

Registered number: 11046672

KINGS EDUCATION TRUST

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

KINGS EDUCATION TRUST
(A Company Limited by Guarantee)

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KINGS EDUCATION TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021

Members

G Joyner - Oxford Diocesan Board of Education
Rev K M Johnson
N Wilson

Trustees

H Beveridge (appointed 17 October 2019)
M Chatterson
J Garlick
G Hussain
A Sayani (appointed 15 October 2020)
M Stamp
M Williams (appointed 22 July 2020)
N Wilson

Company Secretary

None

Senior Management Team

S Best
S Garner
J Garlick

Company Name

Kings Education Trust

Principal and Registered Office

Cryers Hill Road, Cryers Hill, Great Kingshill, High Wycombe, United Kingdom, HP15 6JP

Company Registered Number

11046672 (England & Wales)

Independent Auditor

MHA MacIntyre Hudson, Building 4, Foundation Park, Roxborough Way, Maidenhead, SL6 3UD

Bankers

Lloyds Bank, 27 – 31 White Hart Street, High Wycombe, HP11 2HL

Solicitors

None.

KINGS EDUCATION TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Trustees' Report

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

Structure, Governance and Management

Constitution

The multi-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 multi-academy trust. The Trustees of Kings Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Kings Education Trust.

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.

Trustees' Indemnities

The Academy has opted into the DfE risk protection arrangement (RPA), an alternative to insurance where the UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees' and officers' indemnity element from the overall cost of the RPA scheme.

Method of Recruitment and Appointment or Election of Trustees

The method of recruitment and appointment of Trustees is described in the articles and memorandum of association. There must be a minimum quorum of three Trustees, one of which will be the Chief Executive Officer. The members may appoint up to 6 through such process as they may determine. Including the Chief Executive Officer, the number of Trustees who are also employees shall not exceed one third of the total number of Trustees. The Trustees may also choose to appoint up to three 'Co-opted Trustees'.

Trustees serve a minimum term of office of 4 years and may be re-appointed or re-elected. Trustees are appointed taking into account their skills, professional knowledge and experience.

Details of the Trustees who served during the year:

Mr Matthew Stamp
Mr Nicholas Wilson
Mrs Ghazala Hussain
Mrs Marisa Chatterson
Miss Joanne Garlick
Mr Howard Beveridge
Mr Mark Williams
Mrs Atifa Sayani

KINGS EDUCATION TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trustees have a vital role in our organisation. We aim to attract and retain people who have commitment, experience and the necessary skills to make a difference in the communities that we serve.

All new Trustees will be provided with an induction pack which includes previous external reports, inspection reports, data summary for the Trust, meeting dates, committee structure, code of conduct and explanation of role. In addition, depending on experience the following may be provided:

- Induction by Chair of Trustees
- Opportunity to tour an academy with the Executive Headteacher
- Access to previous minutes and policies
- Access to Governor zone and NGA Membership

Organisational Structure

The Chief Executive is the Accounting Officer of the Trust and, as such has ultimate responsibility for the operations and controls in place. At the point of approval of these financial statements Kings Education Trust included the following academies:

Academy	Date of Conversion	Type
Great Kingshill Primary School	1 February 2018	Primary (Convertor)

Kings Education Trust has an experienced Board of Trustees in place, which are responsible for identifying and establishing strategies and policies and for ensuring they are implemented. Where appropriate, duties are delegated to committees, and employees of Kings Education Trust.

During the year to 31 August 2021 the Board of Trustees had a Finance, Audit and Risk Committee and a Standards and Performance Committee to assist them in carrying out their responsibilities.

Committee terms of reference are reviewed and agreed on an annual basis by the Board of Trustees. The Trustees have a detailed scheme of delegation for effective and efficient decision making for its committees and senior staff throughout Kings Education Trust.

The appointment of Trustees, auditors, approval of annual financial statements and budgets, along with the approval of policies and procedures implemented within the Trust remain the responsibility of the Board.

The employed headteacher at each academy has the day to day responsibility for the management of each academy and activities supported by a senior leadership team and academy bursar.

Arrangements for setting pay and remuneration of key management personnel

The Trustees will establish the appropriate pay ranges for the members of the leadership group in accordance with the provisions of the School Teachers Pay and Conditions Document. When considering and setting salary levels across the trust a clear set of principles are followed to ensure transparency.

KINGS EDUCATION TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Trade union facility time
Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number 0
----------------------------------------------------------------------------------	-------------------------------------------

Connected Organisations including Related Party Relationships

During the reporting period there were no related parties, connected charities or organisations. During the year the Trust implemented a pecuniary and business interests policy, details of relevant entries can be viewed on the Trusts website.

Objectives and Activities

Object and Aims

Achievement and Ambition is at the heart of everything the Trust aspires to do, with a commitment to serving our community and delivering opportunities for all that stand out. The overarching aims of the Trust are to

- Provide a world class education for current pupils and future generations of children within our local community
- To work in partnership with other schools, to develop strong and sustainable school leadership
- To accelerate and embed school improvement
- To create schools that are rich learning communities underpinned by the core values of hope, love, respect, forgiveness, courage and truth.

These values underpin everything that we do in the Trust. We believe in our stakeholder, be they children or adults. We offer them high quality provision and experience to achieve their potential and succeed in life. This approach applies to everyone. We are an inclusive Trust with an inclusive approach to learning. No child is excluded from our success. Each and every member of the Trust is welcomed as an equal partner and the communities within the Trust are respected for the distinctiveness and individuality they provide.

Our belief in our children's potential and ability drives us to stand out as educators every day in order for them to stand out as individuals who are well prepared for the next stage of their educational journey. We look for this ambition and commitment in the teachers we recruit.

We believe that all children are entitled to an excellent education and we have a relentless focus on each child to ensure this happens. We have high expectations for all of our schools, for them to be the best that they can be. Our commitment to inclusion will be evident for every child, in every lesson, every day.

The Trust has the highest aspirations for its pupils, parents and staff. We have a proven track record of high levels of success and achievement. We are a leading example of excellence in Primary Education within Buckinghamshire and actively support a range of different schools across the local authority and beyond. We prepare our learners for the opportunities, responsibilities and experiences of life, through a balanced high quality curriculum. We develop a caring and stimulating environment where the school community, and all stakeholders, learn and achieve together. This is evident in everything that we do.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and Activities (continued)

We work tirelessly to guarantee the best possible education for children. We recognise the children from disadvantaged backgrounds need nothing less than excellent teaching. We believe that school should be a place where every child achieves and succeeds. Our approach is to develop individual emotional well-being and self-esteem alongside raising attainment and achievement.

