

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

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**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	Michael Foley Luke Rake Michael Faulkner Timothy Stephens James Tirrell (resigned 17 June 2021)
<b>Trustees</b>	Andrew Daw, Chairman (appointed 1 October 2020) Kaye Chittenden, Vice Chair Mark Gibbens Avril Harrison Robert Lasseter (resigned 17 June 2021) Joanne Manley Dr Annetta Minard Luke Rake (resigned 17 June 2021) James Tirrell (resigned 17 June 2021) Martha Vigar Michael Faulkner (resigned 11 January 2021) Michael Foley (resigned 11 January 2021)
<b>Company registered number</b>	08305242
<b>Company name</b>	Kingston Maurward Studio School Limited
<b>Principal and registered office</b>	Dorset Studio School Kingston Maurward Dorchester Dorset DT2 8PX
<b>Company secretary</b>	Vanessa Gifford
<b>Accounting Officer</b>	Annetta Minard
<b>Senior management team</b>	Dr Annetta Minard, Executive Principal Paul Green, Principal David Humphreys, Assistant Principal Paul Chapman, Assistant Principal Bob Pride, Director of Finance Tracey Richards, School Business Manager
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Bankers**

Barclays Bank Plc  
10 South Street  
Dorchester  
Dorset  
DT1 1TB

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021**

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The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates a secondary academy for pupils aged 11 to 16 serving a catchment covering the Dorset area. It has a pupil capacity of 375 and had a roll of 361 in the school census on May 2021.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Kingston Maurward Studio School Limited are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Dorset Studio School.

Details of the Trustees who served throughout the 2020/21, and to the date the accounts are approved are included in the Reference and Administration Details.

**Trustees' Liability**

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

**Method of recruitment and appointment or election of Trustees**

The management of the Academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The Members may appoint staff Governors through such process as they may determine, provided that the total number of Trustees (including the Principal who are employees of the Academy Trust does not exceed one third of the total number of Trustees.

**Policies and Procedures adopted for the Induction and Training of Trustees**

Trustees are inducted and offered training and mentorship to enable them to enact their duties to the best of their ability.

**Organisational Structure**

The Trustees shall exercise their powers and functions with a view to fulfilling a largely strategic role in the running of the Academy and shall consider any advice given by the Principal. The Principal is responsible for the internal organisation, management and control of the Studio School; and for advising on and implementing the Studio School's strategic framework. In particular the Principal will formulate aims and objectives, policies and targets for the Board to consider applying.

The Principal is the Accounting Officer.

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

The reimbursement of the Principal and Accounting Officer is reviewed and agreed by the Members of the Studio School.

The remuneration of the Senior Leadership Team is reviewed and agreed annually by the Trustees of the Studio School.

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Trade union facility time**

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information in Schedule 2 of the Regulations. The information to be published consists of four tables covering:

**Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	
1%-50%	1
51%-99%	
100%	

**Percentage of pay bill spent on facility time**

Provide the total cost of facility time	
Provide the total pay bill	
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:  (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	1 hour per week
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**Related Parties and other Connected Charities and Organisations**

Kingston Maurward Studio School is jointly sponsored by Kingston Maurward College and Thomas Hardye School, both organisations are based in Dorchester. The Studio School is located within the estate of Kingston Maurward College and operates from a school built on land leased from the College under a long-term agreement.

Both Principals of Kingston Maurward College and Thomas Hardye School are Members of the Studio School.

A number of the services for the Studio School, including support for finance, governance services, IT services, estate facilities are provided by Kingston Maurward College and Service Level Agreements have been put in place between the parties.

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

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**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The Studio School's object is to advance for the public benefit education in the United Kingdom. In particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balance curriculum in conjunction with a land based specialism

**Objectives, Strategies and Activities**

The Studio School attracts students from a wide geographical area extending to Castle Cary in the North, Swanage & Portland in the South, Axminster in the West and Christchurch in the East. It is the preferred option for those pupils interested in land-based subjects and the outdoors.

The Studio School intends to ensure that all students go into employment, further/higher education or training. The strategy to achieve this in due course will include alumni with talks from past students inspiring current students.

