

Company Registration Number: 07685652 (England and Wales)

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

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 1 JULY 2022**



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

**CONTENTS**

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	Page
<b>Reference and Administrative Details</b>	1 - 2
<b>Trustees' Report</b>	3
<b>Governance Statement</b>	9 - 11
<b>Statement on Regularity, Propriety and Compliance</b>	12
<b>Statement of Trustees' Responsibilities</b>	13
<b>Independent Auditors' Report on the Financial Statements</b>	14 - 17
<b>Independent Reporting Accountant's Report on Regularity</b>	18 - 19
<b>Statement of Financial Activities Incorporating Income and Expenditure Account</b>	20
<b>Balance Sheet</b>	21 - 22
<b>Statement of Cash Flows</b>	23
<b>Notes to the Financial Statements</b>	24 - 50

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

**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Trustees</b>	L Crosby (resigned 11 July 2022) P Ashdown, Chair <sup>1</sup> J Dearlove (resigned 3 October 2022) C Chew (resigned 11 July 2022) C Hobson (resigned 11 July 2022) <sup>1</sup> A Davison (resigned 28 September 2021) C Harmer (resigned 11 July 2022) <sup>1</sup> L Mayes, Headteacher <sup>1</sup> N Fryer (resigned 11 July 2022) A Shakespeare (resigned 11 July 2022) <sup>1</sup> C Short (resigned 11 July 2022) <sup>1</sup> L Smith (resigned 28 September 2021) F Wall (resigned 11 July 2022) C Webb (resigned 11 July 2022) <sup>1</sup> A MacKenzie-Wilson (resigned 11 July 2022) <sup>1</sup> A Fernow (resigned 11 July 2022) E Mann (resigned 11 July 2022) <sup>1</sup>  <sup>1</sup> Finance & Staffing Committee
<b>Company registered number</b>	07685652
<b>Company name</b>	Lethbridge Primary School
<b>Principal and Registered office</b>	Lethbridge Road Swindon Wiltshire SN1 4BY
<b>Accounting officer</b>	L Mayes
<b>Senior leadership team</b>	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
<b>Independent auditors</b>	Bishop Fleming Bath Limited Chartered Accountants Statutory Auditors 10 Temple Back Redcliffe Bristol BS1 6FL

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

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)  
FOR THE PERIOD ENDED 1 JULY 2022**

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**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 PERIOD ENDED 1 JULY 2022**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period ended 1 July 2022. 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 485 in the latest school census. On 1 July 2022 Lethbridge Primary School transferred into The Blue Kite Academy Trust, at which point this company ceased trading.

**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 PERIOD ENDED 1 JULY 2022**

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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 PERIOD ENDED 1 JULY 2022**

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**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!

**Objectives, Strategies and Activities**

A considerable amount of progress was made in the following areas over the period:

- Embedded new EYFS curriculum and Development Matters assessment following year as Early Adopter;
- Further enhanced our curriculum provision by ensuring all subject leaders and governors had very high levels of understanding of the quality of the impact of our intent and implementation of our curriculum;
- Evaluated schools' phonics and reading provision in order to make informed choice about future Structured Synthetic Phonics programmes and selected new scheme for implementation; and
- Implemented Nuffield Early Language Programme in EYFS ensuring children received targeted speech and language support with trained worker; and
- Continued recovery from Covid 19 experiences by further developing the school's provision for mental health and wellbeing support, ensuring all staff are well placed to use trauma informed processes to meet children's needs. The Senco Lead attended DfE funded Senior Mental Health Lead training and our ELSA continues to provide invaluable support to our families and children and developed her own training in therapies including Lego and Circle of Friends.

**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 eleventh year of operation of the school as an academy.

Outcomes for the year showed excellent outcomes across the school the school with pupils at or above national percentages of attainment in all areas:

- In reading at KS2 percentage achieving expected standard were 13% above the national and at KS1 was 10% above. Our phonics screening check results were above national as was our EYFS percentage of children achieving Good Level of Development;
- In writing at KS2 the percentage of children reaching expected standard was 15% above the national and at KS1 was 20% above national. The progress measure of 1.2 was the highest yet achieved by the school;
- In maths at KS2 the percentage of children achieving the expected standard was 12% above the national and at KS1 is what 9% above;
- The percentage of children achieving the combined expected standard in reading, writing and maths was 19% above the national. These results are all considered very significantly above expected; and
- Children with Special Educational Needs also achieved very significantly above the same children nationally at KS2 as did those with English as an Additional Language.

**TRUSTEES REPORT (CONTINUED)  
FOR THE PERIOD ENDED 1 JULY 2022**

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**Key Performance Indicators**

A key financial performance indicator is staffing costs as a percentage of total revenue income. For 2021/22 this was 80.6% compared to 85.9% in 2020/21. As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for the period were 486.

