

Trewirgie Infants' School

(A company limited by guarantee)

Annual Report and Financial Statements

Year Ended 31 August 2020

Company Registration number: 07652964 (England and Wales)

Trewirgie Infants' School

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Trewirgie Infants' School

Reference and Administrative Details

Members	Mrs P J Sharpe (resigned 22 April 2020) Mrs D S Warford (resigned 25 November 2019) Mrs N A Francis (resigned 5 February 2020) Mr C Martin Mrs K Raymond (appointed 5 February 2020) Mr A Richards (appointed 16 March 2020) Mrs L Keam (appointed 20 July 2020)
Governors	Mrs K Raymond, Chair from 5 February 2020 Mrs C Callow, Headteacher Mrs N A Francis, Chair until 5 February 2020 Mrs P J Sharpe (resigned 1 September 2019) Mr D J Simons (resigned 2 October 2019) Miss A Greer (resigned 5 November 2019) Mr L Naylor (resigned 22 January 2020) Miss G L Hulme Mrs C A Naylor (resigned 11 October 2020) Mrs E Guppy-Wilcox (appointed 25 September 2019) Mrs H Hipkins (appointed 26 November 2019) Mrs S McAllister (appointed 26 November 2019) Mr I R Eslick (appointed 1 May 2020)
Company Secretary	Mrs A Stainer
Senior Management Team	Mrs C Callow, Headteacher Mrs C Bateman, Assistant Headteacher Mrs T Montgomery-Smith, Assistant Headteacher Mrs A Baker, Business Manager
Principal and Registered Office	Mrs C Callow Trewirgie Infants School Trewirgie Road Redruth Cornwall TR15 2SZ
Company Registration Number	07652964

Trewirgie Infants' School

Reference and Administrative Details (continued)

Auditors	PKF Francis Clark Statutory Auditor Lowin House Tregolls Road Truro Cornwall TR1 2NA
Bankers	Lloyds Bank 234 High Street Exeter Devon EX4 3NL
Solicitors	Browne Jacobson LLP 1 Manor Court Dix's Field Exeter Devon EX1 1UP

Trewirgie Infants' School

Governors' Report for the Year Ended 31 August 2020

The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The academy trust operates an academy for pupils aged 3 to 7 serving a catchment area in Redruth. It has a pupil capacity of 270 and recorded 236 on roll in the Oct 2020 census. The Nursery can accommodate up to 900 hours capacity and currently has 698 hours booked.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Governors of Trewirgie Infants' School are also the directors of the charitable company for the purposes of company law. The charitable company operates as Trewirgie Infants School.

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

Members' Liability

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

Governors' Indemnities

The academy trust through its Articles has indemnified its governors to the fullest extent permissible by law. During the period the Academy Trust also purchased and maintained liability insurance for its trustees, (the limit of the indemnity is £10,000,000).

Method of recruitment and appointment or election of Governors

The Academy's Governing Body comprises the Headteacher, between 2 & 4 parent governors up to 2 staff governors (provided that the total number of governors including the Headteacher, who are employees of the Academy Trust, does not exceed one third of the total number of Trustees) and shall not be subject to any maximum. The Governor structure is set out in its Articles of Association and funding agreement.

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

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

Trewirgie Infants' School

Governors' Report for the Year Ended 31 August 2020 (continued)

Policies and procedures adopted for the induction and training of Governors

The Academy has a Governor Induction pack that incorporates training, available from the school office. The induction pack is provided for new Governors and will vary depending upon their existing experience. A tour of the Academy and a chance to meet staff and pupils is part of the induction process. Copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake for their role as Governors are available to all Governors. Advantage is taken of specific courses offered by Cornwall School Governance and Governors have access to a web based training package to increase their knowledge.

Organisational Structure

The Headteacher is the Academy's accounting officer and with the support of the Senior Leadership Team is responsible for the day to day management, implementation of policy, operation and delivery of the curriculum and execution of strategic decisions taken by the Governing Body and Committees. Governors have a responsibility for determining, monitoring and reviewing the policies, plans and procedures within which the Academy operates. The Governing Body as Directors/Governors are responsible for ensuring that the relevant statutory documents are delivered to Companies House in a timely manner, administering the Academy's finances and applying the income and property only for the purposes set out in the Governing Documents and participating in Governing Body meetings. The Governing Body as Directors act within their powers as set out in the Company's Articles and in their capacity as Governors of the Academy Trust under charity law accept ultimate responsibility for directing the affairs of the Academy ensuring it is solvent, well-run and delivering the charitable outcomes for the benefit of the public for which it has been set up.

The Full Governors routinely meet twice per term; there was also Extraordinary Full Governing Body meetings throughout the year. The Finance and Audit committee meet twice per term. The Curriculum committee meet once per half term. The majority of Governors are also assigned to a subject coordinator.

Related Parties and other Connected Charities and Organisations

Contracts are awarded following the Academy Financial Scheme of Delegation. All staff and Governors sign a declaration of Pecuniary Interests annually and a verbal declaration at each Governors meeting. In any quotation that involves a related party relationship, the staff/Governor member will not be privy to any decision made. The School is a named partner of the Redruth Learning Group.

Arrangements for setting pay and remuneration of key management personnel

Pay decisions are made by the Governing Body. The Governing Body has authorised the Finance and Audit Committee to administer this policy on its behalf in line with the Committee's terms of reference. Pay decisions follow the criteria listed in the current pay policies.

All members of the senior leadership team must demonstrate:

- a) sustained high quality of performance;
- b) with particular regard to leadership, management and pupil progress (exception of the Business manager) at the School; and
- c) will be subject to a review of performance against performance objectives before any performance points will be awarded.

Trewirgie Infants' School

Governors' Report for the Year Ended 31 August 2020 (continued)

Objectives and activities

Objects and Aims

Trewirgie Infants' School was formed to advance, for the public benefit, education in the United Kingdom, in particular, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum, as detailed in the Trust's Articles of Association and funding agreement.

