

Company Registration No. 07726649 (England and Wales)

**OLD EARTH SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

# OLD EARTH SCHOOL

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# OLD EARTH SCHOOL

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

Mrs J Day  
Mr P Reynolds (Retired 31 December 2020)  
Mr J Stevens  
Mrs K Thornton  
Mr M Wragg  
Mr D Burns

### Governors

Mrs A Aspin (Co-Chair of governors)  
Mr C Blakebrough (Parent governor)  
Mrs J Booth (Parent governor)  
Mrs J Day (Community governor)  
Mrs R Freeman (Staff governor)  
Mrs K Leonard (Associate governor) (Resigned 23 September 2020)  
Mr P Reynolds (Headteacher) (Retired 31 December 2020)  
Mr G Richardson (Community governor) (Resigned 23 September 2020)  
Mr J Stevens (Local authority governor)  
Mrs K Thornton (Vice chair of governors)  
Mr M Wragg (Co-Chair of governors)  
Mrs N Spensley (Staff governor)  
Mr B Hodgson (Parent governor)  
Mrs L Price (Parent governor)  
Mr D Burns (Headteacher) (Appointed 1 January 2021)

### Senior management team

- Headteacher
- Headteacher
- Deputy Head & UKS2 co-ordinator
- Assistant Head & Foundation stage co-ordinator

Mr D Burns  
Mr P Reynolds (Retired 31 December 2020)  
Mrs E Dixon  
Mrs J Taylor

### Company registration number

07726649 (England and Wales)

### Registered office

Lower Edge Road  
Elland  
HX5 9PL

### Independent auditor

Simpson Wood Limited  
Bank Chambers  
Market Street  
Huddersfield  
HD1 2EW

### Bankers

Virgin Money  
7 Waterhouse Street  
Halifax  
HX1 1XZ

### Solicitors

Ramsdens Solicitors LLP  
Ramsdens  
Oakley House  
1 Hungerford Road, Edgerton  
Huddersfield  
HD3 3AL

# OLD EARTH SCHOOL

## GOVERNORS' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2021

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The governors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 2 to 11, which is located at Lower Edge a suburb of Elland in the Calder Valley. It has a pupil capacity of 500 (420 children in Reception to Year 6) and had a roll of 478 (416 in Reception to Year 6) in October 2021.

#### **Structure, governance and management**

##### Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The governors are the trustees of Old Earth School and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the year are included in the Reference and Administrative Details on page 1.

##### 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.

##### Governors' indemnities

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides unlimited cover for professional indemnity.

##### Method of recruitment and appointment or election of governors

The school may appoint up to 12 governors and the members may appoint staff governors who do not exceed 1/3 of the total of governors. The Local Authority may appoint a governor and the Headteacher is deemed to be an official governor.

When there is a vacancy for a parent governor the school makes sure that all parents have the potential to apply to become a Governor. The school ensures that if there is a vote it is undertaken fairly and managed properly with the results made public to all concerned.

The school can co-opt up to three additional governors.

All governors' terms of office are four years unless they retire/resign. This does not apply to the Headteacher.

##### Policies and procedures adopted for the induction and training of governors

The Academy is a member of the National Governance Association, an independent charity that aims to improve the educational standards and wellbeing of children and young people by supporting and promoting outstanding governance in schools and academies. The Academy has also subscribed to The Key for Governors, a national information service that provides governors with guidance, insight, and instant answers to questions on all aspects of school governance. The Academy receives weekly updates on governance matters from the National Governors Association (NGA) and the Key for Governors, and governors have completed several online training modules provided by both. The Academy also has a Service Level Agreement with Calderdale Local Authority for Governor training.

# OLD EARTH SCHOOL

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### Organisational structure

The Governing Board meets as Full Governing Board at least termly and has two main sub-committees, Finance, General Purposes, staffing and personnel and Curriculum and Standards. All governors serve on one of these two committees which meet at least termly or more regularly. Governors are also named in other sub-committee groups which meet when there is a need to do so.

The governors are responsible for: setting strategic policy; challenging the school; adopting an annual plan and a balanced three-year budget; monitoring the Academy budgets; and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

Governors have made a decision to change their structure during the 2021-22 academic year so that it consists of two levels, Members and Governors. The aim of this structure is to devolve responsibility and encourage involvement in decision-making at all levels. A scheme of delegation has been developed and this will be implemented during the academic year.

The school management team is made up of the Headteacher, the Deputy Headteacher and the Foundation Co-ordinator. These managers control the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Headteacher is responsible for the authorisation of spending within agreed budgets and the appointment of staff through appointment boards. Some spending control is devolved to members of the management team with financial limits above which Trustees must agree the expenditure. The management team is responsible for the day-to-day operation of the Academy, organising the teaching staff, facilities, and students. The Headteacher and the Deputy Headteacher are also trained Designated Safeguarding Leads.

The Principal is the Accounting Officer.

Mr Paul Reynolds, was the Headteacher from 1 September until 31 December 2020 when he retired. Mr Daniel Burns was appointed as Headteacher on 1 January 2021. This change over was originally due to take place in September 2020 but due to the issues caused by the Covid-19 pandemic, it was agreed to be delayed.

# OLD EARTH SCHOOL

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### Arrangements for setting pay and remuneration of key management personnel

The Board of governors has adopted a pay and grading policy to provide a clear framework for the exercise of its powers and discretions in relation to all staff employed in the school and paid from within the school budget.

The Board of governors is committed to taking all relevant decisions in accordance with the principles of public life as listed in DfE guidance (namely objectivity, openness and accountability), and believes that this pay policy will help to recruit, retain and motivate teachers, will provide the basis for sound financial and personnel planning and will minimise the risk of grievance and discrimination.

Pay decisions at this Academy are made by the Board of Trustees which has delegated certain responsibilities and decision-making powers to the Pay Panel (as defined below).

The Pay Panel will be responsible for the establishment and review of the pay and grading policy (subject to the approval of the Board of governors) and will have full authority to take pay decisions relating to teachers, as advised by the Principal (or as advised by the Principal Performance Management Committee with regard to the Principal's pay decisions) on behalf of the Board of governors in accordance with this policy.

The Board of governors, in determining and publishing its pay and grading policy, aims to ensure that all decisions taken on pay and remuneration are justifiable and fair.

With reference to all posts, appraisal reviews will be deemed to be successful unless significant concerns about the standards of performance have been raised in writing with the employee during the annual appraisal cycle and, by the conclusion of that process, have not been successfully addressed through support provided by the Academy.

The evidence used will be only that available through the appraisal process. Fairness will be assured by annual monitoring of the application of the pay and grading policy and pay decisions will be moderated as outlined in the appraisal policy to ensure consistency. The arrangements for teacher appraisal are set out in the Academy's appraisal policy.

Principal Appraisal - following advice and guidance from their external advisor(s), the governors will seek to agree objectives with the Principal which will be set either before, or as soon as practicable after, the start of each appraisal period. Relevant Principals' standards will be used to assess performance.

Teacher Appraisal - objectives for each teacher will be set before, or as soon as practicable after, the start of each appraisal period. Teachers may be assessed within the set of standards contained in the 'Teachers' Standards' and any other relevant national standards considered by the Principal to be appropriate, e.g., QTLS, etc.

Other Staff - objectives for other staff within the Academy should reflect the minimum standards where appropriate for that area of work. Where national occupational standards exist (e.g., to support teaching and learning in the classroom) these should be adapted to suit individual requirements and help to raise performance in accordance with the school improvement plan.

#### Related parties and other connected charities and organisations

There is an active Parents, Teachers and Friends Association associated with the Academy. Old Earth School is a member of the Elland Cluster, which is a collaboration for self-improving schools.

# OLD EARTH SCHOOL

## GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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### Objectives and activities

#### Objects and aims

In September 2020, following a period of closure due to the COVID-19 pandemic, the Academy re-opened to all pupils. DfE guidelines were closely followed and Public Health advice on testing, self-isolation and managing confirmed cases of COVID-19 adhered to.

A second period of closure was announced by the government on 4 January 2021 and the Academy responded to the DfE instruction to support vulnerable children and the children of key workers. A robust risk assessment was completed to ensure the Academy remained a safe environment for both staff and pupils. A remote learning policy was created to enable an educational offer that utilised online learning platforms and resources and met DfE standards to be delivered to those children not in attendance. The Academy re-opened on 8 March 2021 re-adopting DfE pre-closure guidelines and measures including 'bubbles, enhanced cleaning and hygiene regimes and the keeping of occupied spaces well ventilated.