**Going Concern**

As described in note 2.2, on 1 January 2020 the Academy Trust transferred its academies, together with all assets and liabilities, to The Blue Kite Academy Trust. From that date, the Trust ceased all activities. Accordingly, these accounts are prepared on a basis other than as a going concern.

**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 1 July 2022 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 period ended 1 July 2022 total expenditure (excluding restricted fixed asset funds, pension scheme liabilities and the cost of the Academy leaving the Trust) of £1,913,239 was largely covered by recurrent grant funding from the DfE, together with other incoming resources of £1,955,088. The excess of income over expenditure for the year was £41,859.

At 1 July 2022 the net book value of fixed assets was £Nil following the transfer of the Academy to Blue Kite Academy Trust, 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.

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 26 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 nil balance at the end of the period.



**TRUSTEES REPORT (CONTINUED)  
FOR THE PERIOD ENDED 1 JULY 2022**

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**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 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.

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 joined The Blue Kite Academy Trust on 1 July 2022.

**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.

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

**TRUSTEES REPORT (CONTINUED)  
FOR THE PERIOD ENDED 1 JULY 2022**

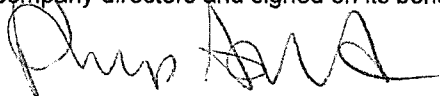
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**DISCLOSURE OF INFORMATION TO AUDITORS**

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.

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



**P Ashdown  
Chair of Trustees**

**Date: 02/12/2022**

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

**GOVERNANCE STATEMENT**

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**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 5 times during the period.

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

Trustee	Meetings attended	Out of a possible
L Crosby	5	5
P Ashdown, Chair	5	5
J Dearlove	4	5
C Chew	5	5
C Hobson	5	5
C Harmer	4	4
L Mayes, Headteacher	5	5
N Fryer	3	5
A Shakespeare	3	5
C Short	5	5
F Wall	3	5
C Webb	4	5
A MacKenzie-Wilson	2	5
A Fernow	5	5
E Mann	4	5

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.

Attendance during the period at meetings was as follows:

Trustee	Meetings attended	Out of a possible
P Ashdown	4	4
C Webb	2	4
L Mayes	4	4
C Hobson	3	4
A Shakespeare	2	4
C Short	1	4

**GOVERNANCE STATEMENT (CONTINUED)**

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**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 period by:

- By reviewing external services that we purchase, in a timely manner as they approach renewal dates, since a decision to join Blue Kite Academy Trust was made. After reviewing many of these we have been able to give adequate notice of cancellation, as we now ongoing, have the support, skills and resources of the larger Trust;
- By reviewing staff requirements in light of the move to join The Trust, as we have received notice of natural staff leavers since this decision was made. We have joined the Trust having made considerable reductions in staff costs in both the administrative and leadership areas as we move to have the wider support of the MAT; and
- We identified that our Forest School Area was an under utilised space, in a building which has very little playground space and no green field playing space. Although we have had to invest a small amount of revenue and capital income to achieve this, we have done this in a cost-effective way, so that the area can now be used for a larger scope of outdoor learning with space for up to 35 learners to utilise the area at any one time with seating and shelter etc. This has increased the schools teaching area in a cost effect way and reduced the need to take children off site – which requires a higher staff to pupil ratio – for outdoor learning experiences.

**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 period 1 September 2021 to 1 July 2022 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period 1 September 2021 to 1 July 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**GOVERNANCE STATEMENT (CONTINUED)**

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**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.

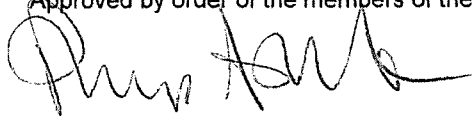
**REVIEW OF EFFECTIVENESS**

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

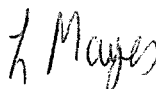
- the work of the reviewer;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

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.

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



**P Ashdown**  
Chair of Trustees  
Date: 02/12/2022



**L Mayes**  
Accounting Officer

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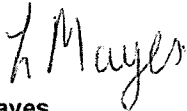
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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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 Trust 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 Trust 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: 02/12/22

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE PERIOD ENDED 1 JULY 2022**

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

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

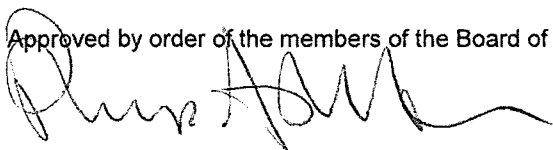
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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: 02/12/2022

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

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

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**OPINION**

We have audited the financial statements of Lethbridge Primary School (the 'academy') for the period ended 1 July 2022 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 2021 to 2022 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 1 July 2022 and of its incoming resources and application of resources, including its income and expenditure for the period 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 2021 to 2022 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.

