

Company Registration Number: 07685652 (England and Wales)

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020



**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3
Governance Statement	9 - 12
Statement on Regularity, Propriety and Compliance	13
Statement of Trustees' Responsibilities	14
Independent Auditors' Report on the Financial Statements	15 - 17
Independent Reporting Accountant's Report on Regularity	18 - 19
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Statement of Financial Activities Incorporating Income and Expenditure Account	20
Balance Sheet	21 - 22
Statement of Cash Flows	23
Notes to the Financial Statements	24 - 47

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	L Crosby P Ashdown, Chair ¹ J Dearlove C Chew C Hobson ¹ A Davison C Harmer ¹ K M Barrett, Vice Chair ¹ L Mayes, Headteacher ¹ N Fryer A Shakespeare ¹ C Short ¹ L Smith F Wall C Webb ¹ A MacKenzie-Wilson A Fernow E Mann ¹ D Mackman (resigned 11 November 2020)
	¹ Finance & Staffing Committee
Company registered number	07685652
Company name	Lethbridge Primary School
Principal and Registered office	Lethbridge Road Swindon Wiltshire SN1 4BY
Accounting officer	L Mayes
Senior management team	L Mayes, Headteacher C Short, Deputy Headteacher- Phase 3/4 Leader C Harmer, Deputy Headteacher- Phase 5/6 Leader C Millen, School Business Manager L Pryke, Yr 1/2 Phase Leader C Valderey, EYFS Phase Leader E Corp, SENCO
Independent auditors	Bishop Fleming Bath Limited Chartered Accountants Statutory Auditors Minerva House Lower Bristol Road Bath BA2 9ER

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Bankers	Lloyds Bank Plc 5 High Street Swindon SN1 3EN
Solicitors	Swindon Borough Council Civic Offices Euclid Street Swindon SN1 2JH

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2019. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 4 to 11 in Old Town, Swindon. It has a pupil capacity of 490 and had a roll of 486 in the latest school census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy. The Trustees of Lethbridge Primary School are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £10,000,000.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

On 1 August 2011 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

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

- up to 8 Community Trustees who are appointed by members;
- up to 6 Parent Trustees who are elected by the Parents of registered pupils at the Academy subject to there being a minimum of 2;
- up to 4 Staff Trustees who are elected by members of staff subject to the total number not exceeding one third of the total number of Trustees; and
- the Headteacher who is treated for all purposes as being an ex officio Trustee.

Trustees are appointed for a four-year period, except that this time limit does not apply to the Headteacher.

Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

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

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

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees follows the Induction Policy which is available from the Clerk. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. The Academy purchases services from Swindon Borough Council's Trustees Support Service including access to Trustee Briefings and training. Advantage is also taken of specific courses offered by the Local Authority and other bodies.

Organisational Structure

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

The Academy has formed a Finance & Staffing Committee whose terms of reference are:

- To recommend a strategic premises plan identifying the school's long term aims and one year objectives in order to achieve them;
- To prioritise, initiate and evaluate programmes of improvement and development, including specific premises projects, all in accordance with the school's Health & Safety Policy;
- To receive and monitor regular financial reports, make any necessary virements and exercise internal financial control; and
- In accordance with the Staffing and Pay Policy, make decisions concerning the Deployment, Recruitment, Appointment and Staff Development for all staff and to review the appraisal policy.

Individual Trustees are encouraged to act as Link Trustees for specific areas of school activity as prioritised by the School Development Plan.

The following decisions are reserved to the Full Governing Body; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual School Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT). The SLT comprises the Headteacher, Deputy Headteacher, Phase Leaders and the School Business Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

The Headteacher is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

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

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

Connected Organisations, including Related Party Relationships

There are no related parties that either control or significantly influence the decisions and operations of Lethbridge Primary School.

Objects and Aims

At Lethbridge Primary School, we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment. This is summarised in our vision statement: Live, Learn and Achieve at Lethbridge!

The academic year 2019/20 was to a large degree dominated by the ongoing Covid-19 pandemic. The pandemic has severely impacted the school and from February 2020 taken up the vast majority of senior leadership time.

The school remained open throughout the pandemic, initially for only a very small number of vulnerable children and children of key workers and re-opening more widely again for children in Years Reception, 1 and 6 from 1 June 2020. Trustees received regular updates on risk assessments, safeguarding, school closure and reopening throughout and are confident that all planning was diligent and in line with current government guidance.