- We develop and embed expertise that overcomes any barriers to learning and have the skills to share this approach with other schools.
- We continue to innovate in order to give children the best chance to succeed, are outward facing and also open to new ideas, providing there is a clear, positive impact for our pupils and staff.
- We are developing an associate membership scheme to ensure the Trust is not insular and that best practice and approaches can be exchanged, broadening the base and reach of the Trust.

As one Trust we take collective responsibility and are accountable, ensuring that all children are ready for the next stage of their life, at each transition throughout their childhood.

Objectives, Strategies and Activities

As a Trust we are committed to securing high quality teaching and are innovative in recruiting to all positions with high quality professionals. In so doing we will improve recruitment and deployment of staff. We aim to provide world class professional opportunities for our staff. We share resources across the Trust to broker the best educational support that is available for our children and families.

We ensure that our schools provide:

- High quality education delivered by excellent staff
- The best conditions for all children to make the most progress
- A caring, supportive, safe learning environment
- A broad and rich curriculum with a strong emphasis on character education and wellbeing
- Opportunities for parental involvement to ensure strong partnerships

We are committed to:

- The health, welfare and overall development and success of all our children
- High levels of inclusion and attainment
- Working closely with other schools and partners within the area to raise achievement for all children
- Recruit and retain the best staff by providing excellent development opportunities and strong career pathways

Our pupils have:

- High self-esteem, confidence and resilience
- Positive attitudes for their own learning with the ability to assess their own learning needs
- Respect for themselves and others in the community
- Responsibility for their own behaviour and positive social attitudes
- A sense of pride in themselves and their school

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Public Benefit

In pursuing the Trust's objectives outlined above, the Trustees have complied with their duty to have due regard to the Charity Commission's general guidance on public benefit and supplementary guidance on education as published on their website.

Strategic Report

Due to the impacts of the global; Coronavirus pandemic on school during 2020/21, priorities for progress within the Trust have differed to previous years. The Trust introduced a Covid 19 Contingency Plan for Remote Learning. This plan was put in place to give all stakeholders clear understanding of their roles, in the event of any partial or full closure, and to ensure pupils continue to learn. Our primary aim was and remains the safety and well-being of our staff and pupils. We recognised that a school closure would impact differently on all of us and we acknowledged that children and families will face a variety of situations and challenges. With this in mind we take all steps possible to keep school open, but have robust contingency plans should school ever need to close or self-isolation of individual pupils / whole bubbles be required.

Infrastructure

- Executive Leadership Team, Member and Trustee boards have continued to work effectively during the pandemic, with regular meetings taking place remotely to discuss the Trust's approach to tackling the spread of the virus and effects it has had on children's learning
- During the pandemic, the school websites have been key in ensuring important messages regarding the pandemic are delivered to parents and the community.
- Budget set and approved. All Education Skills Funding Agency returns completed on time, including published accounts.
- A further £249k of CIF funding was successfully secured for capital projects in 2021 which supported the partial Replacement of Roof Coverings £148k and urgent Fire Safety Improvements £101k.

Operational

- Great Kingshill School closed on the 20 March 2021 as mandated by the Government due to the Coronavirus pandemic. KET continued to offer places to key worker and vulnerable families during school closures. The actions taken by leaders in the school early in the week ending 20th March, enabled pupils to leave school with work to take them through to the Easter break. Other key decisions taken at that time included to only provide keyworker childcare for those pupils where both parent was a keyworker, this ensured that the number of pupils were manageable and most importantly safe. The number of pupils accessing the provision grew steadily during the closure period.
- KET adapted quickly in difficult circumstances. Being a collaborative and supportive school support was also given to neighbouring schools in the authority with the sharing of effective practice and support systems which made the process more efficient and responsive.
- Weekly meetings took place during school closures, making key decisions on how to manage school premises, staff expectations, reducing the risk of transmission and handling concerns from staff, parents and the community.
- The Trust worked closely with Buckinghamshire Council throughout the pandemic, with regular updates received via email from both the Local Authority and the Department for Education .
- The Trust supported and responded to both local and national requests for data regarding attendance, vulnerable children and staffing resilience.
- New day to day processes were put in place in school to minimise the risk of transmission. This included social distancing measures around the school, adapted school timings, all corridors are marked with 2 meter spacing. Desks are spaced at 2 meters apart and there is a 2 meter corridor space at the front for the teacher.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic Report

Operational (continued)

- Hand-sanitiser stations are available outside classrooms, at central part of the school and entry point to the school. The rooms are cleaned at lunchtime and then again at the end of the day. The cleaners initially conducting a deep clean on a Wednesday PM.
- Workload was monitored via year group leaders and SLT. The same planning is being used both in school and at home to prevent doubling up and teachers were either in school or working remotely to support on line learning and planning provision.
- LSAs were used flexibly either in school or at home to support those teachers working at home with responding to pupils work.
- Weekly meeting were held with staff to support operational matters, phone contact was available daily if required and year group leaders are checking in with staff each day.
- Staff in school were supported by the leaders in school, who were available to answer any questions they may have. Staff were all invited to attend social distanced staff meetings and other virtual CPD and took part in a staff survey pre wider opening. This provided staff with reassurance and enabled them to ask any questions or address any worries they may have. All teachers have had a 1:1 with a member of SLT.

Curriculum & Learning

- No National assessments took place in 2021. SLT have continued to monitor pupil progress and prepared school reports for parents. Internal assessment data was collected following informal assessment points.
- Home learning resources that have been provided have broadly mirrored the curriculum areas and topics that would have been covered in school this term. The topics have remained the same and the learning activities adjusted to suit the pupils working from home.
- As a result of this pupils have experienced a wide variety of learning opportunities across the home learning offer. Maths continued to follow the power maths structure with the pupils completing the relevant units in their power maths books. As more pupils begin to attend school, it was agreed that the provision for in school and at home would remain the same, with pupils who were attending school working through the set home learning. During lockdown 1 and 2 this worked well.
- The school implemented class Dojo during the first week of lockdown. This is a free online platform where pupils have a learning portfolio and there is a class story where the teacher can post messages and set the work.
- 92% of pupils and parents have engaged with the home learning offer.
- All staff including LSAs were provided with training and support on how to use the APP.
- The APP was selected for its ease of use and that it interfaced with all smart phones, as this meant that all families should be able to access it.
- Parents were sent log on details and how to access the APP and upload their work.
- Engagement has been monitored closely by class teachers, where pupils have not engaged with the work additional contacts have been made via the pastoral team in the form of phone calls and emails.
- 94% of pupils have engaged well with the home learning, the quality of the work produced at home has been excellent and the support from parents has been appreciated.
- The teachers are in regular communication with pupils and parents via the class Dojo.
- Daily texts and emails were sent to parents who were encouraged to contact the school for any help or advice. Staff also made fortnightly calls to all pupils in each class to offer support. Wellbeing video messages were sent out to children by staff in schools.
- The Trust made plans for all children being welcomed back to school in September 2021. Upon the return to school, the focus was on rebuilding relationships, emotional wellbeing and reintroduction into school.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic Report (continued)

Free School Meals

- Free School Meal Vouchers continue to be provided using Wonde. The vouchers were issued to families until the end of the academic year in line with DfE guidelines.