**EMPHASIS OF MATTER- FINANCIAL STATEMENTS PREPARED ON A BASIS OTHER THAN  
GOING CONCERN**

We draw attention to the Trustees' report and the disclosures made in note 2.2 to the financial statements, which explain that the Academy Trust ceased to operate on 1 July 2022 and transferred all of its assets and liabilities to Blue Kite Academy Trust on this date. Accordingly, the accounts have been prepared on a basis other than going concern. Our opinion is not modified in respect of this matter.

**OTHER INFORMATION**

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

We have nothing to report in this regard.



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

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**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 period 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.

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

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**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- how the Academy ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academy Trust Handbook 2022, Charity Law, the Charities SORP 2019, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

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

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Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

10 Temple Back

Redcliffe

Bristol

BS1 6FL

Date: 15/12/2027

**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**

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In accordance with the terms of our engagement letter dated 8 November 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lethbridge Primary School during the period 1 September 2021 to 1 July 2022 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 Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 1 July 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

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

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

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

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

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.

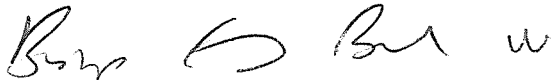
**LETHBRIDGE PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**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 period 1 September 2021 to 1 July 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Bishop Fleming Bath Limited**  
Chartered Accountants  
Statutory Auditors

10 Temple Back  
Redcliffe  
Bristol  
BS1 6FL

Date: 15/12/2022

LETHBRIDGE PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE PERIOD ENDED 1 JULY 2022

	Note	Unrestricted funds 10 months ended 1 July 2022 £	Restricted funds 10 months ended 1 July 2022 £	Restricted fixed asset funds 10 months ended 1 July 2022 £	Total funds 10 months ended 1 July 2022 £	Total funds Year ended 31 August 2021 £
<b>Income from:</b>						
Donations and capital grants	4	600	2,928	-	3,528	2,936
Other trading activities		769	-	-	769	343
Investments	7	36	-	-	36	40
Charitable activities		15,446	1,935,309	9,445	1,960,200	2,278,227
<b>Total income</b>		<b>16,851</b>	<b>1,938,237</b>	<b>9,445</b>	<b>1,964,533</b>	<b>2,281,546</b>
<b>Expenditure on:</b>						
Charitable activities		4	2,104,235	84,633	2,188,872	2,442,983
Other expenditure	9	177,801	61,293	3,435,429	3,674,523	-
<b>Total expenditure</b>		<b>177,805</b>	<b>2,165,528</b>	<b>3,520,062</b>	<b>5,863,395</b>	<b>2,442,983</b>
<b>Net expenditure</b>		<b>(160,954)</b>	<b>(227,291)</b>	<b>(3,510,617)</b>	<b>(3,898,862)</b>	<b>(161,437)</b>
Transfers between funds	20	-	(5,129)	5,129	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>(160,954)</b>	<b>(232,420)</b>	<b>(3,505,488)</b>	<b>(3,898,862)</b>	<b>(161,437)</b>
Actuarial gains/(losses) on defined benefit pension schemes	26	-	1,646,000	-	1,646,000	(431,000)
<b>Net movement in funds</b>		<b>(160,954)</b>	<b>1,413,580</b>	<b>(3,505,488)</b>	<b>(2,252,862)</b>	<b>(592,437)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		160,954	(1,413,580)	3,505,488	2,252,862	2,845,299
Net movement in funds		(160,954)	1,413,580	(3,505,488)	(2,252,862)	(592,437)
<b>Total funds carried forward</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,252,862</b>

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

The notes on pages 24 to 50 form part of these financial statements.

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

BALANCE SHEET  
AS AT 1 JULY 2022

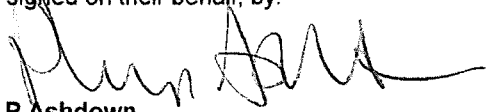
	Note	1 July 2022 £	31 August 2021 £
<b>Fixed assets</b>			
Tangible assets	15	-	3,505,488
		<u>-</u>	<u>3,505,488</u>
<b>Current assets</b>			
Debtors	16	-	49,692
Cash at bank and in hand		-	320,548
		<u>-</u>	<u>370,240</u>
Creditors: amounts falling due within one year	17	-	(140,271)
		<u>-</u>	<u>229,969</u>
<b>Net current assets</b>			
		<u>-</u>	<u>3,735,457</u>
<b>Total assets less current liabilities</b>			
Creditors: amounts falling due after more than one year	18	-	(27,595)
<b>Net assets excluding pension asset / liability</b>			
		<u>-</u>	<u>3,707,862</u>
Defined benefit pension scheme asset / liability	26	-	(1,455,000)
<b>Total net assets</b>			
		<u>-</u>	<u>2,252,862</u>
<b>Funds of the Academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	20	-	3,505,488
General funds	20	-	41,420
		<u>-</u>	<u>3,546,908</u>
Restricted funds excluding pension asset	20	-	3,546,908
Pension reserve	20	-	(1,455,000)
		<u>-</u>	<u>2,091,908</u>
<b>Total restricted funds</b>			
Unrestricted income funds	20	-	160,954
		<u>-</u>	<u>160,954</u>
<b>Total funds</b>			
		<u>-</u>	<u>2,252,862</u>

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

BALANCE SHEET (CONTINUED)  
AS AT 1 JULY 2022

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The financial statements on pages 20 to 50 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



**P Ashdown**  
Chair of Trustees  
Date: 02/12/2022



The notes on pages 24 to 50 form part of these financial statements.