**Public Benefit**

The vision is for students to be inspired by the relevance and challenge of solving real-life industrial and community problems. They will rapidly gain the confidence and both the technical and personal skills to become the creative contributors on whom our businesses and public services can rely for shaping and driving the future of our society. In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

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

**STRATEGIC REPORT**

**ACHIEVEMENTS AND PERFORMANCE**

Combined English and Maths at grade 4 and above		54%	
Combined English and Maths at grade 5 and above		28%	
<b>English and Maths</b>			
	Grade 4 and above	Grade 5 and above	Progress
English	75%	47%	0
Maths	59%	37%	0.21
<b>Ebacc Subjects</b>			
Geography	61%	37%	0.04
Science	50%	24%	0.01
<b>Technical subjects</b>			
Travel and Tourism	56%	44%	
Animal Care	56%	44%	
Land Based Studies	25%	68%	
<b>Overall cohort score</b>			
Progress 8		0.41	
Attainment 8		4.3	
<b>Progress for Disadvantaged and Vulnerable Students</b>			
Pupil premium students		0.14	
SEND students		0.28	
Previous High Achieving students		0.75	

**Key Performance Indicators**

The school development plan identifies the following key priorities for 20/21:

1. To provide outstanding learning opportunities for all students, through a dynamic curriculum, which reflects the unique context of Dorset Studio School.

Vulnerable students continued to attend school during the pandemic. High quality remote learning was available to all students and delivered in line with existing timetables. Student outcomes at the end of key stage 4 were teacher assessed but extensive external and internal processes were implemented to quality assure the allocation of grades.

The learning opportunities at Dorset Studio School have attracted students from across Dorset and its adjoining counties. The school continues to be oversubscribed at KS3.



**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021**

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2. To develop an outstanding land based provision, which meets the educational and economic needs of rural Dorset.

Students have the opportunity to study a full academic curriculum, which meets the specifications of progress and attainment 8. In addition, all children follow practical and theoretical learning in relation to our animal and land based specialism.

Work experience and applied learning opportunities enhance careers advice and guidance and provide opportunities to increase employer engagement across the rural industries.

Attainment across our vocational qualifications in specialist subjects, add significant value to the progress made by all students in KS4.

**Going Concern**

After making appropriate enquiries, the Board of Trustees 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**

The objective for the 2020/21 financial year was to establish the Studio School in its main building and additional rooms, which have been provided by Kingston Maurward College. This arrangement provided sufficient accommodation for the number of students but is not a sustainable solution for the future as numbers continue to increase.

For the year the operating surplus, which excludes depreciation and FRS 102 pension transactions, was £187k (2020- surplus £311k). The depreciation in the year was £72k (2020 - £58k) and the non- cash FRS 102 charges relating to the Local Government Pension Scheme were £129k (2020 - £37k). Total funds at the year-end were £2,452k (2020 - £2,540k).

**Reserves Policy**

The Trustees review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The policy of the Trustees is that the Academy plans to spend the vast majority of its revenue income each year on the pupils in its care; but also to maintain a level of free reserves that will be adequate to provide a stable base for the continuing operation of the academy whilst ensuring that excessive funds are not accumulated. The level of reserves required will be reviewed each year by the Trustees.

As at the Balance Sheet date the reserves stood at £2,452k, of which £79k are unrestricted.

These reserves will provide a cushion to deal with unexpected emergencies such as urgent maintenance, as well as sums that are set aside from this year for planned replacement of capital items.

**Investment Policy**

The Trustees are firmly committed to ensuring that all funds under their control are administered under a risk adverse investment strategy. As such the Trustees do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds entrusted to the Board.

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

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**PRINCIPAL RISKS AND UNCERTAINTIES**

During the financial year there were the following risks and risk management strategies relating to the Studio School.

