Company Registration Number: 07681848 (England & Wales)

ALAMEDA MIDDLE SCHOOL

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

ALAMEDA MIDDLE SCHOOL
(A Company Limited by Guarantee)

CONTENTS

ALAMEDA MIDDLE SCHOOL
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members and Governors	Simon Ratcliffe, Chair (appointed 8 October 2019)[1] Maxine Warner, Head Teacher and Accounting Officer[1] Chloe Apicella (appointed 8 October 2019) Mhairi Armstrong (resigned 6 September 2019) Anthony Barkell (appointed 8 October 2019)[1] Claire Cannon Emma Eames Carl Field Sarah Hall (resigned 15 November 2019) Helen Moore (appointed 8 October 2019) Julia Rooney Tobias Shepard (appointed 8 October 2019, resigned 23 November 2020) Amy Smith[1] Sarah Warrington Nicolette Ford (appointed 23 November 2020) [1] Member of the Resources Committee
Company registered number	07681848
Company name	Alameda Middle School
Principal and registered office	Station Road Ampthill Bedfordshire MK45 2QR
Company secretary	Hayley Cutchey
Senior management team	Maxine Warner, Headteacher Louise Fox, Deputy Headteacher Julie Barrows, Deputy Headteacher Diana Fickling, School Business Manager
Independent auditor	Streets Audit LLP Chartered Accounts and Statutory Auditors Potton Houe Wyboston Lakes Great North Road Wyboston Bedford MK44 3BZ

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

Bankers

National Westminster Bank Plc
81 High Street
Bedford
Bedfordshire
MK40 1YN

Lloyds Bank Plc
34 High Street
Bedford
Bedfordshire
MK40 1SB

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Governors' report and a directors' report under company law.

The principal activity of the Academy Trust is to operate a school for pupils aged 9 to 13 serving a catchment area of Ampthill and Maulden, with admissions based on catchment area. It has a pupil capacity of 720 and had a roll of 734 in the school census on 1 October 2020.

Structure, governance and management

a. Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity. Alameda Middle School is a single Academy Trust and these financial statements give the results of the School as a single entity. The Academy Trust is incorporated in England and Wales.

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

The Governors of Alameda Middle School are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Alameda Middle School.

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

b. Members' liability

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

c. Governors' indemnity insurance

In accordance with normal practice the School has purchased insurance to protect the Governors and officers from claims arising from negligent acts, errors or omissions whilst on School business. The cover under the policy is £5 million and in the period under review no sums were paid out.

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Governors

The Members of the Academy Trust shall comprise no less than three persons, up to six persons appointed by the Governors, one person appointed by the Secretary of State for Education, in the event that the Secretary of State for Education appoints a person for this purpose, the Chair of the Governors and any person appointed under Article 16 of the Company's Articles of Association.

The number of Governors shall not be less than three, but shall not be subject to a maximum. The first Governors shall be those named in the initial Memorandum. The School shall have the following Governors:

- up to five Community Governors;
- a minimum of six Parent Governors (both elected and appointed);
- up to three Staff Governors;
- up to three Co-opted Governors – a person who is appointed to be a Governor by being co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the School as a Co-opted Governor if the number of Governors who are employed by the School would therefore exceed three; and
- the Headteacher.

Each of the persons entitled to appoint Members above shall have the right, from time to time by written notice delivered to the office, to remove any Member appointed by them and to appoint a replacement Member to fill a vacancy whether resulting from such removal or otherwise.

The term of office for any Governor shall be four years, save that this time limit shall not apply to the Headteacher as an ex-officio Governor. Subject to remaining eligible to be a particular type of Governor, Governors may be re-appointed or re-elected.

e. Policies adopted for the induction and training of Governors

The training and induction provided for new Governors will depend on their existing experience. All new Governors will be given a tour of the School and the chance to meet with staff and students. All relevant Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only one or two new Governors a period, induction tends to be done informally and is tailored specifically to the individual. Relevant training courses are identified for new Governors and all new Governors attend the New Governor Induction course run by Central Bedfordshire Council and receive a copy of the Governors Handbook along with relevant ESFA guidance.

Structure, governance and management (continued)

f. Organisational structure

The structure consists of three levels: the Governors; the Senior Leadership Team; and the Subject and Year Leaders. The aim of the organisational structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the School by the use of budgets and making major decisions about the direction of the School, capital expenditure and senior staff appointments.

The Senior Leadership Team is the Headteacher, Deputy Headteachers and the School Business Manager. These leaders control the School at executive level, implementing the policies laid down by the Governors and reporting to them. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, although appointment boards for middle and senior leadership posts will contain a Governor. Some spending control is devolved to Heads of Department within an agreed budget.

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

The Key Management Personnel of Alameda Middle School are the Senior Leadership Team. The Governors are not remunerated in their role as Trustees.

The Headteacher conducts annual appraisals for the Deputy Headteachers and the School Business Manager. The Headteacher proposes any change in pay to the Pay Committee.

The Headteacher's appraisal and remuneration is dealt with by a separate Headteacher's appraisal committee and any pay change is recommended by this committee and proposed to the Resources Committee for approval.

The Academy Trust follows the Government guidance for Teachers pay and conditions for schools in England and Wales. Teaching members of the Senior Leadership Team are paid in line with the recommended pay levels for their individual scales. Non-teaching members of the Senior Leadership Team are paid in line with the NJC (National Joint Council) pay levels for their individual scale.