LETHBRIDGE PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 1 JULY 2022

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	Note	10 months ended 1 July 2022 £	Year ended 31 August 2021 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	21	1,975	102,052
<b>Cash flows from investing activities</b>	23	(5,093)	(42,600)
<b>Cash flows from financing activities</b>	22	-	(10,083)
<b>Change in cash and cash equivalents in the period</b>		<b>(3,118)</b>	49,369
Cash and cash equivalents at the beginning of the period		<b>320,548</b>	271,179
<b>Cash and cash equivalents at the end of the period</b>	24, 25	<b>317,430</b>	<b>320,548</b>

The notes on pages 24 to 50 form part of these financial statements

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

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**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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

**2.2 GOING CONCERN**

As described in note 31, all of the assets, liabilities and activities of the Academy Trust transferred to Blue Kite Academy Trust on 1 July 2022. From that date, the Academy Trust ceased all activities. Accordingly, these accounts are prepared on a basis other than as a going concern. However, given that the academies will be carried on by Blue Kite Academy Trust and all assets and liabilities transferred at net book value, no adjustments to, or reclassifications of, the amounts included in these accounts have been required.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance Sheet in the restricted fixed asset fund. Capital grants are 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 period 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 period 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022

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**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 with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**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 and cash on deposit that has a notice period of less than 30 days.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

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**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 16. 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 17 and 18. 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.

Under FRS 102 an entity shall only recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. Therefore when a pension scheme is valued at a surplus, it is recognised at a £Nil value.

### 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 PERIOD ENDED 1 JULY 2022**

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**3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 01 July 2022. 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 10 months ended 1 July 2022 £	Restricted funds 10 months ended 1 July 2022 £	Total funds 10 months ended 1 July 2022 £	Total funds Year ended 31 August 2021 £
Donations	600	2,928	<b>3,528</b>	2,936
Total 2021	<u>1,420</u>	<u>1,516</u>	<u>2,936</u>	

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

**5. FUNDING FOR THE ACADEMY'S EDUCATION**

	Unrestricted funds 10 months ended 1 July 2022 £	Restricted funds 10 months ended 1 July 2022 £	Total funds 10 months ended 1 July 2022 £	Total funds Year ended 31 August 2021 £
<b>EDUCATION</b>				
<b>DFE/ESFA GRANTS</b>				
General Annual Grant	-	1,696,813	<b>1,696,813</b>	1,830,986
<b>OTHER DFE/ESFA GRANTS</b>				
Pupil premium	-	44,461	<b>44,461</b>	53,632
DFC	-	9,445	<b>9,445</b>	9,445
PE grants	-	16,792	<b>16,792</b>	20,160
Other DfE/ESFA grants	-	33,109	<b>33,109</b>	2,985
UFSM grants	-	44,479	<b>44,479</b>	76,249
Teacher's pay and pension grants	-	-	-	87,384
COVID premium	-	-	-	41,090
	-	1,845,099	<b>1,845,099</b>	2,121,931
<b>OTHER GOVERNMENT GRANTS</b>				
High needs	-	56,954	<b>56,954</b>	110,946
	-	56,954	<b>56,954</b>	110,946
<b>OTHER FUNDING</b>				
Internal catering income	15,446	-	<b>15,446</b>	-
Other income	-	16,070	<b>16,070</b>	12,422
ICT income	-	26,631	<b>26,631</b>	32,928
	15,446	42,701	<b>58,147</b>	45,350
	15,446	1,944,754	<b>1,960,200</b>	2,278,227
	15,446	1,944,754	<b>1,960,200</b>	2,278,227
Total 2021	-	2,278,227	<b>2,278,227</b>	



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

**6. INCOME FROM OTHER TRADING ACTIVITIES**

	Unrestricted funds 10 months ended 1 July 2022 £	Restricted funds 10 months ended 1 July 2022 £	Total funds 10 months ended 1 July 2022 £	Total funds Year ended 31 August 2021 £
Lettings	769	-	769	157
Trainee teacher income	-	-	-	186
	<u>769</u>	<u>-</u>	<u>769</u>	<u>343</u>
	<u>157</u>	<u>186</u>	<u>343</u>	
Total 2021				

**7. INVESTMENT INCOME**

	Unrestricted funds 10 months ended 1 July 2022 £	Total funds 10 months ended 1 July 2022 £	Total funds Year ended 31 August 2021 £
Bank interest	36	36	40
	<u>40</u>	<u>40</u>	
Total 2021			

