-	(111)	-	(111)
Net movement in funds/(deficit)		10	(189)	(44)	(223)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		158	(550)	3,613	3,221
Total funds/(deficit) carried forward at 31 August 2021		168	(739)	3,569	2,998

The Kirkstead Education Trust

Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2019/20 Total £ 000
Income and endowments from:					
Donations and capital grants	2	3	-	8	11
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	1,421	-	1,421
Other trading activities	4	73	81	-	154
Investments	5	1	-	-	1
Total		77	1,502	8	1,587
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	46	1,601	51	1,698
Net income/(expenditure)		31	(99)	(43)	(110)
Transfers between funds		(39)	39	-	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	22	-	(106)	-	(106)
Net movement in deficit		(8)	(166)	(43)	(216)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		166	(383)	3,656	3,438
Total funds/(deficit) carried forward at 31 August 2020		158	(549)	3,613	3,222

The Kirkstead Education Trust
(Registration number: 08977173)
Balance Sheet as at 31 August 2021

	Note	2021 £ 000	2020 £ 000
Fixed assets			
Tangible assets	11	3,564	3,604
Current assets			
Debtors	12	68	49
Cash at bank and in hand		186	175
		<u>254</u>	<u>224</u>
Liabilities			
Creditors: Amounts falling due within one year	13	<u>(81)</u>	<u>(56)</u>
Net current assets		<u>173</u>	<u>168</u>
Total assets less current liabilities		<u>3,737</u>	<u>3,771</u>
Net assets excluding pension liability		3,737	3,771
Defined benefit pension scheme liability	22	<u>(739)</u>	<u>(550)</u>
Total net assets including pension liability		<u><u>2,998</u></u>	<u><u>3,221</u></u>
Funds of the Academy:			
Restricted funds			
Restricted fixed asset fund		3,569	3,613
Restricted pension fund		<u>(739)</u>	<u>(550)</u>
		2,830	3,063
Unrestricted funds			
Unrestricted general fund		<u>168</u>	<u>158</u>
Total funds		<u><u>2,998</u></u>	<u><u>3,221</u></u>

The financial statements on pages 34 to 56 were approved by the Trustees, and authorised for issue on and signed on their behalf by:

.....
T Scott-Wilson (Chair from 21 September 2021)
Trustee

The Kirkstead Education Trust

Statement of Cash Flows for the Year Ended 31 August 2021

	Note	2021 £ 000	2020 £ 000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	17	15	(32)
Cash flows from investing activities	18	<u>(4)</u>	<u>7</u>
Change in cash and cash equivalents in the year		11	(25)
Cash and cash equivalents at 1 September		<u>175</u>	<u>200</u>
Cash and cash equivalents at 31 August	19	<u><u>186</u></u>	<u><u>175</u></u>

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Accounting policies

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

Basis of preparation

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

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 company 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 trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period 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 spent on capital projects in line with the terms and conditions of the grant. 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.

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Other income

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

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

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.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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.

Asset class	Depreciation method and rate
Buildings Leasehold	125 years Straight Line
Leasehold Improvements	10 years Straight Line
Fixtures & Fittings	10 years Straight Line
Computer Equipment	3 years Straight Line

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Liabilities

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

Provisions

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

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

Leased assets

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is therefore 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 scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/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.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency/Department for Education/sponsor/other 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 Education and Skills Funding Agency/Department for Education.

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.

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	Total 2020 £ 000
Capital grants	-	-	8	8	8
Other donations	1	1	-	1	3
	<u>1</u>	<u>1</u>	<u>8</u>	<u>10</u>	<u>11</u>

3 Funding for the Academy Trust's educational operations

	Restricted funds £ 000	2020/21 Total £ 000	2019/20 Total £ 000
DfE/ESFA revenue grants			
General Annual Grant	1,354	1,354	1,253
Other DfE/ESFA Grants	144	144	120
	<u>1,498</u>	<u>1,498</u>	<u>1,373</u>
Other government grants			
Other Government Grants	46	46	39
Non-government grants and other income			
Other Income	18	18	9
Total grants	<u>1,561</u>	<u>1,561</u>	<u>1,421</u>

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

4 Other trading activities

	Unrestricted funds £ 000	Restricted funds £ 000	2020/21 Total £ 000	2019/20 Total £ 000
Catering income	59	-	59	51
School shop sales	3	-	3	1
Other sales	9	2	11	103
	<u>71</u>	<u>2</u>	<u>73</u>	<u>154</u>