Objectives and activities

a. Objects and aims

Alameda Middle School is a mixed comprehensive school for 9 -13 year olds serving a localised community. The pupils almost all come from within the catchment area and almost all move on to the upper school half a mile away. We work closely with both the lower and upper school to ensure as smooth a transition as possible. We are a progressive school that embraces traditional values, aiming to develop the pupils as well behaved, polite and confident individuals. We foster tolerance of others whatever their background and the curriculum supports the pupils' understanding of all cultures and beliefs.

The principal objective of Alameda Middle School is to deliver a broad and balanced curriculum to all pupils irrespective of background or ability. This objective is achieved through establishing, maintaining, carrying on, managing and constantly developing the school.

Objectives and activities (continued)

The Alameda Middle School community values diversity and seeks to give everyone in the school an equal chance to learn, work and live, free from the action or fear of racism, discrimination or prejudice. By our actions, we will work together to develop the potential of all pupils academically, socially, culturally and psychologically and to establish a community that is just and fair for all people who work at or visit Alameda Middle School.

Pupils will be happy and healthy, enthused by the intellectual, social and physical challenges posed by their experience at school. They will be independent learners, aware of how to learn and of the role of emotions and dispositions in the learning process, which they draw on to address challenge and difficulty as well as success.

All staff have the opportunity to develop further as self-directed, reflective learners, through working collaboratively with others to enhance their own expertise. Through their passion, teachers will enthuse and inspire others to explore new ideas.

Parents will fulfil their roles as true partners, recognising their role in the pupil-school-parent partnership to ensure their child realises his/her potential.

Governors will contribute to the life of the school on a wider scale, acting as critical friends to support the school in becoming outstanding.

The Governors recognise that equal opportunities, diversity and inclusion should be an integral part of good practice within the workplace. The School aims to embrace equal opportunities and inclusion in all areas of its activities, including creating a working environment in which the contributions and needs of all people are fully valued.

b. Public benefit

The Governors confirm that they have referred to the guidance contained in the Charity Commission's guidance document on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the Governors consider how planned activities will contribute to the aims and objectives they have set.

The Academy Trust is a non-selective school serving Ampthill and Maulden. It is subject to the current statutory arrangements as laid down in the national Admissions Code.

Strategic report

Achievements and performance

a. Key performance indicators

The February 2018 Ofsted inspection highlighted the strengths of the Alameda Middle School, judging the overall effectiveness of the School to be Good. In summary:

- Leaders and Governors ensure that all adults are suitable to work with pupils. They have an effective system to ensure that recruitment processes for staff are complete, checked and reported to Governors.
- Teaching, learning and assessment in the school are good.
- Leaders are now making sure that teaching in science is improving.
- Pupils work well in lessons.
- Pupils speak highly of the opportunities they have in sports, arts, music and other clubs outside lessons.

Strategic report (continued)

Achievements and performance (continued)

For 2019-2020, due to the partial lockdown of schools as a result of the COVID-19 pandemic, there is no published performance data.

An external curriculum review in February 2020, commissioned by the Local Authority and conducted in the style of an Ofsted inspection under the 2019 framework showed the following strengths:

- Website shows a clear curriculum vision. Process described shows that staff, parents, pupils and Governors have been involved.
- Curriculum is clear on the website.
- There are clear curriculum adaptations, with evidence of where the aims are in place and how the curriculum has been developed around this.
- On the way to developing a unique curriculum which fits with our vision and values.
- Wellbeing and removing unnecessary workload is prioritised by leaders . Staff said they felt consulted and listened to.
- Writing – shows a clear vision and a clear rationale for sequencing
- Mixed ability supported by the Kagan approach supports the curriculum vision
- Mapping of writing across the curriculum
- Pupils read widely and often
- Science – clear vision and long-term curriculum is mapped well

To ensure that standards are continually raised, the School operates a programme of internal and external review of its work. The School works with an external advisor to review progress.

b. Going concern

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

Financial review

a. Review of year

Most of the School's income is received from the Department for Education via the Education and Skills Funding Agency in the form of recurring grants, the use of which is restricted to particular purposes. The grants received from the Department for Education during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities and the grants received are detailed in notes 3 and 4 to the financial statements.

During 2019/20 the School successfully secured a grant of £498,503 from the ESFA from the Condition Improvement Fund (CIF) for the urgent replacement of selected boilers and heating distribution. Due to the delay in publishing the outcomes of CIF bids and the restrictions in place due to the COVID-19 pandemic the ESFA has approved that the substantial work is postponed until 2020/21 Spring and Summer terms, with work scheduled to be completed in 20/21. At the year end, no capital payments had been received.

Total income for the year was £3,414,806, total revenue and capital expenditure amounted to £3,442,048. Expenditure includes staff costs of £2,757,613 (after the LGPS adjustments of £110,000) which represents 94.7% of GAG income and 83.1% of total grants and funding for educational purposes (excluding capital grants).

The surplus of income over expenditure for the year before the Restricted Fixed Asset Fund amounted to £124,929 and a deficit of £539,071 after accounting for the actuarial loss of £614,000 on the Local Government Pension Scheme and the movements on the Restricted Fixed Asset Fund of £50,000.