The aims of the Academy during the period ended 31 August 2020 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all pupils
- To continue to provide a broad and balanced curriculum
- To demonstrate a robust approach to the reporting of safeguarding concerns
- To continue to develop students as effective learners
- To continue to develop the Academy site so that it enables students to achieve their full potential
- To continue to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care
- To continue to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review
- To provide value for money for the funds expended
- To develop greater coherence, clarity and effectiveness in school systems
- To comply with all appropriate statutory and curriculum requirements
- To continue to develop the Academy's capacity to manage change
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness

Objectives, Strategies and Activities

Key priorities for the year are contained in our School Development Plan, which is available from the Academy Office. Improvement focuses identified for this year include:

- To raise standards in Mathematics so that attainment and progress levels move closer to the National average
- To further improve attainment levels and the rates of progress in reading and phonics, especially in the EYFS
- To continue to improve levels of attainment and rates of progress in writing
- To close the attainment gap for disadvantaged pupils by identifying barriers to learning, tracking progress and monitoring attendance
- To meet the needs of and improve the academic progress of pupils with special educational needs and/or disabilities (SEND) and low attaining pupils.

Trewirgie Infants' School

Governors' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Public Benefit

The Academy provides educational services to children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

Achievements and performance

The following data has been taken from the Spring Term assessments due to enforced lockdown during the Covid-19 outbreak.

Reading

The school continued with the RWI approach with the Get Writing element. Training with Katy Lillis was attended by all in September. Reception classes began as soon as possible in September ensuring that the pupils got off to a good start. An ex SLE was appointed to support the 20% of pupils who are not reaching age related expectations. The January SIP visit noted a 'significant improvement' in the reading levels of the reception children in the autumn term.

The end of Spring 2 results showed that KS1 reading at 58% already on a par with the end of previous academic year. There were 20% of pupils at greater depth in reading, a 5% increase on last year. The year 1 phonics screening test did not take place due to Coronavirus.

The school library has relocated to a main block and there is a focus on enticing reading areas within classrooms. The reading books were matched to the reading ability of the children.

Writing

The school adopted the Talk 4 writing approach for writing. This had an impact on the quality and progression of writing of pupils in year 2. Moderation between the Year 2 Infants and the Year 3 Junior School took place on the 8/11/19.

The end of Spring 2 results showed that KS1 writing was 57%, a significant increase on the 41% at the end of previous academic year.

Maths

The school elected to purchase the 'Power maths' scheme which is aligned with the Maths mastery approach. Mathletics has been launched to our parents.

The end of Spring 2 results showed that KS1 maths was 50% already on a par with the end of previous academic year. There were 17% of pupils at greater depth in reading, a 3% increase on last year.

Assessment

Teachers attend termly pupil progress meetings and are now aware of significant groups and tracking data against national figures. PIRA and PUMA assessment tests are taken termly by all children to track maths and reading across the school. Extended writing takes place weekly and formative assessments are made. Progress is tracked across the school for all groups taken from published data and across the year. Half termly phonics screening is taken to identify gaps in learning and tracking progress.

The learning behaviour characters are utilised throughout the school.

Trewirgie Infants' School

Governors' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Covid-19

During the lockdown periods the school remained open to Key Worker and vulnerable pupils throughout, including Easter and May half term holiday periods. Our pupils lost a term of education, but during this period the school were proactive in supplying remote learning focussed on key curriculum areas and child wellbeing.

The school worked in partnership with the local voluntary sector to assist the school with the delivering of food parcels and home learning packs. A local supermarket supported the school with the provision of milk and snacks for the Key Worker pupils.

Key performance indicators

The key financial performance indicator for the Academy is adherence to the financial budget set at the beginning of the year, taking into consideration the expected levels of government funding. The position against the budget is then reviewed throughout the year.

Going Concern

The Trust is closely monitoring the financial impact of Covid-19 in areas such as supply cover and additional cleaning costs with the latest available forecasts showing this is unlikely to have a significant impact on the financial results for the 20/21 academic year. As detailed below in the financial review the Trust has significant reserves available, and had a cash balance of £672k at the year end. Since this date the cash balance has reduced slightly but remains strong at over £630k with cashflow forecasts suggesting that the balance will remain above £625k throughout the year thus enabling the Trust to settle its liabilities as they fall due. Whilst an in year deficit and negative cashflow is currently forecast for 20/21 this result is not expected to place any undue pressure on reserves or cash and thus after making appropriate enquiries the Board of Governors has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

In accordance with the Funding Agreement, the principal source of general funding with which to finance the operations of the Academy Trust is the Department for Education.

As shown by the Statement of Financial Activities the Academy Trust had net income for the year of £7,104 on unrestricted funds and net expenses for the year on restricted general funds of £115,273 before transfers and actuarial gains on the defined benefit pension scheme. The Academy Trust spent £14,952 from funds on capital projects- refurbishment project within the Nursery to allow for an open plan layout, creating a Nursery outdoor sandpit, purchasing a Nursery changing table, additional laptops for staff and a new IT Server.

The Academy held fund balances at 31 August 2020 of £1,887,968 comprising £2,139,016 of restricted fixed asset funds, £148,635 of restricted general funds, £585,317 of unrestricted funds and a pension reserve deficit of £985,000. Within restricted general funds, the Academy had a positive General Annual Grant carry forward of £148,341, which is included in the restricted general funds balance at the year end date.

Trewirgie Infants' School

Governors' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Reserves Policy

The Trust has written procedures approved by the Governing Body to maintain an appropriate level of financial reserves in protecting the school from financial risk generated by, for example;

- income reduction due to Government funding changes
- unexpected falls in student numbers
- cash flow issues due to delays in receipt of funding
- emergencies
- two months operational costs
- the school's annual budget
- the need for any large project spends such as facilities development or building condition needs
- any uncertainty, turbulence or expected reduction in funding arrangements including the level of transitional protection within the school funding and its expiry date
- anticipated funding over the next three years

Governors will monitor levels of reserves in financial reports provided by the Business Manager and in the annual financial statement prepared by the Auditor. Governors will look to ensure that a prudent level of reserves is maintained, bearing in mind the recurrent spending needs to ensure high quality provision. In deciding the level of reserves Governors will take into account the following:

The year-end current free reserves stand at £402,860 which is above our minimum reserves level of £200,000. Additional monies not allocated will be discussed in future governor meetings in line with our school development plan.

The school has spent reserves on additional measures for Covid-19 such as bio misting to allay staff anxieties and postage costs to ensure pupils could work on the home learning packs.

Investment Policy

Investments must be made only in accordance with written procedures approved by the Governing Body.

Purposes

- To ensure adequate cash balances are maintained in the current account to cover day to day working requirements
- To ensure there is no risk of loss in the capital value of any cash funds invested
- To protect the capital value of any invested funds against inflation
- To optimise returns on invested funds

Guidelines

Regular cash flows are to be prepared and monitored to ensure there are adequate liquid funds to meet all payroll related commitments and outstanding supply creditors that are due for payment.