5 Investment income

	Unrestricted funds £ 000	2020/21 Total £ 000	2019/20 Total £ 000
Bank Interest			1
			<u>1</u>

6 Expenditure

	Non Pay Expenditure			2020/21 Total £ 000	2019/20 Total £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
Academy's educational operations					
Direct costs	1,138	45	123	1,306	1,232
Allocated support costs	235	82	133	450	466
	<u>1,373</u>	<u>128</u>	<u>256</u>	<u>1,757</u>	<u>1,698</u>

Net income/(expenditure) for the year includes:

	2020/21 £ 000	2019/20 £ 000
Operating lease rentals	3	8
Depreciation	52	51
Fees payable to auditor - audit	5	8
- other audit services	3	1
	<u>3</u>	<u>1</u>

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

7 Charitable activities

	2020/21	2019/20
	£ 000	£ 000
Direct costs - educational operations	1,306	1,232
Support costs - educational operations	450	466
	1,757	1,698
	1,757	1,698
Educational operations	2020/21	2019/20
£ 000	Total	Total
	£ 000	£ 000
Analysis of support costs		
Support staff costs	235	208
Depreciation	7	51
Technology costs	7	10
Premises costs	76	83
Other support costs	118	106
Governance costs	8	8
	450	466
Total support costs	450	466

8 Staff

Staff costs

	2021	2020
	£ 000	£ 000
Staff costs during the year were:		
Wages and salaries	957	911
Social security costs	90	79
Operating costs of defined benefit pension schemes	300	261
	1,347	1,251
Supply staff costs	26	40
	1,373	1,291
	1,373	1,291

Staff numbers

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

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

8 Staff (continued)

	2020/21 No	2019/20 No
Charitable Activities		
Teachers	17	15
Administration and support	16	13
Management	1	2
	<u>34</u>	<u>30</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2021 No	2020 No
£60,001 - £70,000	1	-
£70,001 - £80,000	1	1

Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £347,578 (2020: £395,738).

9 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

E Losse (Resigned 31 December 2020) (Principal):

Remuneration: £20,000 - £25,000 (2020 - £70,000 - £75,000)

Employer's pension contributions: £5,000 - £10,000 (2020 - £15,000 - £20,000)

T Kendrick, (Appointed 1 January 2021) (Principal):

Remuneration: £60,000 - £65,000 (2020 - £Nil)

Employer's pension contributions: £10,000 - £15,000 (2020 - £Nil)

Other related party transactions involving the trustees are set out in note 23.

10 Trustees' and officers' insurance

The academy trust has opted into the Department for 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 unlimited cover. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

11 Tangible fixed assets

	Leasehold land and buildings £ 000	Leasehold improvements £ 000	Furniture and equipment £ 000	Computer equipment £ 000	Total £ 000
Cost					
At 1 September 2020	3,630	38	200	63	3,930
Additions	-	-	-	13	13
Disposals	-	-	(2)	(9)	(11)
At 31 August 2021	<u>3,630</u>	<u>38</u>	<u>198</u>	<u>67</u>	<u>3,932</u>
Depreciation					
At 1 September 2020	168	7	89	63	326
Charge for the year	26	4	20	2	52
Eliminated on disposals	-	-	(2)	(9)	(11)
At 31 August 2021	<u>194</u>	<u>10</u>	<u>107</u>	<u>56</u>	<u>368</u>
Net book value					
At 31 August 2021	<u>3,436</u>	<u>27</u>	<u>91</u>	<u>10</u>	<u>3,564</u>
At 31 August 2020	<u>3,461</u>	<u>31</u>	<u>111</u>	<u>-</u>	<u>3,604</u>

12 Debtors

	2021 £ 000	2020 £ 000
VAT recoverable	12	8
Prepayments	34	18
Accrued grant and other income	23	23
	<u>68</u>	<u>49</u>

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

13 Creditors: amounts falling due within one year

	2021 £ 000	2020 £ 000
Trade creditors	23	5
Other taxation and social security	16	21
Accruals	22	22
Deferred income	20	8
	<u>81</u>	<u>56</u>
	2021 £ 000	2020 £ 000
Deferred income		
Deferred income at 1 September 2020	8	17
Resources deferred in the period	20	8
Amounts released from previous periods	<u>(8)</u>	<u>(17)</u>
Deferred income at 31 August 2021	<u>20</u>	<u>8</u>