In the very early stages of the pandemic, the Academy was pro-active and forward thinking, cancelling large gatherings and reducing visitors to the school before this became wider government policy.

School staff worked hard to support pupils throughout lockdown, rapidly increasing the remote learning offer to pupils once it became apparent that the lockdown would last a considerable amount of time. Each year group was provided with well-planned daily tasks across a variety of subjects, but school staff were careful to avoid unnecessary pressure on children to complete tasks, being mindful of the very many different experiences that families would have during lockdown and thereby reducing unnecessary anxiety.

Virtual staff meetings were held during lockdown to address any concerns staff may have about returning to work in line with the Academy's desire to provide a positive and supportive environment for staff as well as pupils. A lot of work went into risk assessments and planning for the full reopening of the school in the new academic year 2020/21.

Objectives, Strategies and Activities

Many of the key priorities set out in the School Development Plan for 2019/20 were partially curtailed by the closure of the school to most students in March 2020. Lethbridge is a vibrant, community based school and it was sad that in 2020 many of the much loved activities that are a staple of the Lethbridge community such as school plays and the summer fete had to be cancelled. Nevertheless, a considerable amount of progress was made in the following areas:

- The school website was redesigned to be more modern and to better meet the needs of both staff and parent;
- In line with the new Ofsted inspection framework, detailed curriculum plans were created by curriculum leaders for Design and Technology, Geography, Music, Religious Education, Art, English, History, Physical Education, Science, Computing, French, Maths and Personal, Social, Health and Economic Education. These have been coherently planned and sequenced towards cumulatively sufficient knowledge and skills for future learning and have all been published on the new website and are available for parents to view;
- Progress and attainment for all year groups at the last point of monitoring was good;
- Work was done to make pupils highly persistent in the face of difficulties by implementing reflective practice through metacognition; and
- Towards the beginning of the school year, children continued to enjoy a range of trips, visitors and meaningful experiences, such as a very successful trip with Year 6 to see the Mary Rose Museum in Portsmouth.

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

Public Benefit

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

STRATEGIC REPORT

Achievements and Performance

This was the ninth year of operation of the school as an academy. Due to the Covid-19 pandemic, no formal end of key stage assessments took place in the academic year 2019/20. The school has started to plan catch-up provision where needed and we are hopeful for another set of good results in 2020/21. Lethbridge is a happy, caring environment where children of all abilities feel secure and able to succeed. We hope that the resilience and enthusiasm for learning that are part of the daily life at this school will help all our pupils to bounce back from a difficult year, regardless of their circumstances.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In the period under review, £50,399 of restricted income (excluding pension reserve and restricted fixed asset funds) was carried forward and the Trust held unrestricted funds at the Balance Sheet date of £159,337.

Another key financial performance indicator is staffing costs as a percentage of total revenue income. For 2019/20 this was 84.4% compared to 82.0% in 2018/19. As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2019/20 were 486. It is anticipated that this number will remain reasonably stable and may increase by one or two.

Going Concern

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

FINANCIAL REVIEW

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

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

During the year ended 31 August 2019, total expenditure (excluding restricted fixed asset funds and pension scheme liabilities) of £2,108,948 was largely covered by recurrent grant funding from the DfE, together with other incoming resources of £2,164,389. The excess of income over expenditure for the year was £55,441.

At 31 August 2020 the net book value of fixed assets was £3,552,600 and movements in tangible fixed assets are shown in Note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on 31 August 2012 at £3,681,384. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

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

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

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Headteacher, managers, Budget holders and other staff, as well as delegated authority for spending.

Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance. Trustees have adopted a Internal Assurance Officer Policy and appointed Financial Services 4 Schools Ltd to undertake a programme of internal checks on financial controls. During the year, the Trustees received four reports from Financial Services 4 Schools Ltd which contained no matters of significance.

Reserves Policy

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

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

Investment Policy

The level of reserves will be determined by Trustees annually to provide a prudent level of reserves to meet the long term cyclical needs of the Academy and short term cash flow requirements needs and to meet unforeseen contingencies. Although these levels and can fluctuate depending on operational needs the Trustees have determined that the Academy should aim to have a minimum of £50,000 or the maximum permitted by the ESFA.