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

**8. EXPENDITURE**

	<b>Staff Costs 10 months ended 1 July 2022 £</b>	<b>Premises 10 months ended 1 July 2022 £</b>	<b>Other 10 months ended 1 July 2022 £</b>	<b>Total 10 months ended 1 July 2022 £</b>	<b>Total Year ended 31 August 2021 £</b>
Education:					
Direct costs	1,314,622	84,633	195,731	<b>1,594,986</b>	1,799,326
Allocated support costs	250,210	103,026	240,650	<b>593,886</b>	643,657
Transfer out of academy joining multi-academy trust	-	-	3,674,523	<b>3,674,523</b>	-
	<u>1,564,832</u>	<u>187,659</u>	<u>4,110,904</u>	<u><b>5,863,395</b></u>	<u>2,442,983</u>
Total 2021	<u>1,820,639</u>	<u>197,255</u>	<u>425,089</u>	<u>2,442,983</u>	

**9. OTHER EXPENDITURE**

	<b>Unrestricted funds 10 months ended 1 July 2022 £</b>	<b>Restricted funds 10 months ended 1 July 2022 £</b>	<b>Total funds 10 months ended 1 July 2022 £</b>	<b>Total funds Year ended 31 August 2021 £</b>
Other resources expended 1	177,801	3,496,722	<b>3,674,523</b>	-
	<u>177,801</u>	<u>3,496,722</u>	<u><b>3,674,523</b></u>	<u>-</u>

**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 10 months ended 1 July 2022 £</b>	<b>Support costs 10 months ended 1 July 2022 £</b>	<b>Total funds 10 months ended 1 July 2022 £</b>	<b>Total funds Year ended 31 August 2021 £</b>
Education	1,594,986	593,886	<b>2,188,872</b>	2,442,983
	<u>1,594,986</u>	<u>593,886</u>	<u><b>2,188,872</b></u>	<u>2,442,983</u>
Total 2021	<u>1,799,326</u>	<u>643,657</u>	<u>2,442,983</u>	

LETHBRIDGE PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022

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10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	<b>Total funds 10 months ended 1 July 2022 £</b>	<b>Total funds Year ended 31 August 2021 £</b>
Pension finance costs	12,000	9,000
Staff costs	1,415,622	1,601,447
Depreciation	84,633	99,197
Educational supplies	65,197	73,996
Staff development	6,306	11,711
Supply teachers	11,228	3,975
	<u>1,594,986</u>	<u>1,799,326</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS**

	<b>Total funds 10 months ended 1 July 2022 £</b>	<b>Total funds Year ended 31 August 2021 £</b>
Pension finance costs	9,000	7,000
Staff costs	319,210	345,217
Other costs	3,398	5,206
Maintenance of premises and equipment	23,825	16,225
Cleaning	43,688	50,721
Rent and rates	11,318	8,674
Energy costs	24,053	22,448
Insurance	9,101	9,452
Catering	64,800	70,658
Technology costs	5,156	16,885
Office overheads	29,573	30,220
Legal and professional	36,958	47,902
Bank interest and charges	-	1,893
Governance	13,806	11,156
	<b>593,886</b>	<b>643,657</b>

**11. NET EXPENDITURE**

Net expenditure for the period includes:

	<b>1 July 2022 £</b>	<b>31 August 2021 £</b>
Depreciation of tangible fixed assets	84,633	99,197
Fees paid to auditors for:		
- audit	6,500	6,100
- other services	1,850	1,750

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

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**12. STAFF**

**a. STAFF COSTS**

Staff costs during the period were as follows:

	<b>10 months ended 1 July 2022 £</b>	<b>Year ended 31 August 2021 £</b>
Wages and salaries	<b>1,183,513</b>	1,378,503
Social security costs	<b>99,600</b>	109,529
Pension costs	<b>451,719</b>	458,632
	<b>1,734,832</b>	1,946,664
Supply teacher costs	<b>11,228</b>	3,975
	<b>1,746,060</b>	1,950,639

**b. STAFF NUMBERS**

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

	<b>10 months ended No. 2022 No.</b>	<b>Year ended 31 August 2021 No.</b>
Teachers	<b>22</b>	22
Educational Support	<b>34</b>	34
Administration and Clerical	<b>42</b>	42
Management	<b>3</b>	3
	<b>101</b>	101

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022

12. STAFF (CONTINUED)

b. STAFF NUMBERS (CONTINUED)

The average headcount expressed as full-time equivalents was:

	10 months ended 1 July 2022 No.	Year ended 31 August 2021 No.
Teachers	19	19
Educational Support	24	24
Administration and Clerical	5	5
Management	3	3
	<u>51</u>	<u>51</u>

c. HIGHER PAID STAFF

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

	10 months ended 1 July 2022 No.	Year ended 31 August 2021 No.
In the band £70,001 - £80,000	<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 £259,358 (2021: £311,229).