At the balance sheet date the academy trust was holding £19,730 (2020: £7,524) from parents in advance of school trips taking place in 2021/22

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

14 Funds

	Balance at 1 September 2020 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2021 £ 000
Restricted general funds					
General Annual Grant	-	1,354	(1,358)	4	-
Pupil Premium	-	24	(24)	-	-
Other DfE/EFA Grants	-	119	(119)	-	-
Other government grants/income	-	64	(64)	-	-
Donations & Capital Grants	-	1	(1)	-	-
Other Trading Activities	-	2	(2)	-	-
	-	1,564	(1,568)	4	-
Restricted pension funds					
Pension Reserve	(550)	-	(78)	(111)	(739)
Total restricted general funds	<u>(550)</u>	<u>1,564</u>	<u>(1,646)</u>	<u>(107)</u>	<u>(739)</u>
Restricted fixed asset funds					
Restricted Fixed Asset Fund	3,613	8	(52)	-	3,569
Total restricted funds	3,063	1,572	(1,698)	(107)	2,830
Unrestricted funds					
Unrestricted general funds	158	72	(58)	(4)	168
Total funds	<u>3,221</u>	<u>1,644</u>	<u>(1,756)</u>	<u>(111)</u>	<u>2,998</u>

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

14 Funds (continued)

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

	Balance at 1 September 2019 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2020 £ 000
Restricted general funds					
General Annual Grant	-	1,253	(1,292)	39	-
Pupil Premium	-	30	(30)	-	-
Other DfE/EFA Grants	-	171	(171)	-	-
Other government grants/income	-	39	(39)	-	-
Restricted other voluntary income	-	9	(9)	-	-
	<u>-</u>	<u>1,502</u>	<u>(1,541)</u>	<u>39</u>	<u>-</u>
Restricted fixed asset funds					
Restricted Fixed Asset Fund	3,656	8	(51)	-	3,613
Restricted pension funds					
Pension Reserve	(383)	-	(61)	(106)	(550)
Total restricted funds	<u>3,273</u>	<u>1,510</u>	<u>(1,653)</u>	<u>(67)</u>	<u>3,063</u>
Unrestricted funds					
Unrestricted general funds	<u>166</u>	<u>77</u>	<u>(46)</u>	<u>(39)</u>	<u>158</u>
Total funds	<u><u>3,439</u></u>	<u><u>1,587</u></u>	<u><u>(1,699)</u></u>	<u><u>(106)</u></u>	<u><u>3,221</u></u>

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

Restricted Fixed Asset Funds

During the year the Trust received DfC funding of £8k but received no CIF (Condition Improvement Funding).

All other funds are statutory funding streams arising from the operation of the Academy.

15 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Analysis of net assets between funds (continued)

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	3,564	3,564
Current assets	168	81	5	254
Current liabilities	-	(81)	-	(81)
Pension scheme liability	-	(739)	-	(739)
Total net assets	<u>168</u>	<u>(739)</u>	<u>3,569</u>	<u>2,998</u>

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Analysis of net assets between funds (continued)

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

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	3,604	3,604
Current assets	158	56	9	223
Current liabilities	-	(56)	-	(56)
Pension scheme liability	-	(550)	-	(550)
Total net assets	<u>158</u>	<u>(550)</u>	<u>3,613</u>	<u>3,221</u>

16 Commitments under operating leases

Operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £ 000	2020 £ 000
Amounts due within one year	1	3
Amounts due between one and five years	<u>6</u>	<u>-</u>
	<u>7</u>	<u>3</u>

17 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2021 £ 000	2020 £ 000
Net expenditure	(112)	(111)
Depreciation	52	47
Capital grants from DfE and other capital income	(8)	(8)
Interest receivable		(1)
Defined benefit pension scheme obligation inherited	68	-
Defined benefit pension scheme cost less contributions payable	-	54
Defined benefit pension scheme finance cost	10	7
Increase in debtors	(19)	(2)
Increase/(decrease) in creditors	<u>25</u>	<u>(19)</u>
Net cash provided by/(used in) Operating Activities	<u>15</u>	<u>(33)</u>

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Cash flows from investing activities

	2021 £ 000	2020 £ 000
Dividends, interest and rents from investments		1
Purchase of tangible fixed assets	(13)	(2)
Capital funding received from sponsors and others	8	8
Net cash (used in)/provided by investing activities	(4)	7