The Academy utilised the Coronavirus Job Retention Scheme for catering and out of school club staff who were furloughed.

The Academy Trust's object ("the Object") is specifically restricted to the following:

To advance for the public benefit education in the United Kingdom, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

#### Objectives, strategies and activities

The vision - "Opportunity, Support, Respect."

Old Earth School will provide all children with every opportunity to achieve their full potential. We ensure a supportive, friendly, safe and secure environment in which everyone is respected. In return we expect the highest standards of work and behaviour.

#### The Aims

- To place children at the centre of learning, where they feel safe, work hard and are happy.
- To have a committed staff who inspire and motivate individual children to achieve their highest standards.
- To have a well informed School and Community that feels valued, is well served, and plays an integral role in School Life.
- To be proud of our school and promote an ethos and environment in which children enjoy growing up and everybody matters.

#### Strategic plan

In 2020/21 the Academy enacted a 12 month strategic plan focussed on re-engaging children with learning in school following the first national Covid-19 school closures from March 2020 until September 2020.

The objectives and strategies in the Academy's strategic plan for the year ended 31 August 2021 can be summarised as follows:

- To ensure that the school's Covid operational plan secured the efficient running of our school from September 2020.
- To ensure the well-being of pupils, staff and parents so that learners make good progress and feel safe and secure.
- Supporting a smooth transition towards a full curriculum by summer term 2021.

# OLD EARTH SCHOOL

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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The progress of the strategic targets were curtailed in January 2021 due to COVID-19. As all statutory assessments were cancelled for a second year, there is no data to report for 2021. The latest available data is for 2019. The Academy has primarily focused on:

- Re-engaging children with learning, establishing routines and behavioural expectations and encouraging social interactivity.
- Establishing a programme of teaching that enables all pupils, including those disadvantaged, to catch up on important missed content.
- Establishing and providing an effective programme of blended learning that adheres to DfE requirements.
- The provision of care for vulnerable children, children with an EHCP and children of key workers.
- Ensuring the wellbeing and welfare of pupils, staff, and stakeholders.
- The implementation of measures to ensure health and safety and safeguarding practices are robust.
- Financial considerations including the impact of lost income and furloughed staff.

The key strategic achievements for 2020/21 can therefore be summarised as follows:

- Internal monitoring judged that 100% of teaching is at least good at the school.
- The school's self-evaluation process against Ofsted criteria judged the school to be good.
- Internal tracking data has enabled the school to identify the areas of focus for pupils from September 2021.
- The school submitted teacher assessments to the Local Authority as part of their project to support the recovery of learning locally and compared schools to available national teacher assessment data. In Reception 67% achieved a Good Level of Development and in Key Stage 1 (Year 2) 67% of children achieved age related expectations in reading and maths. In Key Stage 2 (Year 6) 85% of children achieved age related expectations in reading, 75% in writing and 80% in maths. All these compared favourably or exceeded local and national figures even though they were understandably lower than results that would have been expected in a non-covid effected year.
- Our Year 6 cohort enjoyed an excellent final term with us as the school was able to provide high quality transition work with partner Secondary Schools, some superb learning experiences and in the summer term a programme of covid safe trips and visits and memorable leavers experiences.
- The 2020/21 outturn position shows unrestricted revenue reserves available for carry forward of £32,003 and restricted revenue reserves of £1,026,609.
- Capital resources were used to undertake a much needed refurbishment of our Little Earth Nursery provision.
- Close tracking of school spending was needed due to significant reductions in income from wrap around and holiday care. Despite this a three year budget was submitted to the ESFA showing an in-year surplus of £33,814. A three year budget has been produced which predicts an increased surplus balance.



# OLD EARTH SCHOOL

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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Key actions: this is not an exhaustive list but identifies some of the key initiatives that leaders have implemented to support the achievement of the strategic objectives and ensure the Academy grows and implements its vision.

- A focused recovery plan was implemented establishing a programme of teaching to enable all children, including disadvantaged to catch up on important missed content, and the continued provision of a broad and balanced curriculum.
- An effective programme of blended learning that adheres to DfE requirements was established. PurpleMash was utilised to provide an online learning platform, facilitating teacher feedback, and encouraging pupil engagement. Online resources e.g. Oak National Academy were utilised to complement the curriculum. Zoom was used to engage pupils in weekly PSHE sessions designed to keep children connected. The programme was positively received by parents as evidenced by the results of a remote learning questionnaire.
- Children's physical and mental health and wellbeing was closely monitored, and individual children's needs supported. All children took part in 'Seeds of happiness' sessions.
- To minimise the impact of COVID-19 on the wellbeing and academic progress of vulnerable and disadvantaged children the Academy provided support and solutions to overcome barriers and ensure the needs of each individual child were safeguarded and met.
- Work to redesign the school's curriculum in line with the new Ofsted framework continued.

Despite COVID-19, significant progress was made to curriculum development with a particular focus on sequencing and depth of learning as well as ensuring teachers have all necessary skills, and curriculum resources are sufficient.

#### Public benefit

The governors confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives in planning its future activities.

## Strategic report

### Achievements and performance

The Academy was inspected by Ofsted in February 2016 and was judged to be outstanding.

#### Academic:

Due to COVID-19, all national statutory assessments in 2020 and 2021 were cancelled or postponed.

Total pupils on roll in the period ended 31 August 2021 numbered 465.

This is split between the year groups as follows:

| Year   | Total |
|--------|-------|
| Year 1 | 61    |
| Year 2 | 57    |
| Year 3 | 61    |
| Year 4 | 59    |
| Year 5 | 61    |
| Year 6 | 60    |
| Year N | 46    |
| Year R | 60    |
| Totals | 465   |

We also cater for up to 32 FTE children at Little Earth, our own private day nursery for 2 and 3 years olds and 176 in before or after school club.

# OLD EARTH SCHOOL

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### Going concern

Based on its enquiries, the governors find that the Academy Trust has adequate resources to continue operating for the foreseeable future. It therefore continues to adopt the 'going concern basis' in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

#### **Financial review**

Most of the Academy's income is received from the Education and Skills Funding Agency (ESFA). The ESFA brings together the former responsibilities of the Education Funding Agency (EFA) and Skills Funding Agency (SFA) to create a single agency accountable for funding education and skills for children, young people and adults. The ESFA is an executive agency, sponsored by the Department for Education.

The grants received from the ESFA during the period ended 31 August 2021 and the associated expenditure are shown within restricted funds on the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The Academy took on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activities.

Governors have appointed a Finance Director from another Trust to undertake a programme of internal checks and review of the financial operation of the Academy.

The Trustees agreed a Surplus budget of £33,814 in 2020/21. Accumulated brought-forward surpluses were £32,003, giving a predicted reserve of £65,817 at 31 August 2021. The actual revenue reserve as at 31 August 2021 is £1,026,609 restricted and £32,003 unrestricted. There is unspent capital grants of £2,840,419.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned. The fund currently stands at £2,840,419.

During the period ended 31 August 2021, the total expenditure of £2,736,507 was covered associated income streams and brought forward fund balances. The excess of expenditure over income for the period (excluding restricted fixed asset funds) was £134,723.

The academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity and currently stands at £2,016,000 an increase of £125,000 on the previous year.

#### Reserves policy

The governors review the reserves of the Academy annually. This review considers the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. This is in order to ensure sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as maintenance. The Academy aims to maintain reserves at a minimum of £160,000 at the year end. These levels are in respect of the combined restricted and unrestricted reserves. Reserves and future reserves are closely monitored as part of the three-year budget-setting process.

Restricted funds were £3,042,609 (excluding pension reserve) and unrestricted funds were £32,003. The capital balances carried forward were £2,840,419.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £32,003 this equates to 1.3% of total income less restricted fixed asset income.

# OLD EARTH SCHOOL

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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The deficit on the restricted general fund is due to the local government pension deficit of £2,016,000.

The balance on restricted general funds (excluding pension deficit) plus the balance on unrestricted funds is £234,193.

#### Investment policy

Old Earth School does not have an investment policy as the Academy does not currently have reserves that are not part of the operational requirements of the school's future budgeting plans.

#### Principal risks and uncertainties

The governors have assessed the major risks to which the school is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the school, and its finances, all of which are outlined on the Risk Register. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains, they have ensured that they have adequate insurance cover. The school has a very effective system of internal financial controls and this is explained in more detail in the statement of internal control.