13. 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 £60,000 - £65,000 (2021: £70,000 - £75,000), Employer's Pension Contribution £10,000- £15,000 (2021: £15,000 - £20,000); C Webb Remuneration £40,000 - £45,000 (2021: £45,000 - £50,000), Employer's Pension Contributions £5,000 - £10,000 (2021: £10,000 - £15,000); C Chew Remuneration £35,000 - £40,000 (2020: £40,000 - £45,000), Employer's Pension Contributions £5,000 - £10,000 (2021: £10,000 - £15,000); C Harmer Remuneration £40,000 - £45,000 (2021: £50,000 - £55,000), Employer's Pension Contributions £5,000 - £10,000 (2021: £10,000 - £15,000); C Short Remuneration £45,000 - £50,000 (2021: £50,000 - £55,000), Employer's Pension Contributions £5,000 - £10,000 (2021: £10,000 - £15,000).

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

**13. TRUSTEES' REMUNERATION AND EXPENSES (CONTINUED)**

During the period ended 1 July 2022, expenses totalling £NIL were reimbursed or paid directly to no Trustees (2021 - £1,264).

**14. 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.

**15. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
<b>COST OR VALUATION</b>				
At 1 September 2021	4,060,641	160,543	203,479	4,424,663
Additions	4,939	-	9,635	14,574
Transfers intra group	(4,065,580)	(160,543)	-	(4,226,123)
	<u>-</u>	<u>-</u>	<u>213,114</u>	<u>213,114</u>
At 1 July 2022	-	-	213,114	213,114
<b>DEPRECIATION</b>				
At 1 September 2021	639,748	137,152	142,275	919,175
Charge for the period	57,284	7,626	19,723	84,633
Transfers intra group	(697,032)	(144,778)	51,116	(790,694)
	<u>-</u>	<u>-</u>	<u>213,114</u>	<u>213,114</u>
At 1 July 2022	-	-	213,114	213,114
<b>NET BOOK VALUE</b>				
At 1 July 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 August 2021	<u>3,420,893</u>	<u>23,391</u>	<u>61,204</u>	<u>3,505,488</u>

LETHBRIDGE PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022

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16. DEBTORS

	1 July 2022 £	31 August 2021 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	-	840
Prepayments and accrued income	-	33,832
Tax recoverable	-	15,020
	<hr/>	<hr/>
	-	49,692
	<hr/> <hr/>	<hr/> <hr/>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1 July 2022 £	31 August 2021 £
Other loans	-	2,759
Other taxation and social security	-	26,306
Other creditors	-	37,138
Accruals and deferred income	-	74,068
	<hr/>	<hr/>
	-	140,271
	<hr/> <hr/>	<hr/> <hr/>



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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>1 July 2022 £</b>	<b>31 August 2021 £</b>
Other loans	-	27,595
	<u>          </u>	<u>          </u>

Included within the above are amounts falling due as follows:

	<b>1 July 2022 £</b>	<b>31 August 2021 £</b>
<b>BETWEEN ONE AND TWO YEARS</b>		
Other loans	-	2,759
	<u>          </u>	<u>          </u>
<b>BETWEEN TWO AND FIVE YEARS</b>		
Other loans	-	8,278
	<u>          </u>	<u>          </u>
<b>OVER FIVE YEARS</b>		
Other loans	-	16,558
	<u>          </u>	<u>          </u>

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 (2021: £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 £30,354 (2021: £30,354).

**19. FINANCIAL INSTRUMENTS**

	<b>1 July 2022 £</b>	<b>31 August 2021 £</b>
<b>FINANCIAL ASSETS</b>		
Financial assets measured at fair value through income and expenditure	-	320,548
	<u>          </u>	<u>          </u>

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 PERIOD ENDED 1 JULY 2022

20. STATEMENT OF FUNDS

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 1 July 2022 £
<b>UNRESTRICTED FUNDS</b>						
General funds	160,954	16,851	(177,805)	-	-	-
<b>RESTRICTED GENERAL FUNDS</b>						
GAG	64,162	1,696,813	(1,755,846)	(5,129)	-	-
High Needs	-	56,954	(56,954)	-	-	-
Pupil Premium	-	44,461	(44,461)	-	-	-
Other income	-	36,184	(36,184)	-	-	-
Other DfE/ESFA income	-	59,346	(59,346)	-	-	-
UIFSM	-	44,479	(44,479)	-	-	-
COVID premium	7,612	-	(7,612)	-	-	-
Equal pay loan	(30,354)	-	30,354	-	-	-
Pension reserve	(1,455,000)	-	(191,000)	-	1,646,000	-
	<u>(1,413,580)</u>	<u>1,938,237</u>	<u>(2,165,528)</u>	<u>(5,129)</u>	<u>1,646,000</u>	<u>-</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets- conversion	3,076,291	-	(3,076,291)	-	-	-
Fixed assets- GAG	142,182	-	(147,311)	5,129	-	-
DfE/ESFA	141,830	-	(141,830)	-	-	-
Capital rollover	87,113	-	(87,113)	-	-	-
DFC	15,217	9,445	(24,662)	-	-	-
Donations	40,654	-	(40,654)	-	-	-
Insurance receipts	2,201	-	(2,201)	-	-	-
	<u>3,505,488</u>	<u>9,445</u>	<u>(3,520,062)</u>	<u>5,129</u>	<u>-</u>	<u>-</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>2,091,908</u>	<u>1,947,682</u>	<u>(5,685,590)</u>	<u>-</u>	<u>1,646,000</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>2,252,862</u>	<u>1,964,533</u>	<u>(5,863,395)</u>	<u>-</u>	<u>1,646,000</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