Principal Risks and Uncertainties

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

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 91% of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

The continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers especially with a new primary school being opened in the area. Trustees recognise that educational standards need to continue to improve and closely monitor achievement to ensure this happens. In addition, Trustees realise that the Academy needs to market its achievements more proactively and will put in place activities to do this.

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

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives. The specific ways that the Academy will seek to achieve these objectives are in the School Improvement Plan for 2019/20.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

DISCLOSURE OF INFORMATION TO AUDITORS

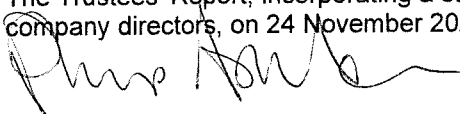
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are Unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

AUDITORS

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 24 November 2020 and signed on its behalf by:



**P Ashdown
Chair of Trustees**

**LETHBRIDGE PRIMARY SCHOOL
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Lethbridge Primary School and the Secretary of State for Education.

They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

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

Trustee	Meetings attended	Out of a possible
L Crosby	3	4
P Ashdown, Chair	4	4
J Dearlove	3	4
C Chew	3	4
C Hobson	4	4
A Davison	3	4
C Harmer	4	4
K M Barrett, Vice Chair	3	4
L Mayes, Headteacher	4	4
N Fryer	3	4
A Shakespeare	3	4
C Short	4	4
L Smith	4	4
F Wall	2	4
C Webb	4	4
A MacKenzie-Wilson	4	4
A Fernow	4	4
E Mann	4	4
D Mackman	3	4

The Finance and Staffing committee is a sub-committee of the main Board of Trustees which receives and monitors regular financial reports, exercises internal financial control against the annual budget, and receives reports from the Responsible Officer. The committee also oversees the school's premises plan and to prioritise, initiate and evaluate programmes of improvement and development, including specific premises projects, all in accordance with the schools' Health and Safety Policy.

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
P Ashdown	3	3
D Mackman	3	3
C Webb	2	3
K M Barrett	3	3
L Mayes	2	3
C Hobson	3	3
A Shakespeare	2	3
C Short	2	3
C Harmer	2	3

REVIEW OF VALUE FOR MONEY

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

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

- Switching in November 2019, from an internal catering service that was costing the school around £14,000 a year to support, as well as management time to run, to an external contractor to provide this service. The contractor has given us a guaranteed income to run the service for the next 3 years. In addition we used the excellent free services of the School's Buying Hub South West to assist us with the tendering process to find a suitable contractor who would meet the specific needs of our school to provide a lunch service;
- Having successfully piloted using HLTA s for s PPA cover during 2018/19 we increased the number of HLTA hours for PPA cover during this academic year, which is a more cost effective but an equally productive way, particularly for the younger children, of providing PPA cover compared to the cost of using teachers or qualified sports coaches, which had been our practice; and
- A review of the website was undertaken as we were aware of escalating costs. We have moved to using social media platforms more to celebrate the school's special activities so reducing the cost of using our website provider to continually upload daily photos from teachers, to the website.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Lethbridge Primary School for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT (CONTINUED)

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has decided not to appoint an internal auditor. However, the Trustees have appointed Financial Services 4 Schools Limited to carry out a programme of internal checks.

The reviewer's role includes giving advice on financial and other matters and performing a range of checks on the Academy's financial systems.

On a semi-annual basis, the reviewer reports to the Board of Trustees through the financing and staffing committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

REVIEW OF EFFECTIVENESS

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

- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the reviewer;
- the work of the external auditors;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Trustees on 24 November 2020 and signed on their behalf
by:



P Ashdown
Chair of Trustees



L Mayes
Accounting Officer

**LETHBRIDGE PRIMARY SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Lethbridge Primary School I have considered my responsibility to notify the Academy 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, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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.