# OLD EARTH SCHOOL

## GOVERNORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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Financial – the Academy is reliant on continued government funding through the ESFA. In 2020/21 82% of the Academy's incoming resources were government funded and, although this level of funding is expected to continue, there is no assurance that government policy or practice will remain the same or that public funding will continue at the same level or on the same terms.

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

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

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

Staffing – the success of the Academy depends upon the quality of its staff; therefore, the governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds – the Academy has appointed a Responsible Officer to ensure that checks on financial systems and records are carried out as required by the Academy Trust Handbook (Previously referred to as the Academy Financial Handbook). All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area. The academy contract with the Local Authority to provide assistance and oversight of revenue monitoring, closure of the accounts and submission of returns to the DFE and ESFA.

The Academy has an agreed Risk Register which has been discussed by governors and includes the financial and non-financial risks the Academy faces. The register is constantly reviewed in light of any new information. The governors have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities, other operational areas and surplus capacity in the local area.

The governors have implemented several systems to assess and minimise these risks, including internal controls. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

The Academy has implemented internal scrutiny reviews which are proposed by the Audit and Risk committee and approved by the Trust Board. The programme of reviews is determined by reference to the risk register.

# OLD EARTH SCHOOL

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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The pandemic required that robust assessments be conducted to identify the risks associated with COVID-19 and ensure the health and safety of the school community. Following assessments, and in preparation for the full opening of school on 7 September 2020, risk measures were introduced that follow relevant Department for Education and Local Authority guidance and consider risks for which the school can mitigate, partially mitigate, or is unable to mitigate. Risk assessments were scrutinised by a licensed risk-assessment professional, who declared them to be 'suitable and sufficient'. They are available for stakeholders to view on the school's website. The current risk assessment continues to be reviewed and updated on an ongoing basis by staff and monitored at every governor Board meeting. The key areas considered are:

- Measures that can be implemented to minimise the contact and mixing of pupils and staff
- Procedures that can be put in place to ensure good hygiene practices and ventilation
- Procedures that can be put in place to ensure adequate and regular cleaning
- Measures that can be implemented to minimise risk of contact with anyone displaying symptoms of COVID-19
- Measures that can be implemented to ensure health and safety and safeguarding practices (including the specific needs of vulnerable and disadvantaged children) are robust
- Curriculum adaptation and the risks associated with remote learning
- Requirements to ensure effective communication of plans

The Board of governors recognises that the defined benefit scheme deficit (Local Government Pension Scheme) represents a significant potential liability. However, as Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, and the government has guaranteed that, as from 18 July 2013, outstanding pension liability would be met in the event of a school closure, the risk from this liability is minimised.

The Academy is aware that the West Yorkshire Pension Fund (WYPF) has indicated that pension contributions are being examined in view of the impact of COVID-19 and are likely to increase.

At the period end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

#### **Fundraising**

As an Academy we do not normally fundraise directly; this is done by the Old Earth School Parents, Teachers and Friends Association (PTFA). The PTFA is a charitable organisation (registered with the Charities Commission). Due to the pandemic and the requirement to socially distance, limited fundraising has been possible during 2020/21 although stakeholder donations have still been received. The PTFA has made a contribution to the Academy of £5,000 that it has requested should be used for educational resources.

The Leadership and Management Team and members of the teaching team meet with officers of the PTFA to discuss events and the possible use of funds raised for school. The Academy Business Manager acts as PTFA treasurer.

No complaints have been made regarding the fundraising activities of the Academy or the PTFA. The PTFA raises funds mainly from parents/carers or relatives of pupils and recognises that some of these pupils may be vulnerable; however, donations are voluntary with no undue pressure placed on contributors.

#### **Plans for future periods**

The Academy will continue to strive to provide high quality education and to improve levels of performance for all its pupils. The Academy will continue to develop the provision of education as well as social, moral, spiritual, and cultural education through the development of an annual improvement plan informed by rigorous monitoring by internal and external sources as well as the SEF (School Self Evaluation) and TSEF (Trustee Self Evaluation Form). The Academy will continue to work in partnership and collaboration with other schools and academies to improve the education of all pupils in the wider community.

# OLD EARTH SCHOOL

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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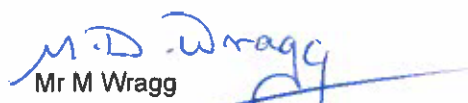
### **Auditor**

In so far as the governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the 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.

A resolution proposing that Simpson Wood Limited be reappointed as auditor of the charitable company will be put to the members.

The governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 2 December 2021 and signed on its behalf by:

  
Mr M Wragg  
Co-Chair of **governors**

# OLD EARTH SCHOOL

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### Scope of responsibility

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

The board of 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 Old Earth School and the Secretary of State for Education. The accounting officer is 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 3 times during the year. Attendance during the year at meetings of the board of governors was as follows:

| <b>Governors</b>  | <b>Meetings attended</b> | <b>Out of possible</b> |
|---|--------------------------|------------------------|
| Mrs A Aspin (Co-Chair of governors)                               | 3                        | 3                      |
| Mr C Blakebrough (Parent governor)                                | 3                        | 3                      |
| Mrs J Booth (Parent governor)                                     | 1                        | 3                      |
| Mrs J Day (Community governor)                                    | 3                        | 3                      |
| Mrs R Freeman (Staff governor)                                    | 2                        | 3                      |
| Mrs K Leonard (Associate governor) (Resigned 23 September 2020)   | 0                        | 1                      |
| Mr P Reynolds (Headteacher) (Retired 31 December 2020)            | 1                        | 1                      |
| Mr G Richardson (Community governor) (Resigned 23 September 2020) | 0                        | 1                      |
| Mr J Stevens (Local authority governor)                           | 3                        | 3                      |
| Mrs K Thornton (Vice chair of governors)                          | 2                        | 3                      |
| Mr M Wragg (Co-Chair of governors)                                | 3                        | 3                      |
| Mrs N Spensley (Staff governor)                                   | 3                        | 3                      |
| Mr B Hodgson (Parent governor)                                    | 2                        | 3                      |
| Mrs L Price (Parent governor)                                     | 2                        | 3                      |
| Mr D Burns (Headteacher) (Appointed 1 January 2021)               | 2                        | 2                      |

The finance and general purposes committee is a sub-committee of the main board of governors. Its purpose is to monitor the finances of the school, approve capital projects, approve the budgets and to work closely with the responsible officer to improve systems within the school.

Attendance at meetings in the year was as follows:

| <b>Governors</b>                                       | <b>Meetings attended</b> | <b>Out of possible</b> |
|--|--------------------------|------------------------|
| Mrs A Aspin (Co-Chair of governors)                    | 1                        | 1                      |
| Mr C Blakebrough (Parent governor)                     | 3                        | 4                      |
| Mr P Reynolds (Headteacher) (Retired 31 December 2020) | 2                        | 2                      |
| Mr J Stevens (Local authority governor)                | 3                        | 4                      |
| Mrs K Thornton (Vice chair of governors)               | 4                        | 4                      |
| Mr M Wragg (Co-Chair of governors)                     | 4                        | 4                      |
| Mr B Hodgson (Parent governor)                         | 4                        | 4                      |
| Mr D Burns (Headteacher) (Appointed 1 January 2021)    | 3                        | 3                      |

# OLD EARTH SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### **Review of value for money**

As accounting officer the headteacher has responsibility for ensuring that the academy trust 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 trust'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 available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Accessing the government funded Coronavirus Job Retention Scheme to protect catering jobs impacted by the pandemic during the summer term.
- Enhancing facilities on the school playing field to include an all-weather games pitch
- Ensuring staff receive appropriate, high quality training to ensure the effectiveness of all staff and their continuous professional development
- Accessing funds from the PTFA to support improving projects.
- Employing an additional teachers and resources and staff CPD with the COVID Catch up Grant to allow for recovery curriculum enhancement and development

#### **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 trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Old Earth School for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts.

#### **Capacity to handle risk**

The board of governors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of governors.

#### **The risk and control framework**

The academy trust'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;
- identification and management of risks.



# OLD EARTH SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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Old Earth School recognises that it must have in place a process for independent checking of financial controls, systems, transactions, and risks.

The Board of governors have agreed a programme of work that will address the need for independent checking of financial controls, systems, transactions and risks, and as far as is possible, provide assurance to the external auditors.

A risk plan is in place and risk is monitored during the year in relation to items presented to the Trustees. The risk plan is in the process of being updated to align it to the Academy's recovery plan.

There have been no material control issues identified during the year in relation to the work undertaken by the Responsible Officer.