Improvements to Building Condition

During the year the Trust was successful in securing its third grant from the Education Skills Funding Agency to improve the condition of the school buildings and school site, the award of grant was £249,000 and related to roofing works and also fire security improvements. Previously work was completed on the improvement to the schools electrical wiring (£340,000) and to install security fencing around the school site (£74,000).

Reporting

Regular update reports are completed by the Chief Executive Officer, who reports progress on the plan to the Board of Trustees and key issues affecting individual schools. Data is provided to the Board on safeguarding, key performance indicators and the delivery of Strategic plans including those related to MAT growth, school to school support and CPD delivery beyond the MAT.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy Trust will be subject to further growth during 2021/22 will have adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

Kings Education Trust income is derived in the main from the Department of Education (DFE) via the Education & Skills Funding Agency (ESFA) in the form of revenue and capital grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

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

Incoming resources during the year ended 31 August 2021, excluding capital totalled £2,196,871 and was sufficient to cover outgoing resources and provided a surplus of £134,463 before transfers and FRS102 pension adjustments.

At the 31 August 2021 the net book value of fixed assets was £717,761. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust. At the 31 August 2021 the net assets excluding pension liability was £812,925.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the Academy. It should be noted that this does not present the Academy with any current liquidity problem. The employer contributions since December 2016 have increased and it is expected that they will continue to increase further. Overall the academy has a healthy balance sheet and will be using reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and the short term in conjunction with the school development plan and school aims.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic Report

Financial Review (continued)

Within the reserves policy users should note that, because of accounting for Local Government Pension Scheme (LGPS), the academy recognises a significant pension fund deficit totaling £1,072,000. This deficit is included in restricted funds. This does not lead to an immediate liability for this amount

The presence of a pension deficit will generally result in a cash flow effect for the Trust in the form of an increase in employer's pension contributions over a period of years. The Trust is confident it can meet the increase in contribution levels and this has been factored into future financial plans.

Reserves Policy

For individual schools joining the Trust, reserves brought forward on conversion are accounted for in their individual statement.

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review and aim to build and maintain the reserves level whilst in keeping with the principle object of the academy.

Total reserves at the end of the period amounted to (£259,075), this balance includes unrestrictive funds (free reserves) of £40,057 which is considered appropriate for the Academy Trust, and restricted funds excluding pension and fixed assets of £90,127.

Investment Policy

A Trust Investment policy is yet to be implemented should any potential investment opportunity arise this would be escalated to the Board for consideration. As of 31st August 2021, no investments were held.

Fundraising

The Board is responsible for ensuring that the organisation operates within a responsible, sustainable financial framework and that the organisation has adequate resources to carry out its work.

- Trustees have the responsibility of ensuring the survival and continuation of the Trust. This includes responsibility for ensuring funding is available to support the activities of the organisation.
- While Trustees may delegate many of the operations of fundraising to other parts of the organisation, the Board retains the responsibility for inspiring other fundraisers, demonstrating the perceived importance of fundraising to the organisation, and demonstrating their leadership in this area.
- The Board are committed to ensuring that fundraising activities are carried out in an ethical manner.
- The guiding fundraising principle is a simple one – we will only use techniques that we would be happy to be used on ourselves.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Fundraising (continued)

In doing so, the organisation will adhere to the following standards:

- The Board will have regard to the Charity commissions publication 'Charity Fundraising' (CC20)
- Fundraising activities carried out by individual Academies, including their PTA will comply with all relevant laws.
- Any communications to the public made in the course of carrying out a fundraising activity shall be truthful and non-deceptive.
- All monies raised via fundraising activities will be for the stated purpose of the appeal and will comply with the Academies' stated mission and purpose.
- All personal information collected by the Academy is confidential and is not for sale or to be given away or disclosed to any third party without consent.
- Nobody directly or indirectly employed by or volunteering for the Academy shall accept commissions, bonuses or payments for fundraising activities on behalf of the organisation.
- No general solicitations shall be undertaken by telephone or door-to-door.
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of the Academy.
- Financial contributions will only be accepted from companies, organisations and individuals the Board considers ethical. All Governors, casual, permanent and contract staff and volunteers are responsible for adhering to these procedures.
- Fundraising activities should not be undertaken if they will expose the organisation to significant financial risk.
- Complaints will be dealt with in accordance with the Trusts complaints procedure.

Principal Risks and Uncertainties

Like all other Multi Academy Trusts, Kings Education Trust is operating through a continuing period of uncertainty regarding future funding, both locally and nationally. The Academy is exposed to a number of financial risks including credit, cash flow and liquidity risks.

A key uncertainty highlighted by the Trust Board is the pace and level of future growth, any such growth will result in additional funding; potential additional risk and may result in additional capacity being required to support the central infrastructure of the Trust. The Trust has entered into a number of conversations with prospective schools looking to academise, unfortunately at this point none of the conversations have progressed further.

Additionally, the COVID19 pandemic continues to challenge the school in the provision of its educational priorities, with a significant number of children who will continue to be taught online. The current national lockdown also limits income generating opportunities at the school.

Given the Academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

A trust risk register has been implemented and is updated and reviewed termly. Where appropriate, systems or procedures have been established to mitigate the risks each academy faces.

It should also be noted that procedures are in place to ensure compliance with health and safety of staff and pupils.

The presence of a pension deficit will generally result in a cash flow effect for the Trust in the form of an increase in employer's pension contributions over a period of years. The Trust is confident it can meet the increase in contribution levels and this has been factored into future financial plans.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods

The Trust strategic priorities include:

Business strategy

- Develop a Business Model for the Trust that is effective and efficient, and ensures that new academies joining the Trust have access to high quality core services.
- Continue to generate income through school to school support and other areas of outreach work.
- Actively seek out opportunities to attract additional funding either through capital investment, or fundraising & bidding for funds, including those focused on school improvement and school workforce professional development.

Finance strategy

- Maintain a 3 year budget plan and ensure resources can be allocated swiftly to need.
- Effective cash management practices
- Ensure robust mechanisms are in place to comply with statutory policies and regulations.
- Continue to embed sound financial practice across the Trust.

Growth

- Expand the Trust; initially within Buckinghamshire; then considering other regional schools that have a consistent ethos with that of the Trust

Leadership strategy

- Audit and map Leadership provision in each school and plan for identified needs and succession.
- Trust website to be further developed to ensure that it effectively promotes the work and achievements of schools within the Trust.
- Trustees are assigned to areas of risk identified across the Trust, equally each Trustee is also linked with a school local governing body.