19 Analysis of cash and cash equivalents

	2021 £ 000	2020 £ 000
Cash at bank and in hand	186	175
Total cash and cash equivalents	186	175

20 Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash	175	11	186
	-	-	-
Total	175	11	186

21 Members' liability

Every member of the Company undertakes to contribute such amount as may be required (not exceeding £10) to the Company's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the Company's debts and liabilities before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

22 Pension and similar obligations

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

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

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

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 teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £161,398 (2020: £155,506). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local government pension scheme

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

22 Pension and similar obligations (continued)

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £89,000 (2020 - £65,000), of which employer's contributions totalled £71,000 (2020 - £50,000) and employees' contributions totalled £18,000 (2020 - £15,000). The agreed contribution rates for future years are per cent for employers and per cent for employees.

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

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.70	3.00
Discount rate for scheme liabilities	1.70	1.70
Inflation assumptions (CPI)	<u>2.90</u>	<u>2.20</u>

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

	2021	2020
Retiring today		
Males retiring today	20.50	20.50
Females retiring today	23.30	23.10
Retiring in 20 years		
Males retiring in 20 years	21.90	22.00
Females retiring in 20 years	<u>25.30</u>	<u>25.00</u>

Sensitivity analysis

	2021 £000	2020 £000
Discount rate -0.1%	35.00	-137.00
Mortality assumption – 1 year increase	63.00	22.00
CPI rate +0.1%	30.00	113.00
Salary Increase Rate +0.1%	<u>5.00</u>	<u>0.00</u>

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

	2021 £ 000	2020 £ 000
Equities	594	424
Corporate bonds	125	100
Property	59	43
Cash and other liquid assets	<u>59</u>	<u>56</u>
Total market value of assets	<u>836</u>	<u>623</u>

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

22 Pension and similar obligations (continued)

The actual return on scheme assets was £131,000 (2020 - £14,000).

Amounts recognised in the statement of financial activities

	2021 £ 000	2020 £ 000
Current service cost	(139)	(104)
Interest income	11	12
Interest cost	(21)	(19)
Total amount recognised in the SOFA	(149)	(111)

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

	2020/21 £ 000	2019/20 £ 000
At start of period	1,173	1,022
Current service cost	139	104
Interest cost	21	19
Employee contributions	18	15
Actuarial (gain)/loss	231	32
Benefits paid	(7)	(19)
At 31 August	1,575	1,173

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

	2020/21 £ 000	2019/20 £ 000
At start of period	623	639
Interest income	11	12
Actuarial gain/(loss)	120	(74)
Employer contributions	71	50
Employee contributions	18	15
Benefits paid	(7)	(19)
At 31 August	836	623

23 Related party transactions

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

The Kirkstead Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

23 Related party transactions (continued)

Expenditure related party transactions

During the year the academy made the following related party transactions:

Neil Mather Coaching

The academy trust purchased sports coaching from Neil Mather Coaching for the key worker children during the year ending 31st August 2020 amounting to £5,000 (2020: £2,070).

Neil Mather is a governor at Husthead Junior School and is the director of Neil Mather Coaching.

At the balance sheet date the amount due to Neil Mather Coaching was £Nil (2020 - £Nil).

JUSCO

In February 2020, the Science Subject Leader from The Kirkstead Education Trust attended the Matthew Newberry Science event which cost £38.

Eleanor Losse is a director of JUSCO and is the headteacher and a trustee at The Kirkstead Education Trust.

At the balance sheet date the amount due to JUSCO was £Nil (2020 - £Nil).

The Laurus Trust

In the prior year Laurus Trust provided 3 teachers with a placement at the Trust for The Kirkstead Education Trust which cost £150.

Rick Benton's wife is a director at The Laurus Trust and Rick Benton was in the position of the chair of governors for the financial year ending 31st August 2020.

Andrea Valentine is a governor at The Kirkstead Education Trust and also an employee at the Laurus Trust.

In entering into the transaction the academy trust has failed to comply with the requirements of the Academies Financial Handbook 2020 by gaining ESFA approval in advance.

At the balance sheet date the amount due to The Laurus Trust was £Nil (2020 - £Nil).

Hursthead Infant School

(The former Chair of Trustees, D Boxall, is a governor of Hursthead Infant School)

At the balance sheet date the amount due from/(to) Hursthead Infant School was £569 (2020 - £Nil).