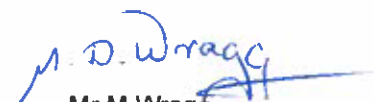
### **Review of effectiveness**


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

- the work of the Responsible Officer
- the work of the external auditor
- the work of LMS
- the financial management and governance self-assessment process
- the Internal Scrutiny Programme
- 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 finance and general purposes committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of governors on 2 December 2021 and signed on its behalf by:

  
Mr M Wragg  
Co-Chair of governors

  
Mr D Burns  
Headteacher

# OLD EARTH SCHOOL

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

*FOR THE YEAR ENDED 31 AUGUST 2021*

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As accounting officer of Old Earth School, I have considered my responsibility to notify the academy trust 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 trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

I confirm that except for non-compliance with internal scrutiny requirements, 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.



Mr D Burns  
**Accounting Officer**

2 December 2021

# OLD EARTH SCHOOL

## STATEMENT OF GOVERNORS' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2021**

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The governors (who act as trustees for Old Earth School and are also the directors of Old Earth School for the purposes of company law) are responsible for preparing the governors' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 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 accounts for each financial year. Under company law, the governors must not approve the accounts 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 accounts, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the board of governors on 2 December 2021 and signed on its behalf by:

  
Mr M Wragg  
Co-Chair of governors

# OLD EARTH SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OLD EARTH SCHOOL FOR THE YEAR ENDED 31 AUGUST 2021

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### Opinion

We have audited the accounts of Old Earth School for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

### 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 accounts' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### Other information

The governors are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

# OLD EARTH SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OLD EARTH SCHOOL (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### **Opinions 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 incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the governors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the governors' report, including the incorporated 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 accounts 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.

### **Responsibilities of governors**

As explained more fully in the statement of governors' responsibilities, the governors are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the governors are responsible for assessing the academy trust'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 charitable company, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the accounts**

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

# OLD EARTH SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OLD EARTH SCHOOL (CONTINUED)

### *FOR THE YEAR ENDED 31 AUGUST 2021*

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#### **Extent to which the audit was considered capable of detecting irregularities including fraud**

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

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including Companies Act 2006, Charities SORP 2019, the Academies Accounts Direction 2020 to 2021, taxation legislation, data protection and anti-bribery legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations and.
- performed analytical procedures to identify any unusual or unexpected relationships. This was done as part of the completion stage once a set of draft statutory accounts were available to scrutinise against the prior year.

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

- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias and;
- investigated the rationale behind significant or unusual transactions. CIF funding, Catch-up pupil premium and additional support regarding Covid-19 was particularly scrutinised

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance and;
- enquiring of management as to actual and potential litigation and claims.

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

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

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# OLD EARTH SCHOOL

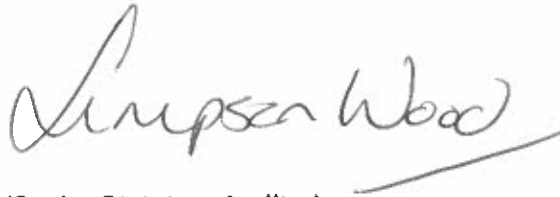
## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OLD EARTH SCHOOL (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Daniel McAllister FCA (Senior Statutory Auditor)  
for and on behalf of Simpson Wood Limited**

2 December 2021

**Chartered Accountants  
Statutory Auditor**

Bank Chambers  
Market Street  
Huddersfield  
HD1 2EW

# OLD EARTH SCHOOL

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OLD EARTH SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

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In accordance with the terms of our engagement letter dated 19 October 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Old Earth School during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of Old Earth School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Old Earth School's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration of the evidence supporting the Accounting Officers statement on regularity, propriety and compliance which may include review and corroboration of the most recent Financial Management and Governance Evaluation or equivalent.
- Evaluation of the general control environment of the Academy Trust, extending the procedures required for financial statements to include regularity.
- Assessment and testing of a sample of the specific control activities over regularity of a particular activity.
- When performing sample testing of expenditure, consider whether the activity is permissible within the Academy Trust's framework of authorities.



# OLD EARTH SCHOOL

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OLD EARTH SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

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### **Conclusion**

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

### **Internal Scrutiny**

During the course of our work, we found an instance of non-compliance with the Academies Financial Handbook. This was due to the requirements of internal scrutiny work not being adhered to. Although the work was undertaken, it was not completed by an independent officer.

A handwritten signature in cursive script that reads "Simpson Wood". The signature is written in black ink and is positioned above a horizontal line that extends to the right.

**Reporting Accountant**  
Simpson Wood Limited

Dated: 2 December 2021

# OLD EARTH SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

|   | Notes    | Unrestricted funds<br>£ | Restricted funds:<br>General Fixed asset<br>£ |                  | Total<br>2021<br>£ | Total<br>2020<br>£ |
|---|----------|-------------------------|---|------------------|--------------------|--------------------|
| <b>Income and endowments from:</b>                          |          |                         |   |                  |                    |                    |
| Donations and capital grants                                | 3        | 19,577                  | -   | 9,099            | 28,676             | 16,142             |
| Charitable activities:                                      |          |                         |   |                  |                    |                    |
| - Funding for educational operations                        | 4        | -                       | 2,092,822                                     | -                | 2,092,822          | 2,090,501          |
| Other trading activities                                    | 5        | 438,619                 | -   | -                | 438,619            | 316,870            |
| <b>Total</b>  |          | <u>458,196</u>          | <u>2,092,822</u>                              | <u>9,099</u>     | <u>2,560,117</u>   | <u>2,423,513</u>   |
| <b>Expenditure on:</b>                                      |          |                         |   |                  |                    |                    |
| Raising funds   | 6        | 445,020                 | -   | -                | 445,020            | 319,846            |
| Charitable activities:                                      |          |                         |   |                  |                    |                    |
| - Educational operations                                    | 7        | 24,743                  | 2,198,924                                     | 67,820           | 2,291,487          | 2,357,884          |
| <b>Total</b>  | <b>6</b> | <u>469,763</u>          | <u>2,198,924</u>                              | <u>67,820</u>    | <u>2,736,507</u>   | <u>2,677,730</u>   |
| <b>Net expenditure</b>                                      |          | (11,567)                | (106,102)                                     | (58,721)         | (176,390)          | (254,217)          |
| Transfers between funds                                     | 17       | -                       | (17,054)                                      | 17,054           | -                  | -                  |
| <b>Other recognised gains/(losses)</b>                      |          |                         |   |                  |                    |                    |
| Actuarial gains/(losses) on defined benefit pension schemes | 19       | -                       | 131,000                                       | -                | 131,000            | (385,000)          |
| <b>Net movement in funds</b>                                |          | <u>(11,567)</u>         | <u>7,844</u>                                  | <u>(41,667)</u>  | <u>(45,390)</u>    | <u>(639,217)</u>   |
| <b>Reconciliation of funds</b>                              |          |                         |   |                  |                    |                    |
| Total funds brought forward                                 |          | 43,570                  | (1,821,654)                                   | 2,882,086        | 1,104,002          | 1,743,216          |
| Total funds carried forward                                 |          | <u>32,003</u>           | <u>(1,813,810)</u>                            | <u>2,840,419</u> | <u>1,058,612</u>   | <u>1,103,999</u>   |

# OLD EARTH SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

| Comparative year information<br>Year ended 31 August 2020 | Unrestricted<br>funds | Restricted funds: |                    | Total<br>2020    |                  |
|---|-----------------------|-------------------|--------------------|------------------|------------------|
|   | £                     | General           | Fixed asset        | £                |                  |
| Notes   | £                     | £                 | £                  | £                |                  |
| <b>Income and endowments from:</b>                        |                       |                   |                    |                  |                  |
| Donations and capital grants                              | 3                     | 7,100             | -                  | 9,042            | 16,142           |
| Charitable activities:                                    |                       |                   |                    |                  |                  |
| - Funding for educational operations                      | 4                     | -                 | 2,090,501          | -                | 2,090,501        |
| Other trading activities                                  | 5                     | 316,870           | -                  | -                | 316,870          |
| <b>Total</b>  |                       | <u>323,970</u>    | <u>2,090,501</u>   | <u>9,042</u>     | <u>2,423,513</u> |
| <b>Expenditure on:</b>                                    |                       |                   |                    |                  |                  |
| Raising funds   | 6                     | 319,846           | -                  | -                | 319,846          |
| Charitable activities:                                    |                       |                   |                    |                  |                  |
| - Educational operations                                  | 7                     | 32,953            | 2,260,303          | 64,628           | 2,357,884        |
| <b>Total</b>  | 6                     | <u>352,799</u>    | <u>2,260,303</u>   | <u>64,628</u>    | <u>2,677,730</u> |
| <b>Net expenditure</b>                                    |                       | (28,829)          | (169,802)          | (55,586)         | (254,217)        |
| Transfers between funds                                   | 17                    | -                 | 9,042              | (9,042)          | -                |
| <b>Other recognised gains/(losses)</b>                    |                       |                   |                    |                  |                  |
| Actuarial losses on defined benefit pension schemes       | 19                    | -                 | (385,000)          | -                | (385,000)        |
| <b>Net movement in funds</b>                              |                       | (28,829)          | (545,760)          | (64,628)         | (639,217)        |
| <b>Reconciliation of funds</b>                            |                       |                   |                    |                  |                  |
| Total funds brought forward                               |                       | <u>72,397</u>     | <u>(1,275,896)</u> | <u>2,946,715</u> | <u>1,743,216</u> |
| Total funds carried forward                               |                       | <u>43,568</u>     | <u>(1,821,656)</u> | <u>2,882,087</u> | <u>1,103,999</u> |