Trewirgie Infants' School

Governors' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Where cash flow identifies a base level of cash funds that will be surplus to requirements these may be invested in an interest bearing account in a UK regulated bank. Care and skill must be exercised in all investment decisions, taking advice as appropriate from a professional adviser. Authority has been given to Head teacher and Business Manager by the finance committee to manage this.

Principal Risks and Uncertainties

The principal risk and uncertainty facing Trewirgie Infants' School is the level of future Government funding and the subsequent potential impact on its ability to maintain the current level of provision.

Financial and risk management objectives and policies

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the Academy's system of internal control. This incorporates risk management and encompasses a number of elements that together facilitate an effective and efficient operation. This enables the Academy to respond to a variety of operational, financial and commercial risks.

These elements include:

Policies and Procedures – Attached to significant risks are a series of policies that underpin the internal control process. The policies are set and approved by the Governing Body and communicated to all staff by the Headteacher. An annual Risk Register is approved by the Governing Body.

Termly Reporting – The Headteacher reports to the Governing Body on a termly basis and this process is designed to monitor key risks and associated controls. Problems or required actions are discussed and agreed at regular Senior Leadership Team meetings and Governing Body meetings as appropriate.

Business Planning and Budgeting – The business planning and budgeting process is used to determine the Academy's objectives via its overall School Improvement Plan. This links to individual action plans and allocates appropriate resources. The budget and progress of the Improvement Plan is reviewed on a regular basis. Monthly management reports are sent to the Chair of Governors if there are no Finance Committee meetings taking place.

Engagement of an Internal Audit service – The Governing Body have bought in an internal audit service which will report findings on the Academy's system of internal control and alert Governors to any emerging issues. They are external to the Academy and are well placed to provide appropriate advice on the effectiveness of internal control systems and the management of risk.

External Auditors – External auditors have been appointed who can advise and give feedback to the Governing Body on the operation of internal financial controls and these controls are reviewed as part of the annual audit process.

Third Party Reports – External consultants are used for areas such as Health and Safety, Human Resources & Independent advisor to the Governing Body. The use of specialist third parties for consultation, advice and reporting can increase the reliability of the Academy's internal control systems.

Trewirgie Infants' School

Governors' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Fundraising

The trust had an active parent teacher association group in 19/20 which raised funds for additional resources for the year by running school events and inviting all stakeholders. Within the year the group has raised £2,576 with donations given to the school to replenish EYFS and Maths resources. Covid-19 has curtailed fundraising activities for the school.

Plans for future periods

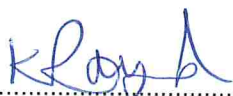
The governing body will need to continue to monitor the changes to Nursery admissions regarding the introduction of the flexible Nursery model which accommodates the 30 hours of free childcare and the impact of pupils transitioning to our Reception classes. The Governors will continue to monitor the projected numbers for new Reception classes and have authorised a marketing strategic plan for the school. The school are looking to replace and enhance the KS1 playground equipment through consultation with external play consultants. The governors are currently exploring the option of joining a Multi Academy Trust.

Auditor

In so far as the Governors are aware:

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

Governors' Report, incorporating a Strategic Report, was approved by order of the Board of Governors, as the company directors, on 18/12/20 and signed on the board's behalf by:



Mrs K Raymond
Chair of Governors

Trewirgie Infants' School

Governance Statement

Scope of responsibility

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

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

The Board of Governors has delegated the day-to-day responsibility to the Headteacher Mrs C. Callow, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Trewirgie Infants' School and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Board of Governors has formally met 10 times during the year. Attendance during the year at meetings of the Board of Governors was as follows:

Trewirgie Infants' School

Governance Statement (continued)

Trustee	Meetings attended	Out of a possible
Mrs K Raymond, Chair from 5 February 2020	10	10
Mrs N A Francis, Chair until 5 February 2020	9	10
Mrs C Callow, Headteacher	10	10
Miss G L Hulme	10	10
Miss A Greer (resigned 5 November 2019)	2	2
Mr L Naylor (resigned 22 January 2020)	3	3
Mrs C A Naylor (resigned 11 October 2020)	3	10
Mrs E Guppy-Wilcox (appointed 25 September 2019)	7	10
Mrs H Hipkins (appointed 26 November 2019)	4	8
Mrs S McAllister (appointed 26 November 2019)	5	8
Mr I R Eslick (appointed 1 May 2020)	3	5
Mr D J Simons (resigned 2 October 2019)	1	2

During the year 4 Governors resigned and 4 new Governors were recruited.

The new members bring a wealth of educational & governance experience and knowledge to support, challenge and hold the Governing Board to account.

The Board continue to develop the skills of existing and new board members through bespoke training and regular NGA training, local governance networking, mentoring and shared learning.

Currently the Board receive the schools data in a variety of formats and reporting tools. The variety of evidence gives the board the ability to triangulate these, including;

- Headteacher report to Full Governing Board
- Curriculum data & reports
- Specialist external reports
- School Improvement Partner Visits & Reports

Trewirgie Infants' School

Governance Statement (continued)

Governance reviews

An External Review of Governance (ERG) was completed by the Diocese in June 2019. The outcome of this was an action plan created to plan governance development of the academy trust. The Board had scheduled an update on progress against the action plan for the first full governing board meeting of the spring term 2020, but this meeting was cancelled due to the impact of Covid and the closure of schools. The update will take place at the first opportunity in the academic year 2020/21.

The impact of the review to date includes:

- A more strategic focus during governing board meetings to hold Leaders to account.
- Revised Code of Conduct to ensure governing roles are adhered to.
- Monitoring visits are in line with the School Development Plan (although some disruption due to Covid).
- Thorough triangulation through external & independent audits and reports.
- Restructuring of Committee including independent Chairs.
- Systems in place to evidence initial challenge and further challenge.

In addition to the above:

- The Board conducts annual skills audits, termly reviews of training completed by governors and governor attendance
- The Board has a succession plan in place for key roles on the board
- Self-review is included on the governance board work plan and is scheduled for the summer term of each academic year.
- There are no plans to carry out a further external governance review, consideration of the need for this is scheduled for the summer term 2021 (3 years after the original ERG).