1. Health, Safety and Welfare

The School has a good health and safety record, however the type and range of activities undertaken mean that this remains a significant area of focus for the School. This risk is mitigated by:

- Health, Safety and Welfare policies and procedures implemented
- Role of Health and Safety clearly defined
- Ensuring all staff have completed health & safety and E&D training

2. Failure to avoid a breach of Safeguarding

The School has a very good safeguarding record, however a significant incident could have a high impact in respect of the School's reputation. This risk is mitigated by:

- Safeguarding policy and procedures being implemented
- Role of Safeguarding Officer clearly defined
- Ensuring all staff have completed safeguarding training

3. Failure to increase the school buildings resources

Although the School started in new buildings in 2015, the building resources are not fit for purpose with no changing facilities and do not provide the necessary capacity to accommodate the expected growth in student numbers. This risk is mitigated by:

- Development of a coherent explanation as to why the current buildings are not fit for purpose
- Identifying building expansion solutions in conjunction with Kingston Maurward College
- Lobbying key officials at DfE and Studio Schools Trust
- Application to the Capital Investment Fund to address the need for expansion
- Working with Kingston Maurward College to identify resources that can be utilised by the School in the short term

4. Student Recruitment

Failure to recruit planned number of students would affect funding received from the Education and Skills Funding Agency. This risk is mitigated by:

- A comprehensive marketing strategy;
- School liaison activities;
- Effective student records system;
- Distribution of quality school prospectus.

5. Failure to Maintain Financial Viability

In common with all public sector organisations the School faces challenges in respect of its funding. Linked to the challenges of student recruitment we need to ensure financial viability is maintained. This risk is mitigated by:

- Rigorous budget setting process;
- Timely reporting of financial information and management accounts;
- Regular cash flow reporting;
- Adherence to financial regulations and procedures.

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

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Dorset Studio School has incurred additional costs relating Covid-19 around IT support for staff and students, cleaning, hygiene, signage etc but has also seen compensating savings from the subsidised transport and utilities and overall this means that the school will be able to cover this period financially whilst not undermining its plans for the future

**Plans for Future Periods**

The Studio School seeks to increase the choice, relevancy and economic value of learning and skills development for young people aged 11 to 16. Dorset possesses a highly valued environment which is a significant economic strength that needs to be sustained whilst providing a context for growth.

Located in the heart of this rural county, the Studio School specialises in Environment and Land- based curriculum areas, exploring how the land works to deliver educational excellence and opportunity by making the most of our rich natural resources, while responding to employer and wider community needs.

This will be achieved by implementing a curriculum offer that includes:

- GCSE English, Maths, IT and Sciences
- Vocational L2 qualifications
- Project based learning
- Preparation for real work experience
- Personal, moral, social and cultural understanding
- Enrichment opportunities

**Auditor**


In so far as the trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on [date] and signed on the board's behalf by:

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 16<sup>th</sup> December 2021 and signed on its behalf by:



**Andrew Daw**  
Chairman

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
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**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

As Trustees, we acknowledge we have overall responsibility for ensuring that Kingston Maurward Studio School Limited 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 Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Principal, 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 Kingston Maurward Studio School Limited and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

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

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

Trustee	Meetings attended	Out of a possible
Andrew Daw, Chairman	4	4
Kaye Chittenden, Vice Chair	4	4
Mark Gibbens	4	4
Avril Harrison	0	4
Robert Lasseter	3	4
Joanne Manley	3	4
Dr Annetta Minard	4	4
Luke Rake	4	4
James Tirrell	4	4
Martha Vigar	0	0
Michael Faulkner	0	0
Michael Foley	0	0

The Studio School has endeavoured to conduct its business:

- In accordance with the Articles of Association agreed 14 November 2012;
- In accordance with the seven principles identified by the Committee in Standards in Public Life as detailed in the Code of Conduct adopted on 9 July 2015 and reviewed on 5 December 2019;
- In accordance with the DSS Standing Orders adopted on 24 September 2015 and reviewed on 5 December 2019;
- Having due regard to the UK Corporate governance Code insofar as it is applicable to the Academy sector.

The governing board has met four times during the year and observed the following core strategic functions:

Establishing the strategic direction, by:

- Setting the vision, values, and objectives for the school;
- Agreeing the school improvement strategy with priorities and targets;
- Meeting statutory duties.