# OLD EARTH SCHOOL

## BALANCE SHEET

AS AT 31 AUGUST 2021

|   | Notes | 2021      |                         | 2020      |                         |
|---|-------|-----------|-------------------------|-----------|-------------------------|
|   |       | £         | £                       | £         | £                       |
| <b>Fixed assets</b>   |       |           |                         |           |                         |
| Tangible assets   | 11    |           | 3,206,169               |           | 3,247,837               |
| <b>Current assets</b>   |       |           |                         |           |                         |
| Stocks  | 12    | 3,000     |                         | 172       |                         |
| Debtors   | 13    | 96,271    |                         | 78,420    |                         |
| Cash at bank and in hand  |       | 217,504   |                         | 75,883    |                         |
|   |       |           | <u>316,775</u>          |           | <u>154,475</u>          |
| <b>Current liabilities</b>  |       |           |                         |           |                         |
| Creditors: amounts falling due within one year                    | 14    | (189,442) |                         | (124,373) |                         |
| <b>Net current assets</b>   |       |           | <u>127,333</u>          |           | <u>30,102</u>           |
| <b>Total assets less current liabilities</b>                      |       |           | <u>3,333,502</u>        |           | <u>3,277,939</u>        |
| Creditors: amounts falling due after more than one year           | 15    |           | (258,890)               |           | (282,940)               |
| <b>Net assets before defined benefit pension scheme liability</b> |       |           | <u>3,074,612</u>        |           | <u>2,994,999</u>        |
| Defined benefit pension scheme liability                          | 19    |           | (2,016,000)             |           | (1,891,000)             |
| <b>Total net assets</b>   |       |           | <u><u>1,058,612</u></u> |           | <u><u>1,103,999</u></u> |
| <b>Funds of the academy trust:</b>                                |       |           |                         |           |                         |
| <b>Restricted funds</b>   | 17    |           |                         |           |                         |
| - Fixed asset funds   |       |           | 2,840,419               |           | 2,882,087               |
| - Restricted income funds   |       |           | 202,190                 |           | 69,344                  |
| - Pension reserve   |       |           | (2,016,000)             |           | (1,891,000)             |
| <b>Total restricted funds</b>                                     |       |           | <u>1,026,609</u>        |           | <u>1,060,431</u>        |
| <b>Unrestricted income funds</b>                                  | 17    |           | <u>32,003</u>           |           | <u>43,568</u>           |
| <b>Total funds</b>  |       |           | <u><u>1,058,612</u></u> |           | <u><u>1,103,999</u></u> |

The accounts set out on pages 24 to 47 were approved by the board of governors and authorised for issue on 2 December 2021 and are signed on its behalf by:

  
Mr M Wragg  
Co-Chair of governors

Company Number 07726649

# OLD EARTH SCHOOL

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

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|   | Notes | 2021<br>£ | £        | 2020<br>£ | £        |
|---|-------|-----------|----------|-----------|----------|
| <b>Cash flows from operating activities</b>   |       |           |          |           |          |
| Net cash provided by operating activities   | 20    |           | 184,783  |           | 13,515   |
| <b>Cash flows from investing activities</b>   |       |           |          |           |          |
| Capital grants from DfE Group   |       | 9,099     |          | 9,042     |          |
| Purchase of tangible fixed assets   |       | (26,152)  |          | (20,810)  |          |
| <b>Net cash used in investing activities</b>  |       |           | (17,053) |           | (11,768) |
| <b>Cash flows from financing activities</b>   |       |           |          |           |          |
| Repayment of long term bank loan  |       | (22,065)  |          | (21,056)  |          |
| Finance costs   |       | (4,044)   |          | (16,505)  |          |
| <b>Net cash used in financing activities</b>  |       |           | (26,109) |           | (37,561) |
| <b>Net increase/(decrease) in cash and cash equivalents in the reporting period</b> |       |           | 141,621  |           | (35,814) |
| Cash and cash equivalents at beginning of the year                                  |       |           | 75,883   |           | 111,697  |
| <b>Cash and cash equivalents at end of the year</b>                                 |       |           | 217,504  |           | 75,883   |

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# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

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### 1 Accounting policies

Old Earth School is a charitable company incorporated in England and Wales. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the governors' report.

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

#### 1.1 Basis of preparation

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

#### 1.2 Going concern

The governors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company 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 accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts. There is uncertainty regarding how long Covid-19 is going to impact on the normal activities of the Academy which may affect the financial sustainability of the Academy as a going concern, however, there is sufficient reserves to be able to continue operations for the foreseeable future.

#### 1.3 Income

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

##### Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

##### Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

#### 1 Accounting policies

(Continued)

##### Donations

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

##### Other income

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

##### Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

##### Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

#### 1.4 Expenditure

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Costs not directly attributable but which relate to the private day nursery are allocated by applying the percentage of the space occupied by the private nursery. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

#### 1.5 Tangible fixed assets and depreciation

Assets costing £5,000 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. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

---

#### 1 Accounting policies

(Continued)

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

|                                |                   |
|--------------------------------|-------------------|
| Land and buildings             | 2% straight line  |
| Computer equipment             | 25% straight line |
| Fixtures, fittings & equipment | 10% straight line |

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

No depreciation is provided in respect of freehold land.

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.

#### 1.6 Liabilities

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

#### 1.7 Leased assets

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

#### 1.8 Financial instruments

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

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. 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.

#### 1.9 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.



# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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### 1 Accounting policies

(Continued)

#### 1.10 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 1.11 Pensions benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The 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 are 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 trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

#### 1.12 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

### 2 Critical accounting estimates and areas of judgement

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

# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 2 Critical accounting estimates and areas of judgement

(Continued)

#### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 2020 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### Critical areas of judgement

The trustees have not identified any critical areas of accounting judgements.

### 3 Donations and capital grants

|                 | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2021<br>£ | Total<br>2020<br>£ |
|-----------------|----------------------------|--------------------------|--------------------|--------------------|
| Capital grants  | -                          | 9,099                    | 9,099              | 9,042              |
| Other donations | 19,577                     | -                        | 19,577             | 7,100              |
|                 | <u>19,577</u>              | <u>9,099</u>             | <u>28,676</u>      | <u>16,142</u>      |

# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 4 Funding for the academy trust's educational operations

|  | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2021<br>£ | Total<br>2020<br>£ |
|--|----------------------------|--------------------------|--------------------|--------------------|
| <b>DfE/ESFA grants</b>                 |                            |                          |                    |                    |
| General annual grant (GAG)             | -                          | 1,671,202                | 1,671,202          | 1,589,097          |
| Other DfE/ESFA grants:                 |                            |                          |                    |                    |
| Pupil premium                          | -                          | 133,280                  | 133,280            | 112,557            |
| Others                                 | -                          | 93,637                   | 93,637             | 98,975             |
|  | -                          | 1,898,119                | 1,898,119          | 1,800,629          |
| <b>Other government grants</b>         |                            |                          |                    |                    |
| Local authority grants                 | -                          | 151,255                  | 151,255            | 256,883            |
| <b>COVID-19 additional funding</b>     |                            |                          |                    |                    |
| <b>DfE/ESFA</b>                        |                            |                          |                    |                    |
| Catch-up premium                       | -                          | 33,440                   | 33,440             | -                  |
| <b>Non-DfE/ESFA</b>                    |                            |                          |                    |                    |
| Coronavirus job retention scheme grant | -                          | 8,308                    | 8,308              | 32,989             |
| Other COVID-19 funding                 | -                          | 1,700                    | 1,700              | -                  |
|  | -                          | 43,448                   | 43,448             | 32,989             |
| <b>Total funding</b>                   | -                          | 2,092,822                | 2,092,822          | 2,090,501          |

The Academy received income from the Job Retention Scheme in respect of catering staff furloughed within the year.