The Finance and Audit Committee is a sub-committee of the main Board of Governors. Its purpose is to support the board and management with its financial obligations including budget setting, monitoring and financial processes and also acts as the audit committee. Attendance at meetings during the year was as follows:

Trewirgie Infants' School

Governance Statement (continued)

Trustee	Meetings attended	Out of a possible
Mrs K Raymond	3	5
Mrs N A Francis	5	5
Mrs C Callow	5	5
Mr L Naylor	3	3
Mrs H Hipkins	3	3
Mrs S McAllister	3	3
Mr I R Eslick	1	1

Review of Value for Money

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

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

The accounting officer for the Academy trust has delivered improved value for money during the year by

- Staffing – Deployed to provide quality of teaching and learning. The school has defined and continued to implement educational standards for Learning Assistants
- Premises – To enhance curriculum areas with the refurbishment of the Nursery and the creation of a sand pit for the EYFS area
- Purchasing – To follow the schools Scheme of Delegation to adhere to quotes and tendering processes. This was evidenced within the replacement of the IT server and laptops for teachers

The procurement policy notes PPM 02/20 and PPN 04/20 have been applied by our catering contractor 'Chartwells' through the Covid-19 process and evidenced within the invoices. The school participated in the Government national voucher scheme before the kitchen service was operational again. Within the lockdown period the school lost additional funding due to the closure of the Breakfast and After School Clubs.

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 ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Trewirgie Infants' School for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

Trewirgie Infants' School

Governance Statement (continued)

Capacity to Handle Risk

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

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Governors has considered the need for a specific internal audit function and have elected to buy-in an internal audit service from Mrs M Foreman to carry out internal scrutiny. A programme of works was compiled by the governors to carry out the internal audit controls and a report was submitted to the Finance Committee.

The internal auditor'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. On a monthly basis, the auditor reports to the board of trustees, through the audit Committee/or the Chair of Governors on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor has delivered their schedule of work as planned, and there are no material control issues arising as a result of the internal auditor's work.

Trewirgie Infants' School

Governance Statement (continued)

Review of effectiveness

As accounting officer, Mrs C. Callow 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 internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Governors on 18/12/20 and signed on its behalf by:



Mrs K Raymond
Governor



Mrs C Callow
Accounting officer
Governor

Trewirgie Infants' School

Statement of Regularity, Propriety and Compliance

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

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

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



Mrs C Callow
Accounting Officer

Date 18/12/20

Trewirgie Infants' School

Statement of Governors' Responsibilities

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Governors on 18/12/20 and signed on its behalf by:



Mrs K Raymond
Governor

Trewirgie Infants' School

Independent Auditor's Report on the Financial Statements to the Members of Trewirgie Infants' School

Opinion

We have audited the financial statements of Trewirgie Infants' School (the 'Academy') for the year ended 31 August 2020, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information (covers the Reference and Administrative Details, the Governors' Report and Strategic Report and the Governance Statement)

The Governors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

Trewirgie Infants' School

Independent Auditor's Report on the Financial Statements to the Members of Trewirgie Infants' School (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Governors' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or Governors' Report.

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

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

Responsibilities of Governors

As explained more fully in the Statement of Governors' Responsibilities set out on page 18, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Trewirgie Infants' School

Independent Auditor's Report on the Financial Statements to the Members of Trewirgie Infants' School (continued)

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

Use of our report

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

PKF Francis Clark

.....
Darren Perry BA(Hons) ACA DChA (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Lowin House
Tregolls Road
Truro
Cornwall
TR1 2NA

Date: 23/12/20

Trewirgie Infants' School

Independent Reporting Accountant's Assurance Report on Regularity to Trewirgie Infants' School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 24 July 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Trewirgie Infants' School during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Trewirgie Infants' School's Accounting Officer and the reporting Accountant

The Accounting Officer is responsible, under the requirements of Trewirgie Infants' School's funding agreement with the Secretary of State for Education dated 17 June 2011 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Inspection and review of documentation providing evidence of governance procedures
- Evaluation of the system of internal controls for authorisation and approval
- Performing substantive tests on relevant transactions

Trewirgie Infants' School

Independent Reporting Accountant's Assurance Report on Regularity to Trewirgie Infants' School and the Education and Skills Funding Agency (continued)

Conclusion

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

PKF Francis Clark

.....
Darren Perry BA(Hons) ACA DChA
PKF Francis Clark, Chartered Accountants

Lowin House
Tregolls Road
Truro
Cornwall
TR1 2NA

Date: 23/12/20.....

Trewirgie Infants' School

Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:					
Donations and capital grants	2	1,411	2,850	8,619	12,880
<i>Charitable activities:</i>					
Funding for the Academy's educational operations	3	-	1,459,467	-	1,459,467
Other trading activities	4	26,566	12,756	-	39,322
Investments	5	1,351	-	-	1,351
Insurance reclaim	6	-	9,994	-	9,994
Total		<u>29,328</u>	<u>1,485,067</u>	<u>8,619</u>	<u>1,523,014</u>
Expenditure on:					
Raising funds	7	14,599	-	-	14,599
<i>Charitable activities:</i>					
Academy's educational operations	8	<u>7,625</u>	<u>1,600,340</u>	<u>63,270</u>	<u>1,671,235</u>
Total		<u>22,224</u>	<u>1,600,340</u>	<u>63,270</u>	<u>1,685,834</u>
Net income/(expenditure)		7,104	(115,273)	(54,651)	(162,820)
Transfers between funds		-	(14,952)	14,952	-
Other recognised gains and losses					
Actuarial (losses) / gains on defined benefit pension schemes	25	<u>-</u>	<u>(173,000)</u>	<u>-</u>	<u>(173,000)</u>
Net movement in funds/(deficit)		7,104	(303,225)	(39,699)	(335,820)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		<u>578,213</u>	<u>(533,140)</u>	<u>2,178,715</u>	<u>2,223,788</u>
Total funds/(deficit) carried forward at 31 August 2020		<u>585,317</u>	<u>(836,365)</u>	<u>2,139,016</u>	<u>1,887,968</u>