The School has taken on the deficit in the Local Government Pension Scheme, in respect of its support staff, transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in note 21 to the Financial Statements. This deficit has arisen because the total market value of the School's share of the pension assets is not sufficient to cover the present value of the School's liabilities under this scheme. Triennial actuarial valuations assess the level of the employer's and employee's contributions rates in order to manage this deficit and recommend a suitable level of contributions for each.

Surplus funds are held in the liquidity account so as to earn interest on them. No further investment activities are undertaken.

b. Reserves policy

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects. The Governors regularly review the level of reserves, the current budget and the capital programme for the continued enhancement of the Academy.

Reserves at 31 August 2020 were £6,332,486 comprising £7,225,533 of restricted fixed asset funds, £608,941 of restricted general funds, £310,012 of unrestricted general funds and a deficit of £1,812,000 in the pension reserve.

The actuarial valuation resulting in the pension deficit in the Local Government Pension Scheme and the corresponding liability does not result in an immediate cash flow impact on the School; it is not a liability that must be settled immediately. The funding position of a pension scheme will result in a cash flow effect in terms of an increase or decrease in contributions over a period of years. The next actuarial valuation of the scheme is due as at 31 March 2021 where the actuary will review the contribution rates for future years. Any rate change for the School will be built into the future budgeting. Plans to eliminate the pension deficit are incorporated into the School's plans in making contributions as recommended by the actuary.

c. Investment policy

Under the Memorandum and Articles of Association, the School has the power to invest funds not immediately required for its own purposes in any way the Governors see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

d. Principal risks and uncertainties

The principal financial risks and uncertainties of the School relate to the changes in funding levels from the ESFA, changes in pupil numbers, reputational risks and staff recruitment. In addition, there are risks relating to the Local Government Pension Scheme.

In addition to these strategic risks, Alameda Middle School has also had to deal with the unforeseen impact of the COVID-19 pandemic that resulted in national school closures in March 2020 and only a partial re-opening in June 2020. The pandemic has significantly impacted teaching and learning, both in the 2019/20 academic year but also informing the development plan focus in 2020/21 onwards. Along with the financial and health and safety implications, this has resulted in the School drastically altering the way it operates.

The Governing Body has reviewed the key risks to which the School is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process of identifying, evaluating and managing the School's significant risks that have been in place for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

Fundraising

Under the provisions of the Charities (Protection and Social Investment) Act 2016 the Trust must include information on fundraising practices. Fund raising for the school is led by its Parent Teacher Association who are a charity in their own right. The school does fundraise for other charities during the course of the year and all funds raised are passed to the relevant charity. The Governors monitor all fundraising although the dispersal of funds raised by the Parent Teacher Association is made in agreement between the Parent Teacher Association and the Governing Board.

If the Trust does fund raise in the future, it would adopt the six principles as set out in the Charity Commission for England and Wales charity fundraising guidance, making use of the checklist the Commission provides to meet its legal requirements and to adhere to good practice recommendations.

Plans for future periods

Future developments

Alameda Middle School will continue striving to improve the levels of performance of its pupils at all levels and will continue its efforts to ensure its pupils are in the best position possible for their transfer to the upper school.

The School has an outstanding understanding of its strengths and areas for development based on rigorous analysis of data and monitoring of teaching and learning. The School also makes good use of external validation to secure its judgment on the quality of provision and subsequent outcomes.

The main priorities of the School during the year ending 31 August 2021 are summarised below:

1. To review the full curriculum to ensure post COVID-19 pandemic recovery through an inspiring learning experience with a clear pathway to learning and progression demonstrated in a clearly structured way, embedding the knowledge and skills of the core subjects.

2. To rebuild community and support the wellbeing of all members of the school community, particularly those in groups who have been worst affected, post COVID-19 through restorative practices, pastoral and academic support structures within school and the wider curriculum.

3. To support, develop and challenge the quality of teaching and learning to continue to improve the Quality of Education through co-operative models of learning and to support recovery through the further development of alternative approaches to learning.

4. To improve the outcomes for pupils in English (particularly writing) maths and science so that the percentage of pupils at the expected standard and at greater depth exceeds the national average in all cohorts for all groups.

Support for disadvantaged pupils runs through all four priorities, as a group identified as needing further support prior to COVID-19 and likely to be worst affected through the pandemic.

Funds held as custodian on behalf of others

The School and its Governors do not act as the Custodian Trustees of any other charity.

Disclosure of information to auditor

Insofar as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

The auditor, Streets Audit LLP, has indicated his willingness to continue in office. The designated Governors will propose a motion reappointing the auditor at a meeting of the Governors.

The Governors' Report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 17 December 2020 and signed on its behalf by:

S. Ratcliffe

....

Simon Ratcliffe
Chair of Governors

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Governors 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 Alameda Middle School and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

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

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

Governor	Meetings attended	Out of a possible
Simon Ratcliffe, Chair	4	4
Maxine Warner, Head Teacher and Accounting Officer	4	4
Chloe Apicella	3	4
Anthony Barkell	4	4
Claire Cannon	3	4
Emma Eames	4	4
Carl Field	4	4
Sarah Hall	1	1
Helen Moore	2	4
Julia Rooney	4	4
Tobias Shepard	2	4
Amy Smith	4	4
Sarah Warrington	4	4

Governance reviews:

During the year, the Governors have reviewed the aims of the School, its strengths and areas for improvement. The outcome of the review is collated and feeds into the School Development Plan. This is revisited regularly to assess progress and identify new aims as the School continues to grow and strive to achieve an outstanding assessment.