L Mayes
Accounting Officer
Date: 24 November 2020

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

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

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

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

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

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

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

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



P Ashdown
Chair of Trustees
Date: 24 November 2020

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LETHBRIDGE PRIMARY SCHOOL**

OPINION

We have audited the financial statements of Lethbridge Primary School (the 'academy') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

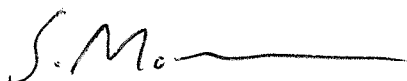
AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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



Simon Morrison FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming Bath Limited

Chartered Accountants

Statutory Auditors

Minerva House

Lower Bristol Road

Bath

BA2 9ER

Date: 7/12/2020

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lethbridge Primary School during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF LETHBRIDGE PRIMARY SCHOOL'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Lethbridge Primary School's funding agreement with the Secretary of State for Education dated July 2011 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

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

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

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Simon Morrison FCA (Reporting Accountant)
Bishop Fleming Bath Limited
Chartered Accountants
Statutory Auditors

Minerva House
Lower Bristol Road
Bath
BA2 9ER

Date: 7 / 12 / 2020

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:						
Donations and capital grants	4	720	38,451	9,000	48,171	67,503
Charitable activities	5	9,405	2,109,834	-	2,119,239	2,028,508
Other trading activities	6	5,349	490	-	5,839	10,079
Investments	7	140	-	-	140	148
TOTAL INCOME		15,614	2,148,775	9,000	2,173,389	2,106,238
EXPENDITURE ON:						
Charitable activities		9,533	2,235,415	95,302	2,340,250	2,221,526
TOTAL EXPENDITURE		9,533	2,235,415	95,302	2,340,250	2,221,526
NET INCOME/(EXPENDITURE)		6,081	(86,640)	(86,302)	(166,861)	(115,288)
Transfers between funds	19	-	(27,509)	27,509	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		6,081	(114,149)	(58,793)	(166,861)	(115,288)
Actuarial losses on defined benefit pension schemes	26	-	(60,000)	-	(60,000)	(333,000)
NET MOVEMENT IN FUNDS		6,081	(174,149)	(58,793)	(226,861)	(448,288)
RECONCILIATION OF FUNDS:						
Total funds brought forward		153,256	(692,489)	3,611,393	3,072,160	3,520,448
Net movement in funds		6,081	(174,149)	(58,793)	(226,861)	(448,288)
TOTAL FUNDS CARRIED FORWARD		159,337	(866,638)	3,552,600	2,845,299	3,072,160

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

The notes on pages 24 to 47 form part of these financial statements.

LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07685652

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	14	3,552,600	3,611,393
		<u>3,552,600</u>	<u>3,611,393</u>
CURRENT ASSETS			
Debtors	15	69,227	50,112
Cash at bank and in hand		271,179	261,945
		<u>340,406</u>	<u>312,057</u>
Creditors: amounts falling due within one year	16	(133,923)	(130,122)
		<u>206,483</u>	<u>181,935</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		3,759,083	3,793,328
Creditors: amounts falling due after more than one year	17	(35,784)	(39,168)
NET ASSETS EXCLUDING PENSION LIABILITY		3,723,299	3,754,160
Defined benefit pension scheme liability	26	(878,000)	(682,000)
TOTAL NET ASSETS		2,845,299	<u>3,072,160</u>
FUNDS OF THE ACADEMY			
Restricted funds:			
Fixed asset funds	19	3,552,600	3,611,393
General funds	19	11,362	(10,489)
		<u>3,563,962</u>	<u>3,600,904</u>
Restricted funds excluding pension asset	19	3,563,962	3,600,904
Pension reserve	19	(878,000)	(682,000)
		<u>2,685,962</u>	<u>2,918,904</u>
Total restricted funds	19	2,685,962	2,918,904
Unrestricted income funds	19	159,337	153,256
		<u>2,845,299</u>	<u>3,072,160</u>
TOTAL FUNDS		2,845,299	<u>3,072,160</u>

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07685652**

**BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020**

The financial statements on pages 20 to 47 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



P Ashdown
Chair of Trustees
Date: 24 November 2020

The notes on pages 24 to 47 form part of these financial statements.

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	21	39,548	28,363
CASH FLOWS FROM INVESTING ACTIVITIES	23	(26,919)	(15,004)
CASH FLOWS FROM FINANCING ACTIVITIES	22	(3,395)	(3,395)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		9,234	9,964
Cash and cash equivalents at the beginning of the year		261,945	251,981
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	24, 25	<u>271,179</u>	<u>261,945</u>

The notes on pages 24 to 47 form part of these financial statements

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. GENERAL INFORMATION

Lethbridge Primary School is a company limited by guarantee, incorporated in England and Wales. The registered office is Lethbridge Road, Swindon, Wiltshire, SN1 4BY.