Trewirgie Infants' School

Statement of Financial Activities for the Year Ended 31 August 2019 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2018/19 Total £
Income and endowments from:					
Donations and capital grants	2	6,314	-	29,553	35,867
<i>Charitable activities:</i>					
Funding for the Academy's educational operations	3	-	1,539,652	-	1,539,652
Other trading activities	4	47,509	8,485	-	55,994
Investments	5	2,491	-	-	2,491
Insurance reclaim	6	-	22,429	-	22,429
Total		<u>56,314</u>	<u>1,570,566</u>	<u>29,553</u>	<u>1,656,433</u>
Expenditure on:					
Raising funds	7	22,761	-	-	22,761
<i>Charitable activities:</i>					
Academy's educational operations	8	<u>16,554</u>	<u>1,602,590</u>	<u>61,843</u>	<u>1,680,987</u>
Total		<u>39,315</u>	<u>1,602,590</u>	<u>61,843</u>	<u>1,703,748</u>
Net income/(expenditure)		16,999	(32,024)	(32,290)	(47,315)
Transfers between funds		-	(38,838)	38,838	-
Other recognised gains and losses					
Actuarial (losses) / gains on defined benefit pension schemes	25	<u>-</u>	<u>(219,000)</u>	<u>-</u>	<u>(219,000)</u>
Net movement in funds/(deficit)		16,999	(289,862)	6,548	(266,315)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2018		<u>561,214</u>	<u>(243,278)</u>	<u>2,172,167</u>	<u>2,490,103</u>
Total funds/(deficit) carried forward at 31 August 2019		<u>578,213</u>	<u>(533,140)</u>	<u>2,178,715</u>	<u>2,223,788</u>

Trewirgie Infants' School

(Registration number: 07652964)

Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	2,335,378	2,365,776
Current assets			
Debtors	13	39,364	55,132
Cash at bank and in hand		<u>672,413</u>	<u>694,703</u>
		711,777	749,835
Creditors: Amounts falling due within one year	14	<u>(163,372)</u>	<u>(173,823)</u>
Net current assets		<u>548,405</u>	<u>576,012</u>
Total assets less current liabilities		2,883,783	2,941,788
Creditors: Amounts falling due after more than one year	15	<u>(10,815)</u>	<u>-</u>
Net assets excluding pension liability		2,872,968	2,941,788
Defined benefit pension scheme liability	25	<u>(985,000)</u>	<u>(718,000)</u>
Total assets		<u><u>1,887,968</u></u>	<u><u>2,223,788</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		148,635	184,860
Restricted fixed asset fund		2,139,016	2,178,715
Restricted pension fund		<u>(985,000)</u>	<u>(718,000)</u>
		1,302,651	1,645,575
Unrestricted funds			
Unrestricted general fund		<u>585,317</u>	<u>578,213</u>
Total funds		<u><u>1,887,968</u></u>	<u><u>2,223,788</u></u>

The financial statements on pages 24 to 53 were approved by the Governors, and authorised for issue on 18/12/20 and signed on their behalf by:



Mrs K Raymond
Governor

Trewirgie Infants' School

Statement of Cash Flows for the Year Ended 31 August 2020

	Note	2020 £	2019 £
Net cash provided by/(used in) operating activities	19	(5,688)	98,373
Cash flows from financing activities	20	13,905	-
Cash flows from investing activities	21	<u>(30,507)</u>	<u>(37,731)</u>
Change in cash and cash equivalents in the year	22	(22,290)	60,642
Cash and cash equivalents at 1 September		<u>694,703</u>	<u>634,061</u>
Cash and cash equivalents at 31 August		<u><u>672,413</u></u>	<u><u>694,703</u></u>

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020

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.

Basis of preparation

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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Trewirgie Infants' School meets the definition of a public benefit entity under FRS 102.

Going concern

The Governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the 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.

Income

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

Grants

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

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

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

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where the receipt is probable and it can be measured reliably.

Donations

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

Other income

Other income is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

Donated goods, facilities and services

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

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure 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.

The property at which the Academy operates has been provided by the Local Authority (Cornwall Council) on a 125 year lease, with a peppercorn rent. The value of this property was included in the Statement of Financial Activities as a donation in the restricted fixed asset fund on conversion. Computer equipment transferred at nil cost from the Local Authority has also been accounted for in this way (at estimated market value). The amounts are included in the appropriate fixed asset category and depreciated over the useful economic life, in accordance with the Academy Trust's policies.

Expenditure

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

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Expenditure on raising funds

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

Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

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 and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired within unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

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

Asset class	Depreciation method and rate
Leasehold land and buildings	Straight line over 50 years
Leasehold improvements	Straight line over 50 years
Computer equipment	4 years straight line
Furniture and equipment	4 years straight line

Liabilities

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

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Leased assets

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. 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 14 and 15. 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.

Taxation

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

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

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy Trust. The TPS is an unfunded scheme and contributions are calculated 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. As stated in the notes to the financial statements, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

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.

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2019/20 Total £	2018/19 Total £
Capital grants	-	-	8,619	8,619	25,169
Other donations	1,411	2,850	-	4,261	10,698
	<u>1,411</u>	<u>2,850</u>	<u>8,619</u>	<u>12,880</u>	<u>35,867</u>

The income from donations and capital grants was £12,880 (2019: £35,867) of which £1,411 was unrestricted (2019: £6,314), £2,850 restricted (2019: £Nil) and £8,619 restricted fixed assets (2019: £29,553).

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

3 Funding for the Academy Trust's educational operations

	Restricted funds £	Total 2019/20 £	Total 2018/19 £
DfE/ESFA revenue grants			
General Annual Grant (GAG)	1,054,446	1,054,446	1,166,602
PE & Sport Premium	17,920	17,920	18,230
Universal Free School Meals	72,761	72,761	86,978
Pupil Premium ESFA	84,901	84,901	94,260
Other ESFA grants	58,491	58,491	11,319
	<u>1,288,519</u>	<u>1,288,519</u>	<u>1,377,389</u>
Other government grants			
SEN Funding	11,626	11,626	3,507
Nursery Funding	146,928	146,928	156,018
Other LA Funding	500	500	-
Pupil Premium LA	3,631	3,631	2,738
Other Government Grants	1,000	1,000	-
	<u>163,685</u>	<u>163,685</u>	<u>162,263</u>
Exceptional government funding			
Coronavirus exceptional support	<u>7,263</u>	<u>7,263</u>	<u>-</u>
Total grants	<u><u>1,459,467</u></u>	<u><u>1,459,467</u></u>	<u><u>1,539,652</u></u>

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

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

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

The funding received for coronavirus exceptional support covers £7,263 of costs for additional cleaning materials, premises expenses and free school meals expenditure. These costs are included in notes 7 and 8 below as appropriate.