#### 5 Other trading activities

|                          | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2021<br>£ | Total<br>2020<br>£ |
|--------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Hire of facilities       | 31,095                     | -                        | 31,095             | 4,584              |
| Catering income          | 30,802                     | -                        | 30,802             | 36,372             |
| Out of school activities | 318,667                    | -                        | 318,667            | 228,532            |
| Educational visits       | -                          | -                        | -                  | 4,631              |
| Other income             | 58,055                     | -                        | 58,055             | 42,751             |
|                          | 438,619                    | -                        | 438,619            | 316,870            |

# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 6 Expenditure

|                                  | Staff costs<br>£ | Non-pay expenditure<br>Premises<br>£ | Other<br>£     | Total<br>2021<br>£ | Total<br>2020<br>£ |
|----------------------------------|------------------|--------------------------------------|----------------|--------------------|--------------------|
| Expenditure on raising funds     |                  |                                      |                |                    |                    |
| - Direct costs                   | 382,914          | -                                    | 62,106         | 445,020            | 319,846            |
| Academy's educational operations |                  |                                      |                |                    |                    |
| - Direct costs                   | 1,446,125        | 67,820                               | 80,900         | 1,594,845          | 1,581,933          |
| - Allocated support costs        | 450,111          | 76,675                               | 169,856        | 696,642            | 775,951            |
|                                  | <u>2,279,150</u> | <u>144,495</u>                       | <u>312,862</u> | <u>2,736,507</u>   | <u>2,677,730</u>   |

#### Net income/(expenditure) for the year includes:

|   | 2021<br>£      | 2020<br>£      |
|---|----------------|----------------|
| Fees payable to auditor for:                      |                |                |
| - Audit   | 6,000          | 6,000          |
| - Other services                                  | 500            | 500            |
| Operating lease rentals                           | 26,663         | 26,663         |
| Depreciation of tangible fixed assets             | 67,820         | 64,628         |
| Bank and loan interest                            | 4,044          | 16,505         |
| Net interest on defined benefit pension liability | 31,000         | 24,000         |
|   | <u>132,027</u> | <u>138,301</u> |

### 7 Charitable activities

|                        | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2021<br>£ | Total<br>2020<br>£ |
|------------------------|----------------------------|--------------------------|--------------------|--------------------|
| <b>Direct costs</b>    |                            |                          |                    |                    |
| Educational operations | 9,497                      | 1,585,348                | 1,594,845          | 1,581,933          |
| <b>Support costs</b>   |                            |                          |                    |                    |
| Educational operations | 15,246                     | 681,396                  | 696,642            | 775,951            |
|                        | <u>24,743</u>              | <u>2,266,744</u>         | <u>2,291,487</u>   | <u>2,357,884</u>   |

|                                  | 2021<br>£      | 2020<br>£      |
|----------------------------------|----------------|----------------|
| <b>Analysis of support costs</b> |                |                |
| Support staff costs              | 474,293        | 531,074        |
| Technology costs                 | 10,304         | 31,279         |
| Premises costs                   | 76,675         | 75,448         |
| Other support costs              | 128,570        | 133,600        |
| Governance costs                 | 6,800          | 4,550          |
|                                  | <u>696,642</u> | <u>775,951</u> |

# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 8 Staff

#### Staff costs

Staff costs during the year were:

|   | 2021<br>£ | 2020<br>£ |
|---|-----------|-----------|
| Wages and salaries                      | 1,663,048 | 1,591,319 |
| Social security costs                   | 126,339   | 121,362   |
| Pension costs                           | 489,763   | 507,907   |
| Staff costs - employees                 | 2,279,150 | 2,220,588 |
| Staff development and other staff costs | 30,133    | 29,900    |
| Total staff expenditure                 | 2,309,283 | 2,250,488 |

#### Staff numbers

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

|                            | 2021<br>Number | 2020<br>Number |
|----------------------------|----------------|----------------|
| Teachers                   | 19             | 17             |
| Administration and support | 53             | 55             |
| Management                 | 3              | 5              |
| Catering                   | 7              | 7              |
|                            | 82             | 84             |

#### Higher paid staff

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

|                     | 2021<br>Number | 2020<br>Number |
|---------------------|----------------|----------------|
| £70,001 - £80,000   | 1              | -              |
| £80,001 - £90,000   | -              | 1              |
| £100,001 - £110,000 | 1              | -              |

#### Key management personnel

The key management personnel of the academy trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £231,991 (2020: £347,194)

# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 9 Governors' remuneration and expenses

The headteacher and other staff governors only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the academy trust in respect of their role as governors. During the year, travel and subsistence payments totalling £Nil (2020: £Nil) were reimbursed to governors.

The value of governors' remuneration was as follows:

**P Reynolds (headteacher to 31 December 2020)**

Remuneration: £35,000 - £40,000 (2020: £85,000 - £90,000)

Pension: £5,000 - £10,000 (2020: £20,000 - £25,000)

**D Burns (headteacher from 1 January 2021)**

Remuneration: £45,000 - £50,000 (2020: £Nil)

Pension: £10,000 - £15,000 (2020: £Nil)

**R Freeman (staff)**

Remuneration £40,000 - £45,000 (2020: £40,000 - £45,000)

Pension: £10,000 - £15,000 (2020: £10,000 - £15,000)

**N Spensley (staff)**

Remuneration: £5,000 - £10,000 (2020: £5,000 - £10,000)

Pension: £Nil - £5,000 (2020: £Nil - £5,000)

Other related party transactions involving the governors are set out within the related parties note.

#### 10 Governors' and officers' insurance

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £5,000,000. It is not possible to quantify the governors and officers indemnity element from the overall cost of the RPA scheme.

# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

| 11 Tangible fixed assets                                 | Land and<br>buildings | Computer<br>equipment | Fixtures,<br>fittings &<br>equipment | Total            |
|--|-----------------------|-----------------------|--------------------------------------|------------------|
|  | £                     | £                     | £                                    | £                |
| <b>Cost</b>  |                       |                       |                                      |                  |
| At 1 September 2020                                      | 3,588,451             | 47,651                | 96,051                               | 3,732,153        |
| Additions  | -                     | 5,940                 | 20,212                               | 26,152           |
| At 31 August 2021  | <u>3,588,451</u>      | <u>53,591</u>         | <u>116,263</u>                       | <u>3,758,305</u> |
| <b>Depreciation</b>                                      |                       |                       |                                      |                  |
| At 1 September 2020                                      | 400,928               | 43,835                | 39,553                               | 484,316          |
| Charge for the year                                      | 54,725                | 2,042                 | 11,053                               | 67,820           |
| At 31 August 2021  | <u>455,653</u>        | <u>45,877</u>         | <u>50,606</u>                        | <u>552,136</u>   |
| <b>Net book value</b>                                    |                       |                       |                                      |                  |
| At 31 August 2021  | <u>3,132,798</u>      | <u>7,714</u>          | <u>65,657</u>                        | <u>3,206,169</u> |
| At 31 August 2020  | <u>3,187,523</u>      | <u>3,816</u>          | <u>56,498</u>                        | <u>3,247,837</u> |
| <b>12 Stocks</b>   |                       |                       | <b>2021</b>                          | <b>2020</b>      |
|  |                       |                       | £                                    | £                |
| Catering stock   |                       |                       | <u>3,000</u>                         | <u>172</u>       |
| <b>13 Debtors</b>  |                       |                       | <b>2021</b>                          | <b>2020</b>      |
|  |                       |                       | £                                    | £                |
| Trade debtors  |                       |                       | 3,516                                | 12,472           |
| VAT recoverable  |                       |                       | 5,418                                | 3,497            |
| Prepayments and accrued income                           |                       |                       | 87,337                               | 62,451           |
|  |                       |                       | <u>96,271</u>                        | <u>78,420</u>    |
| <b>14 Creditors: amounts falling due within one year</b> |                       |                       | <b>2021</b>                          | <b>2020</b>      |
|  |                       |                       | £                                    | £                |
| Government loans   |                       |                       | 42,930                               | 40,945           |
| Trade creditors  |                       |                       | 16,082                               | 2,611            |
| Accruals and deferred income                             |                       |                       | 130,430                              | 80,817           |
|  |                       |                       | <u>189,442</u>                       | <u>124,373</u>   |

# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 15 Creditors: amounts falling due after more than one year

|   | 2021<br>£      | 2020<br>£      |
|---|----------------|----------------|
| Government loans  | 258,890        | 282,940        |
|   | <u>258,890</u> | <u>282,940</u> |
|   | <b>2021</b>    | <b>2020</b>    |
|   | <b>£</b>       | <b>£</b>       |
| <b>Analysis of loans</b>                                |                |                |
| Not wholly repayable within five years by instalments   | 301,820        | 323,885        |
| Less: included in current liabilities                   | (42,930)       | (40,945)       |
|   | <u>301,820</u> | <u>323,885</u> |
| Amounts included above                                  | 258,890        | 282,940        |
|   | <u>258,890</u> | <u>282,940</u> |
| Instalments not due within five years                   | 150,586        | 179,595        |
|   | <u>150,586</u> | <u>179,595</u> |
| <b>Loan maturity</b>                                    |                |                |
| Debt due in one year or less                            | 42,930         | 40,945         |
| Due in more than one year but not more than two years   | 25,203         | 24,049         |
| Due in more than two years but not more than five years | 83,101         | 79,296         |
| Due in more than five years                             | 150,586        | 179,595        |
|   | <u>301,820</u> | <u>323,885</u> |
|   | <u>301,820</u> | <u>323,885</u> |

### 16 Deferred income

|  | 2021<br>£     | 2020<br>£     |
|--|---------------|---------------|
| Deferred income is included within:      |               |               |
| Creditors due within one year            | 95,088        | 51,996        |
|  | <u>95,088</u> | <u>51,996</u> |
| Deferred income at 1 September 2020      | 51,996        | 109,193       |
| Released from previous years             | (51,996)      | (109,193)     |
| Resources deferred in the year           | 95,088        | 51,996        |
|  | <u>95,088</u> | <u>51,996</u> |
| <b>Deferred income at 31 August 2021</b> | <u>95,088</u> | <u>51,996</u> |

Deferred income relates to Early Education Funding and Universal Infant Free School Meals funding received from the ESFA for the year ending 31 August 2021.



# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 17 Funds

|   | Balance at<br>1 September<br>2020<br>£ | Income<br>£      | Expenditure<br>£   | Gains,<br>losses and<br>transfers<br>£ | Balance at<br>31 August<br>2021<br>£ |
|---|--|------------------|--------------------|--|--------------------------------------|
| <b>Restricted general funds</b>           |  |                  |                    |  |                                      |
| General Annual Grant (GAG)                | 2,542                                  | 1,671,202        | (1,544,008)        | (17,054)                               | 112,682                              |
| Pupil premium                             | -                                      | 133,280          | (133,280)          | -                                      | -                                    |
| Catch-up premium                          | -                                      | 33,440           | (10,740)           | -                                      | 22,700                               |
| Coronavirus job retention<br>scheme grant | -                                      | 8,308            | (8,308)            | -                                      | -                                    |
| Other Coronavirus funding                 | -                                      | 1,700            | (1,700)            | -                                      | -                                    |
| Other DfE/ESFA grants                     | 6,235                                  | 93,637           | (93,633)           | -                                      | 6,239                                |
| Other government grants                   | 60,569                                 | 151,255          | (151,255)          | -                                      | 60,569                               |
| Pension reserve                           | (1,891,000)                            | -                | (256,000)          | 131,000                                | (2,016,000)                          |
|   | <u>(1,821,654)</u>                     | <u>2,092,822</u> | <u>(2,198,924)</u> | <u>113,946</u>                         | <u>(1,813,810)</u>                   |
| <b>Restricted fixed asset funds</b>       |  |                  |                    |  |                                      |
| Inherited on conversion                   | 1,686,838                              | -                | (27,738)           | -                                      | 1,659,100                            |
| DfE group capital grants                  | 519,524                                | 9,099            | (12,204)           | -                                      | 516,419                              |
| Capital expenditure from GAG              | 675,724                                | -                | (27,878)           | 17,054                                 | 664,900                              |
|   | <u>2,882,086</u>                       | <u>9,099</u>     | <u>(67,820)</u>    | <u>17,054</u>                          | <u>2,840,419</u>                     |
| <b>Total restricted funds</b>             | <u>1,060,432</u>                       | <u>2,101,921</u> | <u>(2,266,744)</u> | <u>131,000</u>                         | <u>1,026,609</u>                     |
| <b>Unrestricted funds</b>                 |  |                  |                    |  |                                      |
| General funds                             | <u>43,570</u>                          | <u>458,196</u>   | <u>(469,763)</u>   | <u>-</u>                               | <u>32,003</u>                        |
| <b>Total funds</b>                        | <u>1,104,002</u>                       | <u>2,560,117</u> | <u>(2,736,507)</u> | <u>131,000</u>                         | <u>1,058,612</u>                     |

# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 17 Funds

(Continued)

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

General Annual Grant (GAG) must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Pupil premium grant, is specifically to raise the attainment of disadvantaged pupils and close the gap between them and their peers.

Catch-up premium is part of the government initiative to bridge the gap in education that was experienced as a result of Covid-19. The grant has been used on various additional educational resources to support pupils.

The balance carried forwards in relation to Other DfE/EFA grants relate to the Universal Free School Meals funding, which will be spent on the provision of school meals to infants.

The balance carried forwards in relation to Other government grants relates to early years funding which will be spent on the provision of nursery services.

Restricted fixed assets were predominantly funded by government grants and transfers from predecessor school.

# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 17 Funds

(Continued)

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

|                                     | Balance at<br>1 September<br>2019<br>£ | Income<br>£      | Expenditure<br>£   | Gains,<br>losses and<br>transfers<br>£ | Balance at<br>31 August<br>2020<br>£ |
|-------------------------------------|--|------------------|--------------------|--|--------------------------------------|
| <b>Restricted general funds</b>     |  |                  |                    |  |                                      |
| General Annual Grant (GAG)          | -                                      | 1,589,097        | (1,586,555)        | -                                      | 2,542                                |
| Pupil premium                       | -                                      | 112,557          | -                  | -                                      | 112,557                              |
| Other DfE/ESFA grants               | 104                                    | 98,975           | (205,400)          | -                                      | (106,321)                            |
| Other government grants             | -                                      | 289,872          | (229,306)          | -                                      | 60,566                               |
| Other restricted funds              | -                                      | -                | (9,042)            | 9,042                                  | -                                    |
| Pension reserve                     | (1,276,000)                            | -                | (230,000)          | (385,000)                              | (1,891,000)                          |
|                                     | <u>(1,275,896)</u>                     | <u>2,090,501</u> | <u>(2,260,303)</u> | <u>(375,958)</u>                       | <u>(1,821,656)</u>                   |
| <b>Restricted fixed asset funds</b> |  |                  |                    |  |                                      |
| Transfer on conversion              | 1,714,576                              | -                | (27,738)           | -                                      | 1,686,838                            |
| DfE group capital grants            | 530,955                                | 9,042            | (11,430)           | (9,042)                                | 519,525                              |
| Capital expenditure from GAG        | 701,184                                | -                | (25,460)           | -                                      | 675,724                              |
|                                     | <u>2,946,715</u>                       | <u>9,042</u>     | <u>(64,628)</u>    | <u>(9,042)</u>                         | <u>2,882,087</u>                     |
| <b>Total restricted funds</b>       | <u>1,670,819</u>                       | <u>2,099,543</u> | <u>(2,324,931)</u> | <u>(385,000)</u>                       | <u>1,060,431</u>                     |
| <b>Unrestricted funds</b>           |  |                  |                    |  |                                      |
| General funds                       | <u>72,397</u>                          | <u>323,970</u>   | <u>(352,799)</u>   | <u>-</u>                               | <u>43,568</u>                        |
| <b>Total funds</b>                  | <u>1,743,216</u>                       | <u>2,423,513</u> | <u>(2,677,730)</u> | <u>(385,000)</u>                       | <u>1,103,999</u>                     |