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**20. STATEMENT OF FUNDS (CONTINUED)**

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 1 July 2022.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

**20. STATEMENT OF FUNDS (CONTINUED)**

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>UNRESTRICTED FUNDS</b>						
General funds	159,337	1,617	-	-	-	160,954
<b>RESTRICTED FUNDS</b>						
GAG	50,399	1,822,500	(1,755,521)	(53,216)	-	64,162
High Needs	-	110,946	(110,946)	-	-	-
Pupil Premium	-	53,632	(53,632)	-	-	-
Other income	-	47,502	(47,502)	-	-	-
Other DfE/ESFA income	-	31,181	(31,181)	-	-	-
Teachers pay grant	-	87,384	(87,384)	-	-	-
UIFSM	-	76,249	(76,249)	-	-	-
COVID premium	-	41,090	(33,478)	-	-	7,612
Equal pay loan	(39,037)	-	(1,893)	10,576	-	(30,354)
Pension reserve	(878,000)	-	(146,000)	-	(431,000)	(1,455,000)
	(866,638)	2,270,484	(2,343,786)	(42,640)	(431,000)	(1,413,580)
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets- conversion	3,165,186	-	(88,895)	-	-	3,076,291
Fixed assets- GAG	101,768	-	(2,226)	42,640	-	142,182
DfE/ESFA	145,968	-	(4,138)	-	-	141,830
Capital rollover	89,759	-	(2,646)	-	-	87,113
DFC	6,080	9,445	(308)	-	-	15,217
Donations	41,575	-	(921)	-	-	40,654
Insurance receipts	2,264	-	(63)	-	-	2,201
	3,552,600	9,445	(99,197)	42,640	-	3,505,488
<b>TOTAL RESTRICTED FUNDS</b>	<b>2,685,962</b>	<b>2,279,929</b>	<b>(2,442,983)</b>	<b>-</b>	<b>(431,000)</b>	<b>2,091,908</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

**20. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>TOTAL FUNDS</b>	<u>2,845,299</u>	<u>2,281,546</u>	<u>(2,442,983)</u>	<u>-</u>	<u>(431,000)</u>	<u>2,252,862</u>

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

	10 months ended 1 July 2022 £	Year ended 31 August 2021 £
Net expenditure for the period (as per Statement of Financial Activities)	<u>(3,898,862)</u>	<u>(161,437)</u>
<b>ADJUSTMENTS FOR:</b>		
Depreciation	84,633	99,197
Capital grants from DfE and other capital income	(9,445)	(9,445)
Interest receivable	(36)	(40)
Defined benefit pension scheme cost less contributions payable	170,000	130,000
Defined benefit pension scheme finance cost	21,000	16,000
(Increase)/decrease in debtors	(27,580)	19,535
(Decrease)/increase in creditors	(12,258)	8,242
Transfer out on joining multi-academy trust	3,674,523	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>1,975</u>	<u>102,052</u>

**22. CASH FLOWS FROM FINANCING ACTIVITIES**

	1 July 2022 £	31 August 2021 £
Repayments of borrowing	-	(10,083)
<b>NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES</b>	<u>-</u>	<u>(10,083)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

**23. CASH FLOWS FROM INVESTING ACTIVITIES**

	<b>1 July 2022 £</b>	<b>31 August 2021 £</b>
Interest received	36	40
Purchase of tangible fixed assets	(14,574)	(52,085)
Capital grants from DfE Group	9,445	9,445
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(5,093)</b>	<b>(42,600)</b>

**24. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>1 July 2022 £</b>	<b>31 August 2021 £</b>
Cash in hand and at bank	317,430	320,548
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>317,430</b>	<b>320,548</b>

**25. ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1 September 2021 £</b>	<b>Cash flows £</b>	<b>Transfer out on joining multi- academy trust £</b>
Cash at bank and in hand	320,548	(3,118)	(317,430)
Debt due within 1 year	(2,759)	-	2,759
Debt due after 1 year	(27,595)	-	27,595
	<b>290,194</b>	<b>(3,118)</b>	<b>(287,076)</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

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**26. PENSION COMMITMENTS**

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by 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 2019.

Contributions amounting to £39,869 were payable to the schemes at 1 July 2022 (2021 - £36,774) and are included within creditors.