The funding for educational operations was £1,459,467 (2019: £1,539,652) of which £Nil was unrestricted (2019: £Nil), £1,459,467 restricted (2019: £1,539,652) and £Nil restricted fixed assets (2019: £Nil).

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2019/20 Total £	2018/19 Total £
Before/After school club	15,797	-	15,797	37,109
Other income	10,769	12,756	23,525	18,885
	<u>26,566</u>	<u>12,756</u>	<u>39,322</u>	<u>55,994</u>

The income from other trading activities was £39,322 (2019: £55,994) of which £26,566 was unrestricted (2019: £47,509), £12,756 restricted (2019: £8,485) and £Nil restricted fixed assets (2019: £Nil).

5 Investment income

	Unrestricted funds £	2019/20 Total £	2018/19 Total £
Bank interest receivable	<u>1,351</u>	<u>1,351</u>	<u>2,491</u>

The income from investments was £1,351 (2019: £2,491) of which £1,351 was unrestricted (2019: £2,491), £Nil restricted (2019: £Nil) and £Nil restricted fixed assets (2019: £Nil).

6 Other charitable activities

	Restricted funds £	2019/20 Total £	2018/19 Total £
Insurance reclaim	<u>9,994</u>	<u>9,994</u>	<u>22,429</u>

The income from other charitable activities was £9,994 (2019: £22,429) of which £Nil was unrestricted (2019: £Nil), £9,994 restricted (2019: £22,429) and £Nil restricted fixed assets (2019: £Nil).

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

7 Expenditure

	Non Pay Expenditure			2019/20 Total £	2018/19 Total £
	Staff costs £	Premises £	Other costs £		
Expenditure on raising funds					
Direct costs	13,701	-	898	14,599	22,761
Academy's educational operations					
Direct costs	967,403	-	33,056	1,000,459	1,060,606
Allocated support costs	301,992	206,454	162,330	670,776	620,381
	<u>1,283,096</u>	<u>206,454</u>	<u>196,284</u>	<u>1,685,834</u>	<u>1,703,748</u>

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

7 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2019/20 £	2018/19 £
Operating leases - plant and machinery	1,872	468
Fees payable to auditor - audit	3,100	3,500
- other audit services	3,740	4,215
Depreciation	<u>70,875</u>	<u>78,340</u>

8 Charitable activities

	Total 2019/20 £	Total 2018/19 £
Direct costs - educational operations	1,000,459	1,060,606
Support costs - educational operations	<u>670,776</u>	<u>620,381</u>
	<u>1,671,235</u>	<u>1,680,987</u>

	Educational operations £	Total 2019/20 £	Total 2018/19 £
Analysis of support costs			
Support staff costs	301,992	301,992	277,442
Depreciation	70,875	70,875	78,340
Technology costs	19,348	19,348	12,803
Premises costs	135,579	135,579	124,813
Other support costs	134,772	134,772	118,918
Governance costs	<u>8,210</u>	<u>8,210</u>	<u>8,065</u>
Total support costs	<u>670,776</u>	<u>670,776</u>	<u>620,381</u>

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

9 Staff

Staff costs

	2019/20 £	2018/19 £
Staff costs during the year were:		
Wages and salaries	894,219	893,597
Social security costs	70,594	66,180
Pension costs	276,659	223,322
	<u>1,241,472</u>	<u>1,183,099</u>
Agency staff costs	41,624	132,898
	<u>1,283,096</u>	<u>1,315,997</u>

Staff numbers

The average number of persons (including senior management team) employed by the Academy Trust during the year was as follows:

	2019/20 No	2018/19 No
Teachers	35	39
Administration and support	9	7
Management	4	4
	<u>48</u>	<u>50</u>

Higher paid staff

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

	2019/20 No	2018/19 No
£60,001 - £70,000	<u>-</u>	<u>1</u>

Key management personnel

The key management personnel of the Academy Trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £259,556 (2019: £281,480).

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

10 Related party transactions - Trustees' remuneration and expenses

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

Mrs P J Sharpe (Staff governor and trustee - resigned 31 August 2019):

Remuneration: £Nil (2019 - £65,000 - £70,000)

Employer's pension contributions: £Nil (2019 - £10,000 - £15,000)

Mrs C Callow (Staff governor and trustee):

Remuneration: £55,000 - £60,000 (2019 - £50,000 - £55,000)

Employer's pension contributions: £10,000 - £15,000 (2019 - £5,000 - £10,000)

Miss G L Hulme (Staff governor and trustee):

Remuneration: £20,000 - £25,000 (2019 - £15,000 - £20,000)

Employer's pension contributions: £0 - £5,000 (2019 - £0 - £5,000)

During the year ended 31 August 2020, expenses totalling £243 (2019 - £211) were reimbursed or paid directly to 1 Governors (2019 - 4).

Other related party transactions involving the Governors are set out in note 26.

11 Governors' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £25,000,000 (2019: £25,000,000) on any one claim and the cost for the year ended 31 August 2020 is included in one insurance policy with a total cost of £7,796 (2019: £7,953).

The cost of this insurance is included in the total insurance cost.

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

12 Tangible fixed assets

	Leasehold land and buildings £	Leasehold improvements £	Furniture and equipment £	Computer equipment £	Total £
Cost					
At 1 September 2019	1,688,315	1,009,653	118,608	69,754	2,886,330
Additions	-	26,440	6,476	7,561	40,477
At 31 August 2020	1,688,315	1,036,093	125,084	77,315	2,926,807
Depreciation					
At 1 September 2019	275,756	96,892	84,154	63,752	520,554
Charge for the year	33,766	20,190	13,916	3,003	70,875
At 31 August 2020	309,522	117,082	98,070	66,755	591,429
Net book value					
At 31 August 2020	1,378,793	919,011	27,014	10,560	2,335,378
At 31 August 2019	1,412,559	912,761	34,454	6,002	2,365,776

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

13 Debtors

	2020 £	2019 £
Trade debtors	2,287	4,861
Prepayments	5,958	13,866
Accrued grant and other income	27,689	31,024
VAT recoverable	3,430	5,381
	<u>39,364</u>	<u>55,132</u>

14 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	11,072	39,547
Other taxation and social security	15,066	13,370
Other creditors	5,548	5,578
Pension scheme creditor	22,826	19,177
Loans	3,090	-
Accruals	34,453	46,697
Deferred income	71,317	49,454
	<u>163,372</u>	<u>173,823</u>

	2020 £	2019 £
Deferred income		
Deferred income at 1 September 2019	49,454	65,189
Resources deferred in the period	71,317	49,454
Amounts released from previous periods	<u>(49,454)</u>	<u>(65,189)</u>
Deferred income at 31 August 2020	<u>71,317</u>	<u>49,454</u>

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

14 Creditors: amounts falling due within one year (continued)

At the balance sheet date the academy trust was holding grant funds of £71,317 received in advance for the 2020/21 academic year.