Assessment and Monitoring

- Ensure that any new schools joining the Trust adopt a consistent data collection and analysis vehicle, resulting in a shared policy relating to assessment and data

Teaching and Learning

- Ensure that the quality of teaching and learning across the Trust is at least good with 25% being outstanding.
- Triangulate information from teacher assessments; pupil's work and pupil outcomes to judge the quality of teaching consistently in each school. This will also be validated by the school improvement advisor.
- Share the strong teaching practices from across the trust with other schools locally in order to provide continued school to school support and increase staff professional development opportunities

Curriculum

- Audit best practice in behaviour for learning and share across the trust. Reduce exclusions by continued development of pastoral support and respite/ reintegration.
- Develop the MAT curriculum principles to include character and well-being education
- Implement Compass for Life programme across the Trust as a means of sharing best practice.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Funds held as custodian Trustee on behalf of others

None.

Independent Auditors

Insofar as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 15 December 2021 and signed on the board's behalf by:

N Wilson
Chair of Trustees

KINGS EDUCATION TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

Governance Statement

Governance

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive, 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 Master Funding Agreement and Supplementary Funding Agreements between Kings Education Trust and the Secretary of State for Education.

They are also responsible for reporting to the board of trustees any material weakness or breakdowns in internal control. The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

The board of trustees has met seven times during the year. As a record, attendance during the year at meetings was as follows:

Board of Trustees

Trustee	Meetings attended	Out of a possible
Miss J Garlick	7	7
Mrs G Hussain	5	7
Ms M Chatterson	6	7
Mr M Stamp	7	7
Mr N Wilson	7	7
Mr Howard Beveridge	6	7
Mr Mark Williams	7	7
Mrs Atifa Sayani	5	7

Key priorities for the next year will be;

- Continuing to build the membership of the board to provide a range of skills and experience to support the growth of the Trust and combat any going concerns
- Procurement of services that will benefit our academies by achieving better quality, delivering economies of scale and consistent outcomes across our academies

Review of Value for Money

As accounting officer, the Chief Executive 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 social outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available.

KINGS EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2021

Review of Value for Money (continued)

The accounting officer for the academy Trust has delivered improved value for money during the year in the following ways:

- The Trust continues to undertake significant works at its academies successfully attracting funding from the ESFA's Condition Improvement Fund (CIF). The aim of this work has been to improve the general condition of the schools and to improve, in particular, their suitability for high quality provision whilst not negatively impacting on the individual school budgets.
- Key documentation, checklists and processes for review have been developed and implemented. These improved arrangements will lead to improved and more timely information being provided to stakeholders.
- As the Trust continues to grow, contracts are subject to review prior to renewal and are procured at Trust rather than individual school level making use of both national and local frameworks, this increased bargaining power drives out efficiency savings for each of the Trusts individual academies and ensures that value for money and efficient procurement in one academy is replicated in its other academies, thus, creating increased economies of scale and enhanced financial literacy amongst academy business staff.

In each of these examples, the Trust is using its budgets wisely to improve the resources available to pupils and staff and, in turn, for this to positively impact upon outcomes. This is clearly evident in the assessment and test tables set out above, which show clear impact and, in turn, good value for money.

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 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.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks.

The Risk and Control Framework

The 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:

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

KINGS EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2021

The Risk and Control Framework (continued)

The board of trustees has decided not to appoint an auditor for this purpose. However, the trustees have appointed Howard Beveridge, a trustee, to carry out a programme of internal checks.

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

- Reviewing the Trust's website
- Reviewing the policies and procedures of the Academy financial handbook

On a regular basis, the Finance Director reports to the Board of Trustees, through the Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Review of Effectiveness

As Accounting Officer, the Chief Executive 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 external auditor
- the work of the leadership team within the Trust who have responsibility for the development and maintenance of the internal control framework
- increased prescription in the operational financial expectations of the Trust including written guidance; monthly checklists; training and 1-1 mentoring. The introduction of a Financial Controller also provides additional capacity to support these developments and ensure compliance.

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 Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Trustees on 15 December 2021 and signed on its behalf by:

N Wilson
Chair of Trustees

J Garlick
CEO

KINGS EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2021

As Accounting Officer of Kings Education Trust I have considered my responsibility to notify the Board of Trustees and the Education & Skills Funding Agency of material irregularity, impropriety and noncompliance with ESFA terms and conditions of funding, under the funding agreement in place between the 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 Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2020.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA:

Financial issues

Poor cashflow management

The trust has demonstrated poor cashflow management. During 2019/20, a payroll BACS run failed as there were insufficient funds in the bank account for one day before a transfer of funds was made from the other bank account. During 2020/21 a supplier BACS run failed, and for 8 days the bank account was overdrawn, which is a form of borrowing and is in breach of paragraphs 2.24 and 5.32 of the ESFA Academies Financial Handbook 2020. Prior approval must be obtained from the ESFA for borrowing (including overdraft facilities). Whilst the Trust had funds in another bank account, funds had not been transferred due to a lack of procedure and oversight.

Management accounts

The trust's management accounts for 2019/20 and 2020/21 did not include a balance sheet which is in breach of paragraph 2.21 of the ESFA Academies Financial Handbook 2020.

Debtor control reconciliations

During the year, the trust failed to comply with paragraph 2.7 of the ESFA Academies Financial Handbook 2020. It was found that trade debtors are not being reconciled monthly in the school or central services and consequently the majority of the trade debtor balances are more than 90 days old.

Bank reconciliations

During the year, the trust failed to comply with paragraph 2.7 of the ESFA Academies Financial Handbook 2020, in respect of accuracy over monthly bank reconciliations. There is a lack of knowledge over the accounting system processes and reconciliations.

Non-financial issues

Website requirements

The trust's website did not comply with requirements for publication of: (i) prior year accounts published on website by 31 January (paragraph 4.4 of the ESFA Academies Financial Handbook 2020); (ii) attendance records for trustees at board and committee meetings over the past year (paragraph 2.50); and (iii) attendance records for local governors at local governing body meetings over the past year (paragraph 2.50).

J Garlick
Accounting Officer
15 December 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

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

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

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

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

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

N Wilson
Chair of Trustees

Date: 15 December 2021

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KINGS EDUCATION TRUST

Opinion

We have audited the financial statements of Kings Education Trust (the 'Academy Trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy 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 Trustees with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KINGS EDUCATION TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KINGS EDUCATION TRUST (CONTINUED)

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy 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 Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

- Enquiry of management around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KINGS EDUCATION TRUST (CONTINUED)

Use of our report

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

BIANCA SILVA BA ACA DChA (Senior Statutory Auditor)

For and on behalf of

MHA MacIntyre Hudson (Statutory Auditor)

Maidenhead, United Kingdom

Date: 23 December 2021

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KINGS EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 22 October 2020 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 Kings Education Trust during the year 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 Kings Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Kings Education Trust 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 Kings Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Kings Education Trust's funding agreement with the Secretary of State for Education dated 1 February 2018 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 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.