The Resources Committee is a sub-committee of the main Governing Body. Its purpose is to assist the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the School's finances and resources, including proper planning, monitoring and probity. It also fulfils the functions of an audit committee.

Governance (continued)

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
Anthony Barkell	5	5
Sarah Hall	1	1
Simon Ratcliffe	4	5
Amy Smith	4	5
Maxine Warner	5	5

The Curriculum, Standards and Community Committee is another sub-committee of the main Governing Body. Its purpose is to monitor and evaluate the curriculum planning and delivery, the assessment and improvement of the school's performance and to monitor and evaluate stakeholder engagement.

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
Chloe Apicella	4	5
Claire Cannon	5	5
Carl Field	5	5
Helen Moore	4	5
Simon Ratcliffe	5	5
Julia Rooney	4	5
Tobias Shepard	4	5
Maxine Warner	5	5
Sarah Warrington	5	5
Emma Eames	1	5

The Pay Committee's purpose is to oversee all pay related matters.

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
Sarah Hall	1	1
Simon Ratcliffe	2	2
Julia Rooney	1	2
Amy Smith	2	2
Maxine Warner	2	2

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 Governors where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy has delivered improved value for money during the year by:

Improving Educational Results
Educational standards are high at Alameda Middle School and results achieved by pupils by the time they leave are consistently above the national average. Additional teaching staff have been employed during the year to offer increased one to one working and small group work. Parent workshops continue to be held and subject booklets have been produced to support all pupils. The School has invested in Lexia reading and phonics programme to support literacy.

Financial Governance and Oversight
Financial governance is overseen by the Resources Committee, which meets five times per year. The Committee also make use of the external auditors reports, produced after each visit where a range of additional checks are performed. The ESFA have developed School Resource Management tools, including the self-assessment dashboard to inform its value for money focus.

The Governors are closely involved with oversight of the tendering process for school projects. Several quotes are sought and reviewed by Governors to ensure best value for money and quality are obtained.

Better Purchasing and Income Generation
The School uses a range of suppliers and obtains quotes in writing before making any significant purchasing decisions.

The school lettings business continues to thrive, COVID-19 restrictions and measures aside, and new opportunities are sought, including new business through existing hirers.

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 Alameda Middle School for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

The purpose of the system of internal control (continued)

Capacity to handle risk

The Board of Governors 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 Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors.

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 Governors
- 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
- delegation of authority and segregation of duties;
- identification and management of risks

The Board of Governors has decided to employ MHA MacIntyre Hudson as internal auditor.

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

- Checks on the Accounting system, including bank controls
- Testing of income
- Testing of payroll systems
- Testing of purchasing systems

On a quarterly basis, the internal auditor reports to the Board of Governors through the audit committee on the operation of the systems of control and on the discharge of the Board of Governors 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.

The internal auditor reports to the Governing Body through the Resources Committee following each internal scrutiny visit on the operation of the systems of control and on the discharge of the Governing Body' financial responsibilities.

During the year, the reviewer produced one written report. From the work undertaken, the financial opinion given was positive: the system of financial control appears strong with just two minor issues noted. These have been considered by the executive managers during the course of the year and have been made available to all trustees.

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

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

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

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

....
Simon Ratcliffe
Chair of Governors

....
Maxine Warner
Accounting Officer

Date: 17 December 2020

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Alameda Middle School I have considered my responsibility to notify the Academy Board of Governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy Board of Governors are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2019.

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

....
Maxine Warner
Accounting Officer

Date: 17 December 2020

STATEMENT OF GOVERNORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2020

The Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under company law, the Governors 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 Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make 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 Governors 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 Governors 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 Governors 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 Governors and signed on its behalf by:

....
Simon Ratcliffe
Chair of Governors

Date: 17 December 2020

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ALAMEDA MIDDLE SCHOOL

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ALAMEDA MIDDLE SCHOOL (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ALAMEDA MIDDLE SCHOOL (CONTINUED)

Responsibilities of trustees

As explained more fully in the Governors' Responsibilities Statement, the Governors (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 Governors 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 Governors 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 Governors either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Alan Endersby (Senior Statutory Auditor)
for and on behalf of
Streets Audit LLP
Chartered Accounts and Statutory Auditors
Potton Houe

Wyboston Lakes
Great North Road
Wyboston
Bedford
MK44 3BZ

Date: 21/12/2020

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ALAMEDA MIDDLE SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 16 June 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Alameda Middle School during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Alameda Middle School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Alameda Middle 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 Alameda Middle School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Alameda Middle School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Alameda Middle School's funding agreement with the Secretary of State for Education dated 27 July 2011 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw our conclusions included:

- Review of the Academy's systems and controls to ensure effective design;
- Confirmation of satisfactory operation of controls during the year, including authorisation of invoices, payments and salary adjustments;
- Review of a sample of expenses focussing on those nominal codes considered to include transactions of a greater risk;
- Review of the reports from internal scrutiny work undertaken during the year;
- Discussions with the Finance Team.