2. ACCOUNTING POLICIES

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

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

Lethbridge Primary School meets the definition of a public benefit entity under FRS 102.

2.2 GOING CONCERN

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

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

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

- **Grants**

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

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

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

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

2.4 EXPENDITURE

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2. ACCOUNTING POLICIES (continued)

2.5 TAXATION

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

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

2.6 TANGIBLE FIXED ASSETS

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

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

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

Depreciation is provided on the following bases:

Long term leasehold land	- 125 years straight line
Long-term leasehold property	- 50 years straight line
Furniture and equipment	- 7 years straight line
Computer equipment	- 5 years straight line

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

2.7 DEBTORS

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

2.8 CASH AT BANK AND IN HAND

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. ACCOUNTING POLICIES (continued)

2.9 LIABILITIES

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

2.10 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.11 OPERATING LEASES

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

2. ACCOUNTING POLICIES (continued)

2.12 PENSIONS

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

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

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

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

2.13 FUND ACCOUNTING

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance leases requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	720	38,451	9,000	48,171	67,503
Total 2019	1,724	59,801	5,978	67,503	

LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. FUNDING FOR THE ACADEMY'S EDUCATION

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DFE/ESFA GRANTS				
General Annual Grant	-	1,649,063	1,649,063	1,617,457
Other DfE/ESFA grants	-	243,499	243,499	180,527
	-	1,892,562	1,892,562	1,797,984
OTHER GOVERNMENT GRANTS				
High Needs	-	146,615	146,615	138,360
	-	146,615	146,615	138,360
OTHER FUNDING				
Internal catering income	9,405	-	9,405	44,825
Other	-	70,657	70,657	47,339
	9,405	2,109,834	2,119,239	2,028,508
Total 2019	44,825	1,983,683	2,028,508	

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings	5,349	-	5,349	10,079
Trainee teacher income	-	490	490	-
	5,349	490	5,839	10,079
Total 2019	10,079	-	10,079	

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

7. INVESTMENT INCOME

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest	140	140	148
	<u>148</u>	<u>148</u>	
Total 2019	<u>148</u>	<u>148</u>	

8. EXPENDITURE

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Education:					
Direct costs	1,490,111	95,233	116,006	1,701,350	1,544,315
Allocated support costs	340,577	131,718	166,605	638,900	677,211
	<u>1,830,688</u>	<u>226,951</u>	<u>282,611</u>	<u>2,340,250</u>	<u>2,221,526</u>
Total 2018	<u>1,704,662</u>	<u>229,985</u>	<u>286,879</u>	<u>2,221,526</u>	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Education	1,701,350	638,900	2,340,250	2,221,526
	<u>1,544,315</u>	<u>677,211</u>	<u>2,221,526</u>	
Total 2019	<u>1,544,315</u>	<u>677,211</u>	<u>2,221,526</u>	

LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of direct costs

	Total funds 2020 £	Total funds 2019 £
Pension finance costs	8,000	5,000
Staff costs	1,482,476	1,327,375
Depreciation	95,302	95,497
Educational supplies	97,514	103,379
Staff development	10,423	9,388
Supply teachers	7,635	3,676
	<u>1,701,350</u>	<u>1,544,315</u>

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Pension finance costs	6,000	3,000
Staff costs	340,577	373,611
Other costs	6,209	9,018
Maintenance of premises and equipment	24,986	27,514
Cleaning	43,808	43,275
Rent and rates	12,065	10,699
Energy costs	22,208	21,752
Insurance	10,989	10,726
Catering	74,993	58,487
Technology costs	10,147	16,907
Office overheads	28,651	20,522
Legal and professional	43,791	68,896
Bank interest and charges	1,893	1,893
Governance	12,583	10,911
	<u>638,900</u>	<u>677,211</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Depreciation of tangible fixed assets	95,233	95,497
Fees paid to auditors for:		
- audit	6,000	5,800
- other services	1,750	1,750
	<u>102,983</u>	<u>103,047</u>

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2020	2019
	£	£
Wages and salaries	1,294,766	1,275,238
Social security costs	100,815	97,732
Pension costs	427,472	328,016
	1,823,053	1,700,986
Supply teacher costs	3,676	6,859
	1,826,729	1,707,845

b. STAFF NUMBERS

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

	2020	2019
	No.	No.
Teachers	20	21
Educational Support	27	26
Administration and Clerical	40	40
Management	3	3
	90	90

The average headcount expressed as full-time equivalents was:

	2020	2019
	No.	No.
Teachers	15	15
Educational Support	22	23
Administration and Clerical	6	6
Management	3	3
	46	47

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. STAFF (CONTINUED)

c. HIGHER PAID STAFF

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	<u>1</u>	<u>1</u>

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits received by key management personnel for their services to the Academy was £311,229 (2019 £290,469).

12. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows: L Mayes Remuneration £65,000 - £70,000 (2019: £60,000 - £65,000), Employer's Pension Contribution £15,000- £20,000 (2019: £10,000 - £15,000); T Moran £Nil (2019: £30,000 - £35,000), Employer's Pension Contributions £Nil (2019: £5,000 - £10,000); C Webb Remuneration £35,000 - £40,000 (2019: £35,000 - £40,000), Employer's Pension Contributions £10,000 - £15,000 (2019: £5,000 - £10,000); C Chew Remuneration £35,000 - £40,000 (2019: £35,000 - £40,000), Employer's Pension Contributions £5,000 - £10,000 (2019: £5,000 - £10,000); C Harmer Remuneration £50,000 - £55,000 (2019: £45,000 - £50,000), Employer's Pension Contributions £10,000 - £15,000 (2019: £5,000 - £10,000); C Short Remuneration £50,000 - £55,000 (2019: £45,000 - £50,000), Employer's Pension Contributions £10,000 - £15,000 (2019: £5,000 - £10,000).

During the year ended 31 August 2020, expenses totalling £1,158 were reimbursed or paid directly to 1 Trustee (2019 - £Nil).

13. TRUSTEES' AND OFFICERS' INSURANCE

The Academy 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 cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

14. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
COST OR VALUATION				
At 1 September 2019	4,046,395	160,543	129,131	4,336,069
Additions	5,366	-	31,143	36,509
At 31 August 2020	<u>4,051,761</u>	<u>160,543</u>	<u>160,274</u>	<u>4,372,578</u>
DEPRECIATION				
At 1 September 2019	502,813	112,550	109,313	724,676
Charge for the year	68,455	12,301	14,546	95,302
At 31 August 2020	<u>571,268</u>	<u>124,851</u>	<u>123,859</u>	<u>819,978</u>
NET BOOK VALUE				
At 31 August 2020	<u><u>3,480,493</u></u>	<u><u>35,692</u></u>	<u><u>36,415</u></u>	<u><u>3,552,600</u></u>
At 31 August 2019	<u><u>3,543,582</u></u>	<u><u>47,993</u></u>	<u><u>19,818</u></u>	<u><u>3,611,393</u></u>

15. DEBTORS

	2020 £	2019 £
DUE WITHIN ONE YEAR		
Trade debtors	9,715	2,183
Other debtors	22,650	9,390
Prepayments and accrued income	36,862	38,539
	<u><u>69,227</u></u>	<u><u>50,112</u></u>

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Other loans	3,253	3,264
Other taxation and social security	22,189	24,224
Other creditors	33,657	30,429
Accruals and deferred income	74,824	72,205
	<u>133,923</u>	<u>130,122</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Other loans	35,784	39,168

Included within the above are amounts falling due as follows:

	2020	2019
	£	£
BETWEEN ONE AND TWO YEARS		
Other loans	3,253	3,264
BETWEEN TWO AND FIVE YEARS		
Other loans	9,759	9,792
OVER FIVE YEARS		
Other loans	22,772	26,112

The Equal Pay loan relates to amounts due to Swindon Unitary Authority in respect of an equal pay claim which arose prior to conversion to an Academy. The total amount due is unsecured and repayable in annual instalments of £5,288 (2019: £5,288) over 15 years. Interest is being charged at a rate of 4.93% per annum. The total amount outstanding at the year end was £39,037 (2019: £42,432).

18. FINANCIAL INSTRUMENTS

	2020	2019
	£	£
FINANCIAL ASSETS		
Financial assets measured at fair value through income and expenditure	271,179	261,945

Financial assets measured at fair value through income and expenditure comprise cash and cash equivalents.

LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. STATEMENT OF FUNDS

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
General funds	153,256	15,614	(9,533)	-	-	159,337
RESTRICTED GENERAL FUNDS						
General Annual Grant	3,897	1,649,063	(1,569,764)	(32,797)	-	50,399
High Needs	-	146,615	(146,615)	-	-	-
Pupil Premium	-	46,558	(46,558)	-	-	-
Other Restricted income	-	109,598	(109,598)	-	-	-
Other DfE/ESFA income	28,046	120,903	(148,949)	-	-	-
Equal pay loan	(42,432)	-	(1,893)	5,288	-	(39,037)
UIFSM	-	76,038	(76,038)	-	-	-
Pension reserve	(682,000)	-	(136,000)	-	(60,000)	(878,000)
	<u>(692,489)</u>	<u>2,148,775</u>	<u>(2,235,415)</u>	<u>(27,509)</u>	<u>(60,000)</u>	<u>(866,638)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets-conversion	3,236,370	-	(71,184)	-	-	3,165,186
Fixed assets-GAG	81,054	-	(6,795)	27,509	-	101,768
DfE/EFA	150,648	-	(4,680)	-	-	145,968
Capital rollover	96,343	-	(6,584)	-	-	89,759
DFC	11,198	-	(5,118)	-	-	6,080
Donations	33,516	9,000	(941)	-	-	41,575
Insurance receipts	2,264	-	-	-	-	2,264
	<u>3,611,393</u>	<u>9,000</u>	<u>(95,302)</u>	<u>27,509</u>	<u>-</u>	<u>3,552,600</u>
TOTAL RESTRICTED FUNDS	<u>2,918,904</u>	<u>2,157,775</u>	<u>(2,330,717)</u>	<u>-</u>	<u>(60,000)</u>	<u>2,685,962</u>

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
TOTAL FUNDS	3,072,160	2,173,389	(2,340,250)	-	(60,000)	2,845,299

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

General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Pupil Premium - This represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

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

Devolved Formula Capital - This represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

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

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

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

19. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
UNRESTRICTED FUNDS						
General funds	141,515	56,776	(45,035)	-	-	153,256
RESTRICTED FUNDS						
General Annual Grant	-	1,617,457	(1,593,120)	(20,440)	-	3,897
High Needs	-	138,360	(138,360)	-	-	-
Pupil Premium	-	44,350	(44,350)	-	-	-
Other Restricted income	-	98,884	(98,884)	-	-	-
Other DfE/ESFA income	-	72,983	(44,937)	-	-	28,046
Equal pay loan	(45,827)	-	(1,893)	5,288	-	(42,432)
UIFSM	-	71,450	(71,450)	-	-	-
Pension reserve	(261,000)	-	(88,000)	-	(333,000)	(682,000)
	<u>(306,827)</u>	<u>2,043,484</u>	<u>(2,080,994)</u>	<u>(15,152)</u>	<u>(333,000)</u>	<u>(692,489)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets-conversion	3,307,485	-	(71,115)	-	-	3,236,370
Fixed assets-GAG	72,697	-	(6,795)	15,152	-	81,054
DfE/EFA	155,328	-	(4,680)	-	-	150,648
Capital rollover	102,927	-	(6,584)	-	-	96,343
DFC	16,316	-	(5,118)	-	-	11,198
Donations	28,743	5,978	(1,205)	-	-	33,516
Insurance receipts	2,264	-	-	-	-	2,264
	<u>3,685,760</u>	<u>5,978</u>	<u>(95,497)</u>	<u>15,152</u>	<u>-</u>	<u>3,611,393</u>

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
TOTAL RESTRICTED FUNDS	3,378,933	2,049,462	(2,176,491)	-	(333,000)	2,918,904
TOTAL FUNDS	3,520,448	2,106,238	(2,221,526)	-	(333,000)	3,072,160

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	3,552,600	3,552,600
Current assets	159,337	181,069	-	340,406
Creditors due within one year	-	(133,923)	-	(133,923)
Creditors due in more than one year	-	(35,784)	-	(35,784)
Provisions for liabilities and charges	-	(878,000)	-	(878,000)
TOTAL	159,337	(866,638)	3,552,600	2,845,299

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	3,611,393	3,611,393
Current assets	153,256	158,801	-	312,057
Creditors due within one year	-	(130,122)	-	(130,122)
Creditors due in more than one year	-	(39,168)	-	(39,168)
Provisions for liabilities and charges	-	(682,000)	-	(682,000)
TOTAL	153,256	(692,489)	3,611,393	3,072,160