Loans of £3,090 from Salix which is provided on the following terms: Interest free and repayable over 5 years

15 Creditors: amounts falling due after one year

	2020 £
Loans	<u>10,815</u>

Loans of £10,815 from Salix which is provided on the following terms: Interest free and repayable over 5 years

16 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	182,457	-	2,152,921	2,335,378
Current assets	402,860	308,917	-	711,777
Current liabilities	-	(160,282)	(3,090)	(163,372)
Creditors over 1 year	-	-	(10,815)	(10,815)
Pension scheme liability	-	(985,000)	-	(985,000)
Total net assets	<u>585,317</u>	<u>(836,365)</u>	<u>2,139,016</u>	<u>1,887,968</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	190,061	-	2,175,715	2,365,776
Current assets	388,152	358,683	3,000	749,835
Current liabilities	-	(173,823)	-	(173,823)
Pension scheme liability	-	(718,000)	-	(718,000)
Total net assets	<u>578,213</u>	<u>(533,140)</u>	<u>2,178,715</u>	<u>2,223,788</u>

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant	181,522	1,054,446	(1,059,211)	(28,416)	148,341
SEN Funding	-	11,626	(11,626)	-	-
Nursery Funding	-	146,928	(146,928)	-	-
Pupil Premium	1,339	88,532	(103,335)	13,464	-
Universal Free School Meals	-	72,761	(72,761)	-	-
Teachers Pay & Pension Grant	-	58,491	(58,491)	-	-
PE & Sport Premium	1,999	17,920	(19,625)	-	294
Other restricted funds	-	31,513	(31,513)	-	-
Other restricted donations	-	2,850	(2,850)	-	-
	<u>184,860</u>	<u>1,485,067</u>	<u>(1,506,340)</u>	<u>(14,952)</u>	<u>148,635</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	69,139	7,619	(4,597)	(50)	72,111
Capital expenditure from GAG	556,031	-	(17,882)	15,002	553,151
Assets gifted from the local authority	1,412,559	-	(33,766)	-	1,378,793
LA Capital grants	118,389	-	(2,642)	-	115,747
Other capital grants	18,578	1,000	(3,287)	-	16,291
Restricted Donations (TIFs)	4,019	-	(1,096)	-	2,923
	<u>2,178,715</u>	<u>8,619</u>	<u>(63,270)</u>	<u>14,952</u>	<u>2,139,016</u>
Restricted pension funds					
Pension scheme	<u>(718,000)</u>	<u>-</u>	<u>(94,000)</u>	<u>(173,000)</u>	<u>(985,000)</u>
Total restricted funds	1,645,575	1,493,686	(1,663,610)	(173,000)	1,302,651
Unrestricted funds					
Unrestricted general funds	<u>578,213</u>	<u>29,328</u>	<u>(22,224)</u>	<u>-</u>	<u>585,317</u>
Total funds	<u>2,223,788</u>	<u>1,523,014</u>	<u>(1,685,834)</u>	<u>(173,000)</u>	<u>1,887,968</u>

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant	171,089	1,166,602	(1,117,281)	(38,888)	181,522
SEN Funding	-	3,507	(3,507)	-	-
Nursery Funding	-	156,018	(156,018)	-	-
Pupil Premium	13,633	96,998	(109,292)	-	1,339
Universal Free School Meals	-	86,978	(86,978)	-	-
Teachers Pay & Pension Grant	-	11,319	(11,319)	-	-
PE & Sport Premium	-	18,230	(16,281)	50	1,999
Other restricted funds	-	30,914	(30,914)	-	-
	<u>184,722</u>	<u>1,570,566</u>	<u>(1,531,590)</u>	<u>(38,838)</u>	<u>184,860</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	50,923	22,169	(3,953)	-	69,139
Capital expenditure from GAG	535,606	-	(18,413)	38,838	556,031
Assets gifted from the local authority	1,446,325	-	(33,766)	-	1,412,559
LA Capital grants	121,031	-	(2,642)	-	118,389
Other capital grants	18,282	3,000	(2,704)	-	18,578
Restricted Donations (TIFs)	-	4,384	(365)	-	4,019
	<u>2,172,167</u>	<u>29,553</u>	<u>(61,843)</u>	<u>38,838</u>	<u>2,178,715</u>
Restricted pension funds					
Pension scheme	<u>(428,000)</u>	<u>-</u>	<u>(71,000)</u>	<u>(219,000)</u>	<u>(718,000)</u>
Total restricted funds	1,928,889	1,600,119	(1,664,433)	(219,000)	1,645,575
Unrestricted funds					
Unrestricted general funds	<u>561,214</u>	<u>56,314</u>	<u>(39,315)</u>	<u>-</u>	<u>578,213</u>
Total funds	<u>2,490,103</u>	<u>1,656,433</u>	<u>(1,703,748)</u>	<u>(219,000)</u>	<u>2,223,788</u>

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Funds (continued)

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

The General Annual Grant restricted fund relates to the main revenue funding received from the ESFA for the ongoing provision of education services.

Restricted SEN funding is received from the Local Authority for the provision of education and training services to children with special educational needs.

Nursery funding is received from the Local Authority and is designated to allow for funded nursery places for 3 and 4 year old children.

Pupil Premium funding is received from the ESFA and Local Authority for the specific purposes of raising the attainment of disadvantaged pupils and closing the gap with their peers, and supporting children with parents in the regular armed forces and looked after children.

Universal Infant Free School Meals funding is received from the ESFA and is designated to allow all infant stage pupils to benefit from free school meals.

Teachers Pay & Pension Grant funding is provided by the ESFA for the specific purpose of allowing schools to meet the new pay and pension requirements of teaching staff.

PE & Sport Premium funding is received from the ESFA in order to improve physical education and sport in primary schools in England.

Other restricted income comprises funds received for specific purposes such as teacher absence, Covid-19 support and funds received from recharges of utilities payments.

The Defined Benefit Pension restricted fund represents the current deficit on the Local Government Pension Scheme.