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

Conclusion

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

Alan Endersby
Streets Audit LLP
Chartered Accounts and Statutory Auditors

Potton Houe
Wyboston Lakes
Great North Road
Wyboston
Bedford
MK44 3BZ

Date: 21/12/2020

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

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Income from:						
Donations and capital grants	3	-	12,777	14,029	26,806	*315,309*
Charitable activities		-	3,336,420	-	3,336,420	*3,381,889*
Other trading activities		31,039	19,673	-	50,712	*74,787*
Investments	6	868	-	-	868	*1,201*
Total income		31,907	3,368,870	14,029	3,414,806	*3,773,186*
Expenditure on:						
Raising funds		3,059	-	-	3,059	*3,342*
Charitable activities		-	3,272,789	166,200	3,438,989	*3,545,339*
Total expenditure		3,059	3,272,789	166,200	3,442,048	*3,548,681*
Net income/(expenditure)		28,848	96,081	(152,171)	(27,242)	*224,505*
Transfers between funds	17	(50,000)	-	50,000	-	-
Net movement in funds before other recognised gains/(losses)		(21,152)	96,081	(102,171)	(27,242)	*224,505*
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(614,000)	-	(614,000)	*(341,000)*
Net movement in funds		(21,152)	(517,919)	(102,171)	(641,242)	*(116,495)*
Reconciliation of funds:						
Total funds brought forward		331,164	(685,140)	7,327,704	6,973,728	*7,090,223*
Net movement in funds		(21,152)	(517,919)	(102,171)	(641,242)	*(116,495)*
Total funds carried forward		310,012	(1,203,059)	7,225,533	6,332,486	*6,973,728*

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

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

The notes on pages 28 to 54 form part of these financial statements.

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	13		7,185,981		7,130,880
			7,185,981		7,130,880
Current assets					
Debtors	14	139,804		348,202	
Cash at bank and in hand		952,187		756,511	
		1,091,991		1,104,713	
Creditors: amounts falling due within one year	15	(121,492)		(161,014)	
Net current assets			970,499		943,699
Total assets less current liabilities			8,156,480		8,074,579
Creditors: amounts falling due after more than one year	16		(11,994)		(12,851)
Net assets excluding pension liability			8,144,486		8,061,728
Defined benefit pension scheme liability	24		(1,812,000)		(1,088,000)
Total net assets			6,332,486		6,973,728

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

	Note	2020 £	2020 £	2019 £	2019 £
Funds of the Academy					
Restricted funds:					
Fixed asset funds	17	**7,225,533**		*7,327,704*	
Restricted income funds	17	**608,941**		*402,860*	
Restricted funds excluding pension asset	17	**7,834,474**		*7,730,564*	
Pension reserve	17	**(1,812,000)**		*(1,088,000)*	
Total restricted funds	17		**6,022,474**		*6,642,564*
Unrestricted income funds	17		**310,012**		*331,164*
Total funds			**6,332,486**		*6,973,728*

The financial statements on pages 23 to 54 were approved and authorised for issue by the Governors and are signed on their behalf, by:

Simon Ratcliffe
Chair of Governors

Maxine Warner
Accounting Officer

Date: 17 December 2020

The notes on pages 28 to 54 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	**416,109**	*(86,275)*
Cash flows from investing activities	20	**(220,433)**	*196,696*
Change in cash and cash equivalents in the year		**195,676**	*110,421*
Cash and cash equivalents at the beginning of the year		**756,511**	*646,090*
Cash and cash equivalents at the end of the year	21, 22	**952,187**	*756,511*

The notes on pages 28 to 54 form part of these financial statements

1. Accounting policies

Alameda Middle School is a company limited by guarentee registered in England. The registered office is detailed on page 1 and the principal activity in the Governor's Report.

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.

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

- **Donated fixed assets (excluding transfers on conversion or into the Academy)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's accounting policies.

1.4 Expenditure

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

1. Accounting policies (continued)

1.4 Expenditure (continued)

- **Expenditure on raising funds**
  This includes all expenditure incurred by the Academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable activities**
  These are costs incurred on the Academy'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.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Taxation

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

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

1.7 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:

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Leasehold land	- 125 years straight line over the term of the lease
Leasehold buildings	- 50 years straight line
Plant and equipment	- 3 to 10 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.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

1.11 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 14. 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 15 and 16. 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.

1. Accounting policies (continued)

1.12 Operating leases

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

1.13 Pensions

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

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

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

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

1.14 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 Governors.

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.

2. 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 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The judgements that have had a significant effect on amounts recognised in the Financial Statements are those concerning the choice of depreciation policies and asset lives.