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

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:

- reviewing the minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- consideration of governance issues and
- evaluating the internal control procedures and reporting lines, testing as appropriate; and
- making appropriate enquiries of the Accounting Officer.

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

Conclusion

In the course of our work, except for the matters listed below nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 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.

Poor cashflow management

The trust has demonstrated poor cashflow management. During 2019/20, a payroll BACS run failed as there were insufficient funds in the bank account for one day before a transfer of funds was made from the other bank account. During 2020/21 a supplier BACS run failed, and for 8 days the bank account was overdrawn, which is a form of borrowing and is in breach of paragraphs 2.24 and 5.32 of the ESFA Academies Financial Handbook 2020. Prior approval must be obtained from the ESFA for borrowing (including overdraft facilities). Whilst the Trust had funds in another bank account, funds had not been transferred due to a lack of procedure and oversight.

Management accounts

The trust's management accounts for 2019/20 and 2020/21 did not include a balance sheet which is in breach of paragraph 2.21 of the ESFA Academies Financial Handbook 2020.

Debtor control reconciliations

During the year, the trust failed to comply with paragraph 2.7 of the ESFA Academies Financial Handbook 2020. It was found that trade debtors are not being reconciled monthly in the school or central services and consequently the majority of the trade debtor balances are more than 90 days old.

Bank reconciliations

During the year, the trust failed to comply with paragraph 2.7 of the ESFA Academies Financial Handbook 2020, in respect of accuracy over monthly bank reconciliations. There is a lack of knowledge over the accounting system processes and reconciliations.

Website requirements

The trust's website did not comply with requirements for publication of: (i) prior year accounts published on website by 31 January (paragraph 4.4 of the ESFA Academies Financial Handbook 2020); (ii) attendance records for trustees at board and committee meetings over the past year (paragraph 2.50); and (iii) attendance records for local governors at local governing body meetings over the past year (paragraph 2.50).

Reporting Accountant
MHA MacIntyre Hudson (Statutory Auditor)
Maidenhead, United Kingdom

Date: 23 December 2021

KINGS EDUCATION TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	-	14,041	8,757	22,798	271,692
Charitable activities	4	-	2,013,577	-	2,013,577	1,867,668
Other trading activities	5	32,679	136,555	-	169,234	155,642
Investments	6	19	-	-	19	234
Other income		-	-	-	-	55,484
Total income		32,698	2,164,173	8,757	2,205,628	2,350,720
Expenditure on:						
Charitable activities		11,100	2,188,308	80,091	2,279,499	2,252,335
Total expenditure	8	11,100	2,188,308	80,091	2,279,499	2,252,335
Net income/(expenditure)		21,598	(24,135)	(71,334)	(73,871)	98,385
Transfers between funds	18	-	(22,738)	22,738	-	-
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	27	-	(34,000)	-	(34,000)	(58,000)
Net movement in funds		21,598	(80,873)	(48,596)	(107,871)	40,385
Reconciliation of funds:						
Total funds brought forward		18,459	(901,000)	731,337	(151,204)	(191,589)
Net movement in funds		21,598	(80,873)	(48,596)	(107,871)	40,385
Total funds carried forward		40,057	(981,873)	682,741	(259,075)	(151,204)

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

The notes on pages 28 to 57 form part of these financial statements.

KINGS EDUCATION TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 11046672

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	14		717,761		670,750
			<u>717,761</u>		<u>670,750</u>
Current assets					
Debtors	15	132,312		228,462	
Cash at bank and in hand		191,050		276,723	
		<u>323,362</u>		<u>505,185</u>	
Creditors: amounts falling due within one year	16	(199,036)		(391,119)	
			<u>124,326</u>		<u>114,066</u>
Net current assets					
			842,087		784,816
Total assets less current liabilities					
Creditors: amounts falling after more than one year	17		(29,162)		(35,020)
Defined benefit pension scheme liability	27		(1,072,000)		(901,000)
			<u>(259,075)</u>		<u>(151,204)</u>
Total net assets					
			(259,075)		(151,204)
Funds of the Academy Trust					
Restricted funds:					
Fixed asset funds	18	682,741		731,337	
Restricted income funds	18	90,127		-	
Pension reserve	18	(1,072,000)		(901,000)	
			<u>(299,132)</u>		<u>(169,663)</u>
Total restricted funds					
Unrestricted income funds					
	18		40,057		18,459
			<u>(259,075)</u>		<u>(151,204)</u>
Total funds					
			(259,075)		(151,204)

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 25 to 57 were approved by the Trustees, and authorised for issue on 15 December 2021 and are signed on their behalf, by:

N Wilson
Chair of Trustees

The notes on pages 28 to 57 form part of these financial statements.

KINGS EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	21	38,511	236,156
Cash flows from investing activities	23	(118,326)	(101,833)
Cash flows from financing activities	22	(5,858)	(5,858)
Change in cash and cash equivalents in the year		(85,673)	128,465
Cash and cash equivalents at the beginning of the year		276,723	148,258
Cash and cash equivalents at the end of the year	24, 25	191,050	276,723

The notes on pages 28 to 57 form part of these financial statements

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Kings Education Trust is a company limited by guarantee incorporated in England and Wales. The address of the registered office, principal place of operations and registered number are detailed on page 1. The nature of the Academy Trust's operations and principal activity are detailed in the Trustees' Report.

The Financial Statements are prepared in British Pound Sterling (£), the functional and presentational currency, rounded to the nearest £1.

1.2 Fund accounting

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

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

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

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

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

1. Accounting policies (continued)

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

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

• **Donations**

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

• **Other income**

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

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

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and 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

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

• **Charitable activities**

Expenditure on charitable activities 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.

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

1. Accounting policies (continued)

1.4 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 Operating leases

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

1.7 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 Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.9 Cash at bank and in hand

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

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

1. Accounting policies (continued)

1.10 Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long leasehold property	- over the life of the lease (buildings only)
Leasehold improvements	- 2% on cost
ICT equipment	- 20% - 33% on cost
Furniture and equipment	- 10% on cost

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 incorporating Income and Expenditure Account.

The Academy Trust occupies land and buildings which is held in trust by Trustees, who are the Incumbent and the Churchwardens of Diocesan Trustees (Oxford) Limited. These Trustees are the providers of the property to the Academy Trust on the same basis as when the academy was a maintained school. The Academy Trust occupies the property under a licence. This continuing permission of these Trustees is pursuant to, and subject to, the Trustees' charitable objects. The licence delegates aspects of the management of the property to the Academy Trust for the time being, but does not vest any rights over the property in the Academy Trust. These Trustees have given an undertaking to the Secretary of State that they will not give the Academy Trust less than two years notice to terminate the occupation of the property.