### 18 Analysis of net assets between funds

|  | Unrestricted<br>Funds<br>£ | Restricted funds:<br>General<br>£ | Fixed asset<br>£ | Total<br>Funds<br>£ |
|--|----------------------------|-----------------------------------|------------------|---------------------|
| <b>Fund balances at 31 August 2021 are represented by:</b> |                            |                                   |                  |                     |
| Tangible fixed assets                                      | -                          | -                                 | 3,206,169        | 3,206,169           |
| Current assets   | 32,003                     | 348,702                           | (63,930)         | 316,775             |
| Creditors falling due within one year                      | -                          | (146,512)                         | (42,930)         | (189,442)           |
| Creditors falling due after one year                       | -                          | -                                 | (258,890)        | (258,890)           |
| Defined benefit pension liability                          | -                          | (2,016,000)                       | -                | (2,016,000)         |
| <b>Total net assets</b>                                    | <u>32,003</u>              | <u>(1,813,810)</u>                | <u>2,840,419</u> | <u>1,058,612</u>    |

# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Analysis of net assets between funds

(Continued)

|  | Unrestricted<br>Funds<br>£ | Restricted funds:<br>General<br>£ | Fixed asset<br>£ | Total<br>Funds<br>£ |
|--|----------------------------|-----------------------------------|------------------|---------------------|
| <b>Fund balances at 31 August 2020 are represented by:</b> |                            |                                   |                  |                     |
| Tangible fixed assets                                      | -                          | -                                 | 3,247,837        | 3,247,837           |
| Current assets   | 43,568                     | 152,771                           | (41,864)         | 154,475             |
| Creditors falling due within one year                      | -                          | (83,427)                          | (40,946)         | (124,373)           |
| Creditors falling due after one year                       | -                          | -                                 | (282,940)        | (282,940)           |
| Defined benefit pension liability                          | -                          | (1,891,000)                       | -                | (1,891,000)         |
| <b>Total net assets</b>                                    | <b>43,568</b>              | <b>(1,821,656)</b>                | <b>2,882,087</b> | <b>1,103,999</b>    |

### 19 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and that of the LGPS related to the period ended 31 March 2019.

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

#### Teachers' Pension Scheme

##### Introduction

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

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

##### Valuation of the Teachers' Pension Scheme

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

# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 19 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- 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. The 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 pension costs paid to the TPS in the period amounted to £196,455 (2020: £191,363).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are % for employers and % for employees.

[Additional disclosure should be made where the scheme is in deficit and the entity has entered into an agreement with the trustees to make additional contributions in addition to normal funding levels, including the number of years over which it is anticipated that the additional contributions will be paid.]

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.

| Total contributions made | 2021<br>£      | 2020<br>£      |
|--------------------------|----------------|----------------|
| Employer's contributions | 116,000        | 117,000        |
| Employees' contributions | 40,000         | 41,000         |
| Total contributions      | <u>156,000</u> | <u>158,000</u> |

# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 19 Pension and similar obligations (Continued)

| Principal actuarial assumptions                    | 2021<br>% | 2020<br>% |
|--|-----------|-----------|
| Rate of increase in salaries                       | 3.85      | 3.55      |
| Rate of increase for pensions in payment/inflation | 2.6       | 2.3       |
| Discount rate for scheme liabilities               | 1.7       | 1.7       |
| Inflation assumption (CPI)                         | 2.6       | 2.3       |

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

|                      | 2021<br>Years | 2020<br>Years |
|----------------------|---------------|---------------|
| Retiring today       |               |               |
| - Males              | 21.9          | 21.8          |
| - Females            | 24.7          | 24.6          |
| Retiring in 20 years |               |               |
| - Males              | 22.6          | 22.5          |
| - Females            | 25.8          | 25.7          |

Scheme liabilities would have been affected by changes in assumptions as follows:

|  | 2021<br>£'000 | 2020<br>£'000 |
|--|---------------|---------------|
| Discount rate + 0.1%                           | (114)         | (96)          |
| Discount rate - 0.1%                           | 118           | 100           |
| Mortality assumption + 1 year                  | (180)         | (145)         |
| Mortality assumption - 1 year                  | 180           | 149           |
| Rate of general increase in salaries +0.1% p.a | 99            | 84            |
| Rate of general increase in salaries-0.1% p.a  | (95)          | (80)          |

| The academy trust's share of the assets in the scheme | 2021<br>Fair value<br>£ | 2020<br>Fair value<br>£ |
|---|-------------------------|-------------------------|
| Equities  | 2,183,000               | 1,656,000               |
| Government bonds                                      | 218,000                 | 206,000                 |
| Corporate bonds                                       | 120,000                 | 106,000                 |
| Cash  | 60,000                  | 36,000                  |
| Property  | 103,000                 | 91,000                  |
| Other assets  | 38,000                  | 32,000                  |
| <b>Total market value of assets</b>                   | <b>2,722,000</b>        | <b>2,127,000</b>        |

The actual return on scheme assets was £472,000 (2020: £(67,000)).

# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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| 19 Pension and similar obligations   | (Continued)      |                  |
|--|------------------|------------------|
| <b>Amount recognised in the statement of financial activities</b>              | <b>2021</b>      | <b>2020</b>      |
|  | £                | £                |
| Current service cost   | 341,000          | 323,000          |
| Interest income  | (37,000)         | (40,000)         |
| Interest cost  | 68,000           | 64,000           |
|  | <u>372,000</u>   | <u>347,000</u>   |
| <b>Changes in the present value of defined benefit obligations</b>             | <b>2021</b>      | <b>2020</b>      |
|  | £                | £                |
| At 1 September 2020  | 4,018,000        | 3,336,000        |
| Current service cost   | 341,000          | 323,000          |
| Interest cost  | 68,000           | 64,000           |
| Employee contributions   | 40,000           | 41,000           |
| Actuarial loss   | 304,000          | 278,000          |
| Benefits paid  | (33,000)         | (24,000)         |
|  | <u>4,738,000</u> | <u>4,018,000</u> |
| At 31 August 2021  |                  |                  |
| <b>Changes in the fair value of the academy trust's share of scheme assets</b> | <b>2021</b>      | <b>2020</b>      |
|  | £                | £                |
| At 1 September 2020  | 2,127,000        | 2,060,000        |
| Interest income  | 37,000           | 40,000           |
| Actuarial (gain)/loss  | 435,000          | (107,000)        |
| Employer contributions   | 116,000          | 117,000          |
| Employee contributions   | 40,000           | 41,000           |
| Benefits paid  | (33,000)         | (24,000)         |
|  | <u>2,722,000</u> | <u>2,127,000</u> |
| At 31 August 2021  |                  |                  |

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# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 20 Reconciliation of net expenditure to net cash flow from operating activities

|   | 2021<br>£      | 2020<br>£     |
|---|----------------|---------------|
| Net expenditure for the reporting period (as per the statement of financial activities) | (176,390)      | (254,217)     |
| Adjusted for:   |                |               |
| Capital grants from DfE and other capital income  | (9,099)        | (9,042)       |
| Finance costs payable   | 4,044          | 16,505        |
| Defined benefit pension costs less contributions payable                                | 225,000        | 206,000       |
| Defined benefit pension scheme finance cost   | 31,000         | 24,000        |
| Depreciation of tangible fixed assets   | 67,820         | 64,628        |
| (Increase)/decrease in stocks   | (2,828)        | 653           |
| (Increase)/decrease in debtors  | (17,851)       | 25,829        |
| Increase/(decrease) in creditors  | 63,087         | (60,841)      |
| <b>Net cash provided by operating activities</b>  | <b>184,783</b> | <b>13,515</b> |

#### 21 Analysis of changes in net debt

|  | 1 September<br>2020<br>£ | Cash flows<br>£ | 31 August<br>2021<br>£ |
|--|--------------------------|-----------------|------------------------|
| Cash                                       | 75,883                   | 141,621         | 217,504                |
| Loans falling due within one year          | (40,945)                 | (1,985)         | (42,930)               |
| Loans falling due after more than one year | (282,940)                | 24,050          | (258,890)              |
|  | <u>(248,002)</u>         | <u>163,686</u>  | <u>(84,316)</u>        |

#### 22 Long-term commitments, including operating leases

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

|                                   | 2021<br>£    | 2020<br>£     |
|-----------------------------------|--------------|---------------|
| Amounts due within one year       | 2,910        | 26,633        |
| Amounts due in two and five years | -            | 2,910         |
|                                   | <u>2,910</u> | <u>29,543</u> |



# OLD EARTH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### **23 Related party transactions**

Owing to the nature of the academy trust's operations 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 governors have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

Mrs H Reynolds, the wife of Mr P Reynolds, was employed by the school as a teacher during the financial year. Her total remuneration including pension benefits was £234 (2020 - £Nil). Mr T Freeman, the husband of Mrs R Freeman, was employed by the school as a teacher during the year. His total remuneration including pension benefits was £23,091 (2020 - £22,666).

#### **24 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.