3. Income from donations and capital grants

	Restricted funds 2020 £	**Restricted fixed asset funds 2020 £**	**Total funds 2020 £**	Total funds 2019 £
Donations	12,777	-	**12,777**	*4,679*
Capital Grants	-	14,029	**14,029**	*310,630*
	12,777	14,029	**26,806**	*315,309*
Total 2019	*4,679*	*310,630*	*315,309*	

4. Funding for the Academy's educational operations

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant	2,913,094	**2,913,094**	*2,872,438*
Pupil Premium	87,314	**87,314**	*108,986*
Other ESFA / DfE grants	194,519	**194,519**	*59,024*
	3,194,927	**3,194,927**	*3,040,448*
Other government grants			
Local authority income	114,974	**114,974**	*174,495*
Other grants	10,133	**10,133**	*21,184*
	125,107	**125,107**	*195,679*
Other funding			
Trip income	7,934	**7,934**	*137,859*
Catering income	8,452	**8,452**	*7,903*
	16,386	**16,386**	*145,762*
	3,336,420	**3,336,420**	*3,381,889*
Total 2019	*3,381,889*	*3,381,889*	

5. Income from other trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Rental income	30,318	-	**30,318**	*33,307*
School uniforms and other goods	721	2,542	**3,263**	*11,095*
School clubs	-	15,246	**15,246**	*24,408*
Book fair and charities	-	1,885	**1,885**	*5,977*
	31,039	19,673	**50,712**	*74,787*
Total 2019	*42,470*	*32,317*	*74,787*	

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest receivable	868	**868**	*1,201*
Total 2019	*1,201*	*1,201*	

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Expenditure on fundraising trading activities:					
Direct costs	-	-	3,059	**3,059**	*3,342*
Educational operations:					
Direct costs	2,462,920	123,686	194,660	**2,781,266**	*2,828,835*
Allocated support costs	294,693	-	363,030	**657,723**	*716,504*
	2,757,613	123,686	560,749	**3,442,048**	*3,548,681*
Total 2019	*2,648,611*	-	*900,070*	*3,548,681*	

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Educational operations	2,781,266	657,723	**3,438,989**	*3,545,339*
Total 2019	*2,828,835*	*716,504*	*3,545,339*	

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	2,462,920	**2,462,920**	*2,353,416*
Depreciation	166,200	**166,200**	*173,384*
Educational supplies and costs	140,217	**140,217**	*252,203*
Other staff related costs	10,609	**10,609**	*49,472*
Staff advertising	1,320	**1,320**	*360*
	2,781,266	**2,781,266**	*2,828,835*
Total 2019	*2,828,835*	*2,828,835*	

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Pension finance costs	19,000	**19,000**	*16,000*
Staff costs	294,693	**294,693**	*295,195*
Bought in professional services	69,026	**69,026**	*82,568*
Maintenance of premises and equipment	70,886	**70,886**	*122,972*
Leasing costs	4,236	**4,236**	*6,610*
Water and rates	26,854	**26,854**	*28,037*
Light and heat	41,737	**41,737**	*43,829*
Insurance	21,049	**21,049**	*19,106*
Catering	8,570	**8,570**	*10,097*
Security and transport	84,902	**84,902**	*70,226*
Other costs	6,209	**6,209**	*6,994*
Bank charges	1,461	**1,461**	*2,625*
Governance costs	9,100	**9,100**	*12,245*
	657,723	**657,723**	*716,504*
Total 2019	*716,504*	*716,504*	

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Operating lease rentals	**4,196**	*6,683*
Depreciation of tangible fixed assets	**166,200**	*173,383*
Fees paid to auditor for:		
- audit	**7,000**	*6,645*
- other services	**2,100**	*1,195*

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	**1,991,261**	*1,976,393*
Social security costs	**188,786**	*180,020*
Pension costs	**540,297**	*422,283*
	2,720,344	*2,578,696*
Agency staff costs	**20,414**	*56,254*
Supply teacher costs	**16,855**	*13,661*
	2,757,613	*2,648,611*

Staff restructuring costs comprise:

	2020 £	2019 £
Severance payments	**6,845**	-
	6,845	-

b. Non-statutory/non-contractual staff severance payments

Included in severence payments are non-statutory/non-contractual payments totalling £2,738 (2019: £nil) and contractual amounts of £4,107 (2019: £nil) paid to one individual.

c. Staff numbers

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

	2020 No.	2019 No.
Teachers	**41**	*42*
Administration and support	**43**	*46*
Management	**4**	*4*
	88	*92*

10. Staff (continued)

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2020 No.	2019 No.
Teachers	**36**	*36*
Administration and support	**22**	*24*
Management	**4**	*4*
	62	*64*

d. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	**1**	*-*
In the band £80,001 - £90,000	**-**	*1*
In the band £90,001 - £100,000	**1**	*-*

e. Key management personnel

The key management personnel of the Academy comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £400,725 *(2019 £303,803)*.

11. Governors' remuneration and expenses

One or more Governors has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff Governors 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 Governors' remuneration and other benefits was as follows:

		2020 £	2019 £
Maxine Warner, Head Teacher	Remuneration	**90,000 - 95,000**	*80,000 - 85,000*
	Pension contributions paid	**10,000 - 15,000**	*10,000 - 15,000*
Mhairi Armstrong (resigned 6/9/2019)	Remuneration	**nil**	*25,000 - 30,000*
	Pension contributions paid	**nil**	*0 - 5,000*
Emma Eames	Remuneration	**15,000 - 20,000**	*15,000 - 20,000*
	Pension contributions paid	**0 - 5,000**	*0 - 5,000*
Claire Cannon	Remuneration	**45,000 - 50,000**	*20,000 - 25,000*
	Pension contributions paid	**10,000 - 15,000**	*0 - 5,000*
Katherine Smith (resigned 14/12/2018)	Remuneration	**nil**	*0 - 5,000*
	Pension contributions paid	**nil**	*0 - 5,000*

During the year ended 31 August 2020, expenses totalling £49 were reimbursed or paid directly to 2 Governors *(2019 - £NIL)*.