Having considered the factual matrix under which the Academy Trust is occupying the property, and the guidance in the Academies Accounts Direction for the year ended 31 August 2019, the Academy Trust Trustees have concluded that the property transferred on conversion to the Academy Trust should not be recognised on the balance sheet of the Academy Trust. However, the Academy Trust Trustees consider that property improvements since conversion should be recognised at fair value on the balance sheet of the Academy Trust.

The value of the donation for use of premises for its operations in the period has not been recognised as it cannot be reliably measured.

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

1. Accounting policies (continued)

1.11 Interest receivable

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

1.12 Liabilities and provisions

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

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

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

1.13 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 bases are as follows:

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

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

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

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

1. Accounting policies (continued)

1.14 Pensions

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy 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/(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.

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

2. Critical accounting estimates and areas of judgement

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

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 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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

3. Income from donations and capital grants

	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Donations	14,041	-	14,041
Capital grants	-	8,757	8,757
	14,041	8,757	22,798

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

3. Income from donations and capital grants (continued)

	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Donations	1,513	12,497	14,010
Capital grants	-	257,682	257,682
	<u>1,513</u>	<u>270,179</u>	<u>271,692</u>

4. Funding for the Academy Trust's educational operations

	Restricted funds 2021 £	Total funds 2021 £
DfE/ESFA grants		
General Annual Grant (GAG)	1,511,250	1,511,250
Other DfE/ESFA grants		
Pupil Premium	39,894	39,894
Teachers pension grant	70,449	70,449
UIFSM	48,906	48,906
Others	48,237	48,237
	<u>1,718,736</u>	<u>1,718,736</u>
Other Government grants		
SEN and EYF	167,800	167,800
	<u>167,800</u>	<u>167,800</u>
Other income from the Academy Trust's academy's educational operations	75,482	75,482
COVID-19 additional funding (DfE/ESFA)		
Catch-up premium	31,360	31,360
Other DfE/ESFA COVID-19	20,199	20,199
	<u>51,559</u>	<u>51,559</u>
	<u>2,013,577</u>	<u>2,013,577</u>

The academy received £31,360 of funding for catch-up premium and costs incurred in respect of this funding totalled £31,360.

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

4. Funding for the Academy Trust's educational operations (continued)

	Restricted funds 2020 £	Total funds 2020 £
DfE/ESFA grants		
General Annual Grant (GAG)	1,402,280	1,402,280
Other DfE/ESFA grants		
Pupil premium	38,972	38,972
Teachers pension grant	71,168	71,168
UIFSM	49,600	49,600
Others	73,677	73,677
	<u>1,635,697</u>	<u>1,635,697</u>
Other Government grants		
SEN and EYF	146,895	146,895
	<u>146,895</u>	<u>146,895</u>
Other income from the Academy Trust's academy's educational operations	75,589	75,589
COVID-19 additional funding (DfE/ESFA)		
Other DfE/ESFA COVID-19	9,487	9,487
	<u>9,487</u>	<u>9,487</u>
	<u><u>1,867,668</u></u>	<u><u>1,867,668</u></u>

5. Income from other trading activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Rental income	7,490	-	7,490
Staff consultancy	-	132,000	132,000
Supply teacher insurance claims	4,720	4,555	9,275
Other income	20,469	-	20,469
	<u>32,679</u>	<u>136,555</u>	<u>169,234</u>
	<u><u>32,679</u></u>	<u><u>136,555</u></u>	<u><u>169,234</u></u>

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

5. Income from other trading activities (continued)

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Rental income	13,481	-	13,481
Staff consultancy	-	83,625	83,625
Supply teacher insurance claims	4,600	-	4,600
Other income	53,936	-	53,936
	<u>72,017</u>	<u>83,625</u>	<u>155,642</u>

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Bank interest	19	19
	<u>19</u>	<u>19</u>

	Unrestricted funds 2020 £	Total funds 2020 £
Bank interest	234	234
	<u>234</u>	<u>234</u>

7. Other incoming resources

	2021 £	2020 £
Risk protection arrangement claim	-	55,484
	<u>-</u>	<u>55,484</u>

Other incoming resources of £Nil (2020 - £55,484) was allocated to unrestricted funds.

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

8. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Academy's educational operations:				
Direct costs	1,547,249	-	65,576	1,612,825
Allocated support costs	219,699	255,465	191,510	666,674
	<u>1,766,948</u>	<u>255,465</u>	<u>257,086</u>	<u>2,279,499</u>
	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Academy's educational operations:				
Direct costs	1,544,479	-	87,509	1,631,988
Allocated support costs	198,631	255,071	166,645	620,347
	<u>1,743,110</u>	<u>255,071</u>	<u>254,154</u>	<u>2,252,335</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Academy's educational operations	<u>1,612,825</u>	<u>666,674</u>	<u>2,279,499</u>
	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Academy's educational operations	<u>1,631,988</u>	<u>620,347</u>	<u>2,252,335</u>

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

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	1,547,249	1,544,479
Technology costs	1,732	3,154
Educational supplies	27,047	30,843
Educational consultancy	3,750	3,045
Staff expenses	13,212	11,512
Other direct costs	19,835	38,955
	<u>1,612,825</u>	<u>1,631,988</u>

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Pension finance costs	14,000	13,000
Staff costs	219,699	198,631
Depreciation	80,091	47,298
Technology costs	40,448	30,718
Premises costs	98,508	147,551
Catering costs	123,535	82,434
Other support costs	82,233	83,004
Governance costs	8,160	17,711
	<u>666,674</u>	<u>620,347</u>

KINGS EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	9,808	9,022
Depreciation of tangible fixed assets	80,091	47,298
Fees paid to auditors for:		
- audit	8,500	8,000
- other services	4,350	6,890
	<u> </u>	<u> </u>

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	1,227,617	1,251,961
Social security costs	107,058	104,499
Pension costs	410,672	386,650
	<u>1,745,347</u>	<u>1,743,110</u>
Agency staff costs	2,138	-
Staff restructuring costs	19,463	-
	<u>1,766,948</u>	<u>1,743,110</u>

Staff restructuring costs comprise:

	2021 £	2020 £
Redundancy payments	19,463	-
	<u>19,463</u>	<u>-</u>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £13,880 consisting of one payment (2020 - £Nil).

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

11. Staff (continued)

c. Staff numbers

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

	2021	2020
	No.	No.
Teaching	21	26
Administration and support	31	37
Management	3	3
	55	66

d. Higher paid staff

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	1	1

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £268,355 (2020 : £251,422).