**TEACHERS' PENSION SCHEME**

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

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

**VALUATION OF THE TEACHERS' PENSION SCHEME**

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

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

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

The employer's pension costs paid to TPS in the period amounted to £128,897 (2021 - £146,387).

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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022

26. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 1 July 2022 was £141,000 (2021 - £170,000), of which employer's contributions totalled £114,000 (2021 - £138,000) and employees' contributions totalled £ 27,000 (2021 - £32,000). 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 period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

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

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2022	2021
	%	%
Rate of increase in salaries	3.05	3.3
Rate of increases for pensions in payment/inflation	2.65	2.9
Discount rate for scheme liabilities	3.85	1.7

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

	2022	2021
	Years	Years
Retiring today		
Males	21.7 years	21.9 years
Females	24.2 years	24.4 years
Retiring in 20 years		
Males	22.6 years	22.9 years
Females	26.0 years	26.2 years



LETHBRIDGE PRIMARY SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022

26. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

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

	10 months ended At 1 July 2022 £	Year ended At 31 August 2021 £
Equities	1,225,000	1,331,000
Bonds	740,000	799,000
Property	346,000	266,000
Cash	-	24,000
<b>Total market value of assets</b>	<b>2,311,000</b>	<b>2,420,000</b>

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

	10 months ended 1 July 2022 £	Year ended 31 August 2021 £
Current service cost	(284,000)	(268,000)
Interest income	34,000	36,000
Interest cost	(55,000)	(52,000)
<b>Total</b>	<b>(305,000)</b>	<b>(284,000)</b>

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

	1 July 2022 £	31 August 2021 £
<b>At 1 September</b>	<b>3,875,000</b>	<b>2,897,000</b>
Transferred out on academy leaving the trust	(2,311,000)	-
Current service cost	284,000	268,000
Interest cost	55,000	52,000
Employee contributions	27,000	32,000
Actuarial losses/(gains)	(1,934,000)	642,000
Benefits paid	4,000	(16,000)
<b>At 1 July 2022/31 August 2021</b>	<b>-</b>	<b>3,875,000</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

**26. PENSION COMMITMENTS (CONTINUED)**

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

	<b>1 July 2022 £</b>	<b>31 August 2021 £</b>
<b>At 1 September</b>	<b>2,420,000</b>	2,019,000
Transferred out on academy leaving the trust	<b>(2,311,000)</b>	-
Interest income	<b>34,000</b>	36,000
Actuarial gains	<b>(288,000)</b>	211,000
Employer contributions	<b>114,000</b>	138,000
Employee contributions	<b>27,000</b>	32,000
Benefits paid	<b>4,000</b>	(16,000)
	<hr/>	<hr/>
<b>At 1 July 2022/31 August 2021</b>	<b>-</b>	<b>2,420,000</b>
	<hr/> <hr/>	<hr/> <hr/>

The actuarial valuation has valued the pension scheme at a surplus of £81,000 as at 31 August 2022. Under FRS 102 an entity shall only recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. Therefore, as this valuation will not reduce future contribution rates, the asset has not been recognised and is reflected at £Nil in the financial statements for the year ended 31 August 2022.

**27. OPERATING LEASE COMMITMENTS**

At 1 July 2022 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>1 July 2022 £</b>	<b>31 August 2021 £</b>
<b>AMOUNTS PAYABLE:</b>		
Not later than 1 year	-	5,257
	<hr/> <hr/>	<hr/> <hr/>

**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 Academy Trust 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.

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 1 JULY 2022**

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**31. TRANSFER OUT ON ACADEMY JOINING AN EXISTING MULTI-ACADEMY TRUST**

On 1 July 2022 Lethbridge Primary School transferred into The Blue Kite Academy Trust. All of the assets and liabilities of the Trust were transferred for £Nil consideration. The transfer has been accounted for as a combination that is in substance a donation. The assets and liabilities were transferred at their fair value as at 30 June 2022 and have subsequently been derecognised in the Balance Sheet, with the net amount being recognised as a donation in the Statement of Financial Activities.

The following table sets out the fair value of the identifiable assets and liabilities transferred out of the charitable company and an analysis of their recognition in the Statement of Financial Activities.

**Lethbridge Primary School**

	<b>Transfer out on academy leaving the trust £</b>
<b>TANGIBLE FIXED ASSETS</b>	
Long-term leasehold property	3,368,548
Furniture and equipment	15,765
Computer equipment	51,116
<b>CURRENT ASSETS</b>	
Debtors due within one year	77,272
Cash at bank and in hand	317,430
<b>LIABILITIES</b>	
Creditors due within one year	(128,013)
Creditors due after one year	(27,595)
<b>PENSIONS</b>	
Pensions - pension scheme assets	2,311,000
Pensions - pension scheme liabilities	(2,311,000)
<b>NET ASSETS TRANSFERRED</b>	<u><u>3,674,523</u></u>