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(166,861)	(115,288)
ADJUSTMENTS FOR:		
Depreciation	95,302	95,497
Capital grants from DfE and other capital income	(9,000)	(5,978)
Interest receivable	(140)	(148)
Defined benefit pension scheme cost less contributions payable	122,000	80,000
Defined benefit pension scheme finance cost	14,000	8,000
(Increase)/decrease in debtors	(19,115)	16,346
Increase/(decrease) in creditors	3,362	(50,066)
NET CASH PROVIDED BY OPERATING ACTIVITIES	39,548	28,363

22. CASH FLOWS FROM FINANCING ACTIVITIES

	2020 £	2019 £
Repayments of borrowing	(3,395)	(3,395)
NET CASH USED IN FINANCING ACTIVITIES	(3,395)	(3,395)

23. CASH FLOWS FROM INVESTING ACTIVITIES

	2020 £	2019 £
Interest received	140	148
Purchase of tangible fixed assets	(36,059)	(21,130)
Capital grants from DfE Group	9,000	5,978
NET CASH USED IN INVESTING ACTIVITIES	(26,919)	(15,004)

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash in hand	271,179	261,945
TOTAL CASH AND CASH EQUIVALENTS	271,179	261,945

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019 £	Cash flows £	Other non- cash changes £	At 31 August 2020 £
Cash at bank and in hand	261,945	9,234	-	271,179
Debt due within 1 year	(3,264)	3,395	(3,384)	(3,253)
Debt due after 1 year	(39,168)	-	3,384	(35,784)
	<u>219,513</u>	<u>12,629</u>	<u>-</u>	<u>232,142</u>

26. PENSION COMMITMENTS

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

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

Contributions amounting to £33,287 were payable to the schemes at 31 August 2020 (2019 - £30,056) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

26. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £131,662 (2019 - £87,710).

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

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

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £163,000 (2019 - £160,000), of which employer's contributions totalled £132,000 (2019 - £131,000) and employees' contributions totalled £ 31,000 (2019 - £29,000). The agreed contribution rates for future years are 24.5% for employers and 5.5% to 12.5% for employees.

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

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

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

26. PENSION COMMITMENTS (CONTINUED)

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	2.6	2.6
Rate of increases for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.9

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	21.7 years	21.4 years
Females	24.0 years	23.7 years
<i>Retiring in 20 years</i>		
Males	22.5 years	22.3 years
Females	25.5 years	25.1 years

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

	2020	2019
	£	£
Equities	1,131,000	1,294,000
Bonds	646,000	255,000
Property	242,000	237,000
Cash and other liquid assets	-	36,000
Total market value of assets	2,019,000	1,822,000

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

	2020	2019
	£	£
Current service cost	(254,000)	(201,000)
Past service cost	-	(8,000)
Interest income	36,000	46,000
Interest cost	(50,000)	(54,000)
Total	(268,000)	(217,000)

**LETHBRIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

26. PENSION COMMITMENTS (CONTINUED)

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

	2020 £	2019 £
At 1 September	2,504,000	1,830,000
Current service cost	254,000	201,000
Interest cost	50,000	54,000
Employee contributions	31,000	31,000
Actuarial losses/(gains)	67,000	401,000
Benefits paid	(9,000)	(21,000)
Past service cost	-	8,000
	<u>2,897,000</u>	<u>2,504,000</u>

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

	2020 £	2019 £
At 1 September	1,822,000	1,569,000
Interest income	36,000	46,000
Actuarial gains	7,000	68,000
Employer contributions	132,000	129,000
Employee contributions	31,000	31,000
Benefits paid	(9,000)	(21,000)
	<u>2,019,000</u>	<u>1,822,000</u>

27. OPERATING LEASE COMMITMENTS

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

	2020 £	2019 £
AMOUNTS PAYABLE:		
Not later than 1 year	5,734	5,734
Later than 1 year and not later than 5 years	5,257	10,991
	<u>10,991</u>	<u>16,725</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

28. MEMBERS' LIABILITY

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

29. RELATED PARTY TRANSACTIONS

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

30. CONTROLLING PARTY

The Company is under joint control of the Trustees and therefore there is no ultimate controlling party.