12. Related Party Transactions - Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2021	2020
		£	£
J Garlick	Remuneration	75,000 - 80,000	75,000 - 80,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000

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

12. Related Party Transactions - Trustees' remuneration and expenses (continued)

During the year ended 31 August 2021, expenses totalling £NIL were reimbursed or paid directly to no Trustee (2020: - £nil).

13. Trustees' and Officers' insurance

The Academy Trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

14. Tangible fixed assets

	Long-term leasehold property £	Leasehold improvements £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2020	30,000	614,020	47,431	67,834	759,285
Additions	-	119,687	2,902	4,513	127,102
At 31 August 2021	<u>30,000</u>	<u>733,707</u>	<u>50,333</u>	<u>72,347</u>	<u>886,387</u>
Depreciation					
At 1 September 2020	-	53,621	3,934	30,980	88,535
Charge for the year	-	58,137	5,181	16,773	80,091
At 31 August 2021	<u>-</u>	<u>111,758</u>	<u>9,115</u>	<u>47,753</u>	<u>168,626</u>
Net book value					
At 31 August 2021	<u><u>30,000</u></u>	<u><u>621,949</u></u>	<u><u>41,218</u></u>	<u><u>24,594</u></u>	<u><u>717,761</u></u>
At 31 August 2020	<u><u>30,000</u></u>	<u><u>560,399</u></u>	<u><u>43,497</u></u>	<u><u>36,854</u></u>	<u><u>670,750</u></u>

Included within long leasehold property is £30,000 of land transferred on conversion to the Academy Trust.

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

15. Debtors

	2021	2020
	£	£
Due within one year		
Trade debtors	56,017	21,693
Prepayments and accrued income	58,338	180,326
VAT recoverable	17,957	26,443
	132,312	228,462

16. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Salix loans	5,859	5,859
Trade creditors	65,209	168,265
Other taxation and social security	60,216	24,843
Other creditors	1,954	32,021
Accruals and deferred income	65,798	160,131
	199,036	391,119

Included in creditors is a Salix loan which is repayable in bi-annual instalments from September 2019. No interest is charged on the loan.

	2021	2020
	£	£
Deferred income		
Deferred income at 1 September 2020	33,499	47,512
Resources deferred during the year	35,386	33,499
Amounts released from previous periods	(33,499)	(47,512)
	35,386	33,499

At the Balance Sheet date the Academy Trust was holding funds received in advance for non domestic rates relief and free school meals in 2021/22.

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

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

	2021	2020
	£	£
Salix loans	29,162	35,020

Included within the above are amounts falling due as follows:

	2021	2020
	£	£
Between one and two years		
SALIX loan	5,859	5,859
Between two and five years		
SALIX loan	17,574	17,574
Over five years		
SALIX loan	5,729	11,587

Included in creditors is a Salix loan which is repayable in bi-annual instalments from September 2019. No interest is charged on the loan.

KINGS EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

18. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds	18,459	32,698	(11,100)	-	-	40,057
Restricted general funds						
General Annual Grant (GAG)	-	1,511,250	(1,398,385)	(22,738)	-	90,127
Pupil premium	-	39,894	(39,894)	-	-	-
Other DfE/ESFA grants	-	158,226	(158,226)	-	-	-
Local authority income	-	167,592	(167,592)	-	-	-
Other restricted funds	-	235,652	(235,652)	-	-	-
Catch-up premium	-	31,360	(31,360)	-	-	-
Other DfE/ESFA COVID-19	-	20,199	(20,199)	-	-	-
Pension reserve	(901,000)	-	(137,000)	-	(34,000)	(1,072,000)
	(901,000)	2,164,173	(2,188,308)	(22,738)	(34,000)	(981,873)
Restricted fixed asset funds						
Fixed asset fund	670,750	-	(80,091)	127,102	-	717,761
SALIX loan	(40,879)	-	-	5,859	-	(35,020)
DfE/ESFA capital grants	-	8,757	-	(8,757)	-	-
CIF grant	101,466	-	-	(101,466)	-	-
	731,337	8,757	(80,091)	22,738	-	682,741
Total Restricted funds	(169,663)	2,172,930	(2,268,399)	-	(34,000)	(299,132)
Total funds	(151,204)	2,205,628	(2,279,499)	-	(34,000)	(259,075)

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

18. Statement of funds (continued)

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

All general funds are held for the purpose of education in line with the Academy's objectives.

The General Annual Grant (GAG) represents the core funding for the educational activities of the Academy that has been provided to the Academy via the Education Skills Funding Agency and the Department for Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the Academy.

The other DfE/ESFA restricted fund represents other funding received from the government which does not form part of the GAG but is received in relation to specific purposes including Universal Free School Meals and PE Sports Grant.

The pension reserve deficit represents the future pension funding requirements which will be met from future employer pension contributions.

Funds from local authority are to be spent on educational activities by the Academy.

Restricted fixed assets are funds representing the amounts invested in fixed assets, and unspent grants.

The transfer between unrestricted funds, restricted funds and restricted fixed asset funds represents amounts capitalised during the period less amounts funded from capital grants and expenditure from CIF grant income. The transfer between General Annual Grant and the Salix loan represents funding for capital expenditure to be repaid over a number of years as disclosed in note 18.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

KINGS EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

18. Statement of funds (continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds	51,874	127,735	(95,228)	(65,922)	-	18,459
Restricted general funds						
General Annual Grant (GAG)	14,642	1,402,280	(1,447,283)	30,361	-	-
Pupil premium	-	38,972	(38,972)	-	-	-
Other DfE/ESFA grants	-	203,932	(203,932)	-	-	-
Local authority income	-	146,895	(146,895)	-	-	-
Other restricted funds	-	160,727	(160,727)	-	-	-
Salix loan	(46,737)	-	-	46,737	-	-
Pension reserve	(731,000)	-	(112,000)	-	(58,000)	(901,000)
	<u>(763,095)</u>	<u>1,952,806</u>	<u>(2,109,809)</u>	<u>77,098</u>	<u>(58,000)</u>	<u>(901,000)</u>
Restricted fixed asset funds						
Fixed asset fund	436,541	-	(47,298)	281,507	-	670,750
SALIX loan	-	-	-	(40,879)	-	(40,879)
DfE/ESFA capital grants	18,434	8,767	-	(27,201)	-	-
Donations	-	12,497	-	(12,497)	-	-
CIF grant	64,657	248,915	-	(212,106)	-	101,466
	<u>519,632</u>	<u>270,179</u>	<u>(47,298)</u>	<u>(11,176)</u>	<u>-</u>	<u>731,337</u>
Total Restricted funds	<u>(243,463)</u>	<u>2,222,985</u>	<u>(2,157,107)</u>	<u>65,922</u>	<u>(58,000)</u>	<u>(169,663)</u>
Total funds	<u><u>(191,589)</u></u>	<u><u>2,350,720</u></u>	<u><u>(2,252,335)</u></u>	<u><u>-</u></u>	<u><u>(58,000)</u></u>	<u><u>(151,204)</u></u>