The academy operates restricted fixed asset funds. Income that is received by the academy for specific capital items or projects are allocated to these funds.

During the year funds were transferred from GAG to cover overspends on Pupil Premium and capital purchases. A small transfer was also made between individual fixed asset funds.

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

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

18 Financial commitments

Operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £	2019 £
Amounts due within one year	1,872	1,872
Amounts due between one and five years	1,404	3,276
	<u>3,276</u>	<u>5,148</u>

19 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2020 £	2019 £
Net expenditure	(162,820)	(47,315)
Depreciation	70,875	78,340
Donated capital and capital grants	(8,619)	(25,169)
Interest receivable	(1,351)	(2,491)
Interest on defined benefit pension scheme	14,000	13,000
Defined benefit pension scheme service cost adjustment	80,000	58,000
Decrease/(increase) in debtors	15,768	(13,120)
(Decrease)/increase in creditors	<u>(13,541)</u>	<u>37,128</u>
Net cash (outflow)/inflow from operating activities	<u>(5,688)</u>	<u>98,373</u>

20 Cash flows from financing activities

	2020 £	2019 £
Salix loan received	15,450	-
Salix loan repaid	<u>(1,545)</u>	<u>-</u>
Net cash inflow from returns on investments and servicing of finance	<u>13,905</u>	<u>-</u>

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

21 Cash flows from investing activities

	2020 £	2019 £
Purchase of tangible fixed assets	(40,477)	(65,391)
Capital grants	8,619	25,169
Bank interest receivable	1,351	2,491
Net cash used in investing activities	<u>(30,507)</u>	<u>(37,731)</u>

22 Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>672,413</u>	<u>694,703</u>
Total cash and cash equivalents	<u>672,413</u>	<u>694,703</u>

23 Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash	694,703	(22,290)	672,413
Loans falling due within one year	-	(3,090)	(3,090)
Loans falling due after more than one year	-	(10,815)	(10,815)
	-	(13,905)	(13,905)
Total	<u>694,703</u>	<u>(36,195)</u>	<u>658,508</u>

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

24 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.

25 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cornwall 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 £22,826 (2019 - £19,177) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

25 Pension and similar obligations (continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £116,018 (2019: £77,767).

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

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £101,000 (2019 - £111,000), of which employer's contributions totalled £81,000 (2019 - £88,000) and employees' contributions totalled £20,000 (2019 - £23,000). The agreed contribution rates for future years are 17.2% plus £21,300 for employers and 5.5% - 12.5% for employees.

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

On 27 June 2019 the Supreme Court upheld the Court of Appeal's ruling that government reform's made in 2015 to the pensions of judges and firefighters were unlawful on the grounds of age discrimination. This case has become known as the 'McCloud judgement' and the ruling will have wider implications for all public service schemes affected by the reforms. Accordingly, the valuation provided by the actuary at 31 August 2020 includes the expected impact of compensation payments arising from this judgement.

Commutations - An allowance is included for future retirements to elect to take 40% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 70% of the maximum tax-free cash for post-April 2008 service.

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

25 Pension and similar obligations (continued)

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	2.20	2.40
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.70	1.90
Inflation assumptions (CPI)	<u>2.20</u>	<u>2.30</u>

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

	2020	2019
Retiring today		
Males retiring today	21.40	21.10
Females retiring today	23.60	23.60
Retiring in 20 years		
Males retiring in 20 years	22.30	22.30
Females retiring in 20 years	<u>25.10</u>	<u>25.00</u>

Sensitivity analysis

	2020 £	2019 £
Discount rate +0.1%	(63,000)	(61,000)
Discount rate -0.1%	63,000	61,000
Mortality assumption – 1 year increase	(102,000)	(92,000)
Mortality assumption – 1 year decrease	102,000	92,000
CPI rate +0.1%	57,000	53,000
CPI rate -0.1%	<u>(57,000)</u>	<u>(53,000)</u>

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

25 Pension and similar obligations (continued)

The academy trust's share of the assets in the scheme were:

	2020 £	2019 £
Equities	871,920	842,700
Other bonds	560,520	620,100
Property	93,420	111,300
Cash and other liquid assets	31,140	15,900
Total market value of assets	<u>1,557,000</u>	<u>1,590,000</u>

The actual return on scheme assets was (£142,000) (2019 - £136,000).

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

25 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2019/20 £	2018/19 £
Current service cost	161,000	144,000
Past service cost	-	2,000
Interest income	(31,000)	(38,000)
Interest cost	45,000	51,000
Total amount recognised in the SOFA	<u>175,000</u>	<u>159,000</u>

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

	2019/20 £	2018/19 £
At start of period	2,308,000	1,744,000
Current service cost	161,000	144,000
Interest cost	45,000	51,000
Employee contributions	20,000	23,000
Actuarial (gain)/loss	31,000	355,000
Benefits paid	(23,000)	(11,000)
Past service cost	-	2,000
At 31 August	<u>2,542,000</u>	<u>2,308,000</u>

Movements in the fair value of academy's share of scheme assets

	2019/20 £	2018/19 £
At start of period	1,590,000	1,316,000
Interest income	31,000	38,000
Actuarial gain/(loss)	(142,000)	136,000
Employer contributions	81,000	88,000
Employee contributions	20,000	23,000
Benefits paid	(23,000)	(11,000)
At 31 August	<u>1,557,000</u>	<u>1,590,000</u>

Trewirgie Infants' School

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

26 Related party transactions

Owing to the nature of the Academy's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

Trewirgie Junior School

(D Simons was a common director up until his resignation on 2 October 2019)

In the prior year Trewirgie Infants' School paid Trewirgie Junior School £7,325 worth of expenses and at 31 August 2019 the amount due to Trewirgie Junior School was £3,950. There was also income amounting to £9,504 relating to recharged costs for water and gas to Trewirgie Junior School along with other miscellaneous income. At 31 August 2019 the amount due from Trewirgie Junior School was £4,861.

There were no such transactions this year up until the date at which Trewirgie Junior School ceased to be a related party.

Cornwall Association for Primary Headteachers Co-operative CIC

(P Sharpe was a common director up until her resignation on 1 September 2019)

In the prior year Trewirgie Infants' School paid CAPH CIC £895 for a range of service level agreements and training and at 31 August 2019 the amount due to CAPH CIC was £Nil.

There were no such transactions this year up until the date at which CAPH CIC ceased to be a related party.