12. Governors' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2020 was £19,432 *(2019 - £19,106)*. The cost of this insurance is included in the total insurance cost.

13. Tangible fixed assets

	Long-term leasehold property £	Computer equipment £	Total £
Cost or valuation			
At 1 September 2019	8,056,181	345,893	8,402,074
Additions	221,301	-	221,301
At 31 August 2020	8,277,482	345,893	8,623,375
Depreciation			
At 1 September 2019	988,864	282,330	1,271,194
Charge for the year	146,161	20,039	166,200
At 31 August 2020	1,135,025	302,369	1,437,394
Net book value			
At 31 August 2020	7,142,457	43,524	7,185,981
At 31 August 2019	*7,067,317*	*63,563*	*7,130,880*

Included in the cost of leasehold land and buildings is leasehold land at valuation of £1,250,000 (2019: £1,250,000), which is being depreciated over the 125 year lease.

The leasehold land and buildings were professionally valued on conversion to academy status. The governors consider this valuation remains appropriate for the purpose of the financial statements.

The leasehold property is held under a 125 year lease from Central Bedfordshire Council ending 31 July 2136. No rent is payable under the terms of the lease.

The additions to leasehold land and buildings of £221,301 during the year relate to improvements to the leasehold buildings including roof replacement works.

14. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	2,737	5,803
Other debtors	32,518	37,770
Prepayments and accrued income	104,549	304,629
	139,804	348,202

15. Creditors: Amounts falling due within one year

	2020 £	2019 £
Other loans	1,714	857
Trade creditors	68,200	106,929
Other taxation and social security	-	31
Other creditors	11,701	-
Accruals and deferred income	39,877	53,197
	121,492	161,014

	2020 £	2019 £
Deferred income at 1 September 2019	30,596	41,336
Resources deferred during the year	3,334	30,596
Amounts released from previous periods	(30,596)	(41,336)
	3,334	30,596

At the balance sheet date the Academy was holding funds received in advance for the following purposes: school trips in future years £3,334 (2019: £17,650); sports hall lettings income £nil (2019: £3,420) and rates relief £nil (2019: £9,526).

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

	2020 £	2019 £
Salix loans	11,994	12,851

17. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General unrestricted funds	331,164	31,907	(3,059)	(50,000)	-	310,012
Restricted general funds						
General Annual Grant (GAG)	303,950	2,913,094	(2,778,642)	-	-	438,402
Other restricted funds	98,910	455,776	(384,147)	-	-	170,539
Pension reserve	(1,088,000)	-	(110,000)	-	(614,000)	(1,812,000)
	(685,140)	3,368,870	(3,272,789)	-	(614,000)	(1,203,059)
Restricted fixed asset funds						
Fixed asset fund	7,327,704	14,029	(166,200)	50,000	-	7,225,533
Total Restricted funds	6,642,564	3,382,899	(3,438,989)	50,000	(614,000)	6,022,474
Total funds	6,973,728	3,414,806	(3,442,048)	-	(614,000)	6,332,486

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

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. There are no restrictions on the amount of GAG carried forward at the year end.

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant. This includes items such as school trips for which income received is used to cover the costs in association with these activities.

Unrestricted funds are to be used towards meeting any of the charitable objectives of the Academy Trust at the discretion of the Trustees.

The defined benefit pension scheme relates to the pension deficit arising on the LGPS. The fund is in deficit but given the nature of the liability this is not payable immediately. There are plans in place to meet the deficit such that it is not a constraint on reserves.

17. Statement of funds (continued)

The restricted fixed asset fund was funded predominantly by the funds inherited on conversion from the Central Bedfordshire Local Authority following the transfer of the land and buildings.

During the year, funds transfers of £50,000 between the unrestricted fund and the restricted fixed asset fund have taken place. This represents £50,000 of expenditure during the year that has not been funded by capital grants.

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

17. Statement of funds (continued)

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

	Balance at 1 September 2018 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2019* £
Unrestricted funds						
General unrestricted funds	*297,323*	*43,671*	*(9,830)*	-	-	*331,164*
Restricted general funds						
General Annual Grant (GAG)	*72,436*	*2,872,439*	*(2,698,931)*	*58,006*	-	*303,950*
Other restricted funds	*119,000*	*546,446*	*(566,536)*	-	-	*98,910*
Pension reserve	*(647,000)*	-	*(100,000)*	-	*(341,000)*	*(1,088,000)*
	(455,564)	3,418,885	(3,365,467)	*58,006*	*(341,000)*	*(685,140)*
Restricted fixed asset funds						
Fixed asset fund	*7,248,464*	*310,630*	*(173,384)*	*(58,006)*	-	*7,327,704*
Total Restricted funds	*6,792,900*	*3,729,515*	*(3,538,851)*	-	*(341,000)*	*6,642,564*
Total funds	*7,090,223*	*3,773,186*	*(3,548,681)*	-	*(341,000)*	*6,973,728*

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	7,185,981	**7,185,981**
Current assets	308,298	730,433	53,260	**1,091,991**
Creditors due within one year	1,714	(121,492)	(1,714)	**(121,492)**
Creditors due in more than one year	-	-	(11,994)	**(11,994)**
Provisions for liabilities and charges	-	(1,812,000)	-	**(1,812,000)**
Total	310,012	(1,203,059)	7,225,533	**6,332,486**