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

18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Great Kingshill Church of England Combined School	90,127	-
Central funds	40,057	18,459
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	130,184	18,459
Restricted fixed asset fund	682,741	731,337
Pension reserve	(1,072,000)	(901,000)
	<hr/>	<hr/>
Total	(259,075)	(151,204)
	<hr/> <hr/>	<hr/> <hr/>

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £
Great Kingshill Church of England Combined School	1,441,196	219,699	27,047	390,523	2,078,465
Central funds	106,053	-	-	14,890	120,943
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy Trust	1,547,249	219,699	27,047	405,413	2,199,408
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

18. Statement of funds (continued)

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £
Great Kingshill Church of England Combined School	1,441,511	212,256	30,843	398,292	2,082,902
Central funds	104,318	-	-	17,817	122,135
Academy Trust	1,545,829	212,256	30,843	416,109	2,205,037

19. Central services

The Academy Trust has provided the following central services to its academies during the year:

- Administration and management fees

The Academy Trust charges for these services on the following basis:

5% of General Annual Grant income

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Great Kingshill Church of England Combined School	75,563	70,114

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

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	717,761	717,761
Current assets	40,057	283,305	-	323,362
Creditors due within one year	-	(193,178)	(5,858)	(199,036)
Creditors due in more than one year	-	-	(29,162)	(29,162)
Provisions for liabilities and charges	-	(1,072,000)	-	(1,072,000)
Total	40,057	(981,873)	682,741	(259,075)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	670,750	670,750
Current assets	18,459	385,260	101,466	505,185
Creditors due within one year	-	(385,260)	(5,859)	(391,119)
Creditors due in more than one year	-	-	(35,020)	(35,020)
Provisions for liabilities and charges	-	(901,000)	-	(901,000)
Total	18,459	(901,000)	731,337	(151,204)

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

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

	2021 £	2020 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(73,871)	98,385
Adjustments for:		
Depreciation	80,091	47,298
Capital grants from DfE and other capital income	(8,757)	(257,682)
Interest receivable	(19)	(234)
Decrease in debtors	96,150	102,850
(Decrease)/increase in creditors	(192,083)	133,539
Pension adjustment	137,000	112,000
Net cash provided by operating activities	38,511	236,156

22. Cash flows from financing activities

	2021 £	2020 £
Repayments of borrowing	(5,858)	(5,858)
Net cash used in financing activities	(5,858)	(5,858)

23. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	19	234
Purchase of tangible fixed assets	(127,102)	(210,401)
Capital grants from DfE Group	8,757	108,334
Net cash used in investing activities	(118,326)	(101,833)

24. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	191,050	276,723

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

25. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	276,723	(85,673)	191,050
Debt due within 1 year	(5,859)	-	(5,859)
Debt due after 1 year	(35,020)	5,858	(29,162)
	<u>235,844</u>	<u>(79,815)</u>	<u>156,029</u>

26. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	120,203
	<u>-</u>	<u>120,203</u>

27. Pension commitments

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 Buckinghamshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £ -NIL were payable to the schemes at 31 August 2021 (2020 - £32,021) and are included within creditors.

Teachers' Pension Scheme

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

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

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

27. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £199,291 (2020 - £204,072).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy 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 contribution made for the year ended 31 August 2021 was £112,000 (2020 - £111,000), of which employer's contributions totalled £89,000 (2020 - £88,000) and employees' contributions totalled £ 23,000 (2020 - £23,000). The agreed contribution rates for future years are 23.0 per cent for employers and between 5.5% and 12.5% per cent for employees.

As described in note 1.14 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

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

27. Pension commitments (continued)

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.90	3.30
Rate of increase for pensions in payment/inflation	2.90	2.30
Discount rate for scheme liabilities	1.65	1.60
Inflation assumption (CPI)	2.90	2.30
Inflation (RPI)	3.20	3.10

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

	2021	2020
	Years	Years
Retiring today		
Males	21.6	21.8
Females	25.0	25.1
Retiring in 20 years		
Males	22.9	23.2
Females	26.4	26.6

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate +0.1%	2,287	1,735
Discount rate -0.1%	2,182	1,818
Mortality assumption - 1 year increase	2,142	1,846
Mortality assumption - 1 year decrease	2,330	1,708
CPI rate +0.1%	2,188	1,813
CPI rate -0.1%	2,281	1,740

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

27. Pension commitments (continued)

Share of scheme assets

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

	2021 £	2020 £
Equities	631,000	480,000
Gilts	109,000	92,000
Corporate bonds	163,000	137,000
Property	68,000	55,000
Cash and other liquid assets	16,000	23,000
Alternative assets/other	181,000	88,000
Total market value of assets	1,168,000	875,000

The actual return on scheme assets was £182,000 (2020 - £21,000).

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

	2021 £	2020 £
Current service cost	(211,000)	(186,000)
Interest cost	(14,000)	(13,000)
Administrative expenses	(1,000)	(1,000)
Total amount recognised in the Statement of Financial Activities	(226,000)	(200,000)

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

	2021 £	2020 £
Opening defined benefit obligation	1,776,000	1,365,000
Current service cost	211,000	186,000
Interest cost	29,000	26,000
Employee contributions	23,000	23,000
Actuarial losses	201,000	183,000
Benefits paid	(6,000)	(7,000)
Closing defined benefit obligation	2,234,000	1,776,000

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

27. Pension commitments (continued)

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

	2021 £	2020 £
Opening fair value of scheme assets	875,000	634,000
Contributions by employer	89,000	88,000
Interest income	15,000	13,000
Actuarial gains	167,000	125,000
Employee contributions	23,000	23,000
Benefits paid	(6,000)	(7,000)
Administration expenses	(1,000)	(1,000)
Closing fair value of scheme assets	1,162,000	875,000

	2021 £	2020 £
The amount shown in the Statement of Financial Activities is:		
Changes in financial assumptions	(201,000)	(183,000)
Return on assets excluding amounts included in net interest	167,000	125,000
Actuarial (losses)/gains on defined benefit pension schemes	(34,000)	(58,000)

	2021 £	2020 £
The amount shown in the Balance Sheet is:		
Present value of defined benefit obligation	(2,234,000)	(1,776,000)
Fair value of scheme assets	1,162,000	875,000
Defined benefit pension scheme liability	(1,072,000)	(901,000)

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

28. Operating lease commitments

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Amounts payable:		
Not later than 1 year	7,438	8,049
Later than 1 year and not later than 5 years	8,941	9,454
	<u>16,379</u>	<u>17,503</u>

29. Members' liability

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

30. Related party transactions

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

Z Stamp (wife of M Stamp, Trustee) was paid under a contract of employment in 2021.

No other related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 12.