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	7,130,880	*7,130,880*
Current assets	482,652	425,237	196,824	*1,104,713*
Creditors due within one year	(151,488)	(9,526)	-	*(161,014)*
Creditors due in more than one year	-	(12,851)	-	*(12,851)*
Provisions for liabilities and charges	-	(1,088,000)	-	*(1,088,000)*
Total	331,164	(685,140)	7,327,704	*6,973,728*

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

	2020 £	2019 £
Net (expenditure)/income for the period (as per Statement of Financial Activities)	**(27,242)**	*224,505*
Adjustments for:		
Depreciation	**166,200**	*173,384*
Capital grants from DfE and other capital income	**-**	*(310,630)*
Interest receivable	**(868)**	*(1,201)*
Defined benefit pension scheme administration cost	**1,000**	*1,000*
Defined benefit pension scheme cost less contributions payable	**90,000**	*83,000*
Defined benefit pension scheme finance cost	**19,000**	*16,000*
Decrease/(increase) in debtors	**208,398**	*(166,744)*
Decrease in creditors	**(40,379)**	*(105,589)*
Net cash provided by/(used in) operating activities	**416,109**	*(86,275)*

20. Cash flows from investing activities

	2020 £	2019 £
Interest from investments	**868**	*1,201*
Purchase of tangible fixed assets	**(221,301)**	*(115,135)*
Capital grants from DfE Group	**-**	*310,630*
Net cash (used in)/provided by investing activities	**(220,433)**	*196,696*

21. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	**952,187**	*756,511*
Total cash and cash equivalents	**952,187**	*756,511*

22. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	756,511	195,676	952,187
Debt due within 1 year	(857)	(857)	(1,714)
Debt due after 1 year	(12,851)	857	(11,994)
	742,803	195,676	938,479

23. Capital commitments

	2020 £	2019 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	*246,824*

24. 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 Barnett Waddingham LLP. Both are multi-employer defined benefit schemes.

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

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

Teachers' Pension Scheme

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

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

24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £341,725 *(2019 - £259,000)*.

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £131,000 *(2019 - £130,000)*, of which employer's contributions totalled £104,000 *(2019 - £102,000)* and employees' contributions totalled £ 27,000 *(2019 - £28,000)*. The agreed contribution rates for future years are 21.2 per cent for employers and varying per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

24. Pension commitments (continued)

Principal actuarial assumptions

	2020 **%**	2019 *%*
Rate of increase in salaries	**3.25**	*2.5*
Rate of increase for pensions in payment/inflation	**2.25**	*2.2*
Discount rate for scheme liabilities	**1.6**	*1.9*

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

	2020 **Years**	2019 *Years*
Retiring today		
Males	**22.2**	*20.7*
Females	**24.3**	*23.2*
Retiring in 20 years		
Males	**23.4**	*21.7*
Females	**26.1**	*24.7*

Sensitivity analysis

	2020 **£000**	2019 *£000*
Discount rate +0.1%	**98**	*64*
Discount rate -0.1%	**(100)**	*(66)*
Mortality assumption - 1 year increase	**126**	*90*
Mortality assumption - 1 year decrease	**(122)**	*(87)*
CPI rate +0.1%	**94**	*55*
CPI rate -0.1%	**(91)**	*(54)*

24. Pension commitments (continued)

Share of scheme assets

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

	2020 £	2019 £
Equities	**1,420,000**	*1,185,000*
Debt instruments	**336,000**	*266,000*
Property	**198,000**	*161,000*
Cash	**125,000**	*80,000*
Total market value of assets	**2,079,000**	*1,692,000*

The actual return on scheme assets was £106,000 *(2019 - £44,000).*

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

	2020 £	2019 £
Current service cost	**(194,000)**	*(174,000)*
Past service cost	**-**	*(11,000)*
Interest income	**34,000**	*45,000*
Interest cost	**(53,000)**	*(61,000)*
Total amount recognised in the Statement of Financial Activities	**(213,000)**	*(201,000)*

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

	2020 £	2019 £
At 1 September	**2,780,000**	*2,189,000*
Current service cost	**194,000**	*174,000*
Interest cost	**53,000**	*61,000*
Employee contributions	**27,000**	*28,000*
Actuarial losses	**810,000**	*340,000*
Benefits paid	**27,000**	*(23,000)*
Past service costs	**-**	*11,000*
At 31 August	**3,891,000**	*2,780,000*

24. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	**1,692,000**	*1,542,000*
Interest income	**34,000**	*45,000*
Actuarial gains/(losses)	**196,000**	*(1,000)*
Employer contributions	**104,000**	*102,000*
Employee contributions	**27,000**	*28,000*
Benefits paid	**27,000**	*(23,000)*
Administration expenses	**(1,000)**	*(1,000)*
At 31 August	**2,079,000**	*1,692,000*

25. Operating lease commitments

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

	2020 £	2019 £
Not later than 1 year	**4,196**	*4,196*
Later than 1 year and not later than 5 years	**2,098**	*6,294*
	6,294	*10,490*

All committments above relate to assets other than land and buildings.

26. 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.

27. Related party transactions

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

Certain trustees' remuneration and expenses are disclosed in note 11.