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**GOVERNANCE (CONTINUED)**

Ensuring accountability, by:

- Appointing the Principal;
- Monitoring progress towards targets;
- Performance managing the Principal;
- Engaging with stakeholders;
- Contributing to school self-evaluation.

Ensuring financial probity, by:

- Setting the budget;
- Monitoring spending against budget;
- Ensuring value for money is obtained;
- Ensuring risks to the organisation are managed.

Every Member and Trustee of the Dorset Studio School has access to an online portal Governors' Virtual Office (GVO) where they have been provided with regular and timely information on the financial performance of the Studio School together with other information such as performance against funding targets, quality, curriculum and personnel matters. Formal papers and reports are supplied to the Trustees in a timely manner, prior to Board meetings via the GVO system.

The Trustees have agreed to fulfil all their duties as a Full Board, rather than any delegation to Committees, which will be reviewed as the Studio School grows. An Audit & Finance Committee has been established for and met 2 times within 2020/21 academic year. Full minutes of all meetings are published on the school website [www.dorsetstudioschool.co.uk](http://www.dorsetstudioschool.co.uk) and are also available from the Clerk to the Studio School at Kingston Maurward College, Dorchester, Dorset DT2 8PY.

The Clerk has maintained a register of financial and personal interests of the Trustees, and it is available for inspection at the above address.

The Audit Committee and Risk Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure the integrity of the financial reporting and audit process and to oversee the maintenance of sound internal control and risk management systems.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Luke Rake	1	1
Dr Annetta Minard	1	1
Avril Harrison	1	1

## **GOVERNANCE STATEMENT (CONTINUED)**

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### **REVIEW OF VALUE FOR MONEY**

As accounting officer, the Principal 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 Trustees 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 is delivered adopting the following principles:

- Challenge - why, how and by whom and activity is carried out;
- Compare - performance against other schools;
- Consult - involving stakeholders, pupils and parents;
- Compete - as a means of securing efficient and effective services.

### **THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Kingston Maurward Studio School Limited for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

### **CAPACITY TO HANDLE RISK**

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

### **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 Trustees has decided not to appoint an internal auditor. However, the Trustees have appointed , a Trustee, to carry out a programme of internal checks.

A specific Governance Review was carried out by Internal Auditors, ICCA Education & Skills in 2020/21 and an independent Financial review with the department for education.

**GOVERNANCE STATEMENT (CONTINUED)**

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**THE RISK AND CONTROL FRAMEWORK (CONTINUED)**

The appointee's role will include giving advice on financial matters and performing a range of checks on the Academy's financial systems.

On a regular basis, the appointee will report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

On a quarterly basis, the reviewer reports to the Board of Trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

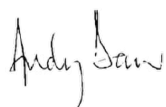
**REVIEW OF EFFECTIVENESS**

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

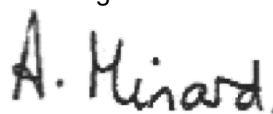
- the work of the reviewer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

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



**Andrew Daw**  
Chair of Trustees



**Dr Annetta Minard**  
Accounting Officer

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
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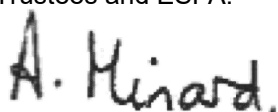
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of Kingston Maurward Studio School Limited I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust Board of Trustees 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 2020.

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



**Dr Annetta Minard**  
Accounting Officer  
Date:



**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

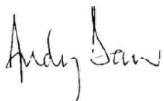
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the Board of Trustees on 16 December 2021 and signed on its behalf by:



**Andrew Daw**  
(Chair of Trustees)

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
KINGSTON MAURWARD STUDIO SCHOOL LIMITED**

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**OPINION**

We have audited the financial statements of Kingston Maurward Studio School Limited (the 'academy trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

**BASIS FOR OPINION**

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

**CONCLUSIONS RELATING TO GOING CONCERN**

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

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

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

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
KINGSTON MAURWARD STUDIO SCHOOL LIMITED (CONTINUED)**

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**OTHER INFORMATION**

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

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

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

**RESPONSIBILITIES OF TRUSTEES**

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
KINGSTON MAURWARD STUDIO SCHOOL LIMITED (CONTINUED)**

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

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

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

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

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

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

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

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

Our procedures to respond to risks identified included the following:

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
KINGSTON MAURWARD STUDIO SCHOOL LIMITED (CONTINUED)**

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

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

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

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

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
KINGSTON MAURWARD STUDIO SCHOOL LIMITED (CONTINUED)**

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**USE OF OUR REPORT**

This report is made solely to the Academy Trust'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 Trust's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Bishop Fleming LLP*

**Craig Sullivan FCCA (Senior statutory auditor)**

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

17 December 2021

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KINGSTON MAURWARD STUDIO SCHOOL LIMITED AND THE EDUCATION & SKILLS FUNDING AGENCY**

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

This report is made solely to Kingston Maurward Studio School Limited and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Kingston Maurward Studio School Limited and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Kingston Maurward Studio School Limited and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF KINGSTON MAURWARD STUDIO SCHOOL LIMITED'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

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

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

**APPROACH**

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

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

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

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

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KINGSTON  
MAURWARD STUDIO SCHOOL LIMITED AND THE EDUCATION & SKILLS FUNDING AGENCY  
(CONTINUED)**

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**CONCLUSION**

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

*Bishop Fleming LLP*

**Craig Sullivan (Senior statutory auditor)**

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: 17 December 2021



**KINGSTON MAURWARD STUDIO SCHOOL LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
<b>Income from:</b>						
Donations and capital grants	3	-	-	51,701	51,701	13,703
Other trading activities	5,4	8,235	-	-	8,235	5,826
Investments	6	9	-	-	9	25
Charitable activities	4	161,294	2,548,649	-	2,709,943	2,456,542
<b>Total income</b>		<b>169,538</b>	<b>2,548,649</b>	<b>51,701</b>	<b>2,769,888</b>	<b>2,476,096</b>
<b>Expenditure on:</b>						
Charitable activities	8	90,531	2,621,260	72,085	2,783,876	2,260,489
<b>Total expenditure</b>		<b>90,531</b>	<b>2,621,260</b>	<b>72,085</b>	<b>2,783,876</b>	<b>2,260,489</b>
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>79,007</b>	<b>(72,611)</b>	<b>(20,384)</b>	<b>(13,988)</b>	<b>215,607</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	25	-	(74,000)	-	(74,000)	(186,000)
<b>Net movement in funds</b>		<b>79,007</b>	<b>(146,611)</b>	<b>(20,384)</b>	<b>(87,988)</b>	<b>29,607</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		-	(4,155)	2,544,596	2,540,441	2,510,834
Net movement in funds	18	79,007	(146,611)	(20,384)	(87,988)	29,607
<b>Total funds carried forward</b>		<b>79,007</b>	<b>(150,766)</b>	<b>2,524,212</b>	<b>2,452,453</b>	<b>2,540,441</b>

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

The notes on pages 26 to 49 form part of these financial statements.

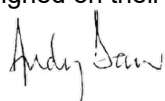
**KINGSTON MAURWARD STUDIO SCHOOL LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:08305242**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Tangible assets	14		<b>2,523,571</b>		2,544,596
			<u>2,523,571</u>		<u>2,544,596</u>
<b>Current assets</b>					
Debtors	15	<b>20,025</b>		52,990	
Cash at bank and in hand	17	<b>621,259</b>		499,830	
			<u>641,284</u>	<u>552,820</u>	
Creditors: amounts falling due within one year	16	<b>(106,402)</b>		(153,975)	
<b>Net current assets</b>			<b>534,882</b>		398,845
<b>Total assets less current liabilities</b>			<b>3,058,453</b>		2,943,441
Defined benefit pension scheme liability	25		<b>(606,000)</b>		(403,000)
<b>Total net assets</b>			<b>2,452,453</b>		<u>2,540,441</u>
<b>Funds of the Academy Trust</b>					
<b>Restricted funds:</b>					
Fixed asset funds	18	<b>2,524,212</b>		2,544,596	
Restricted income funds	18	<b>455,234</b>		398,845	
			<u>2,979,446</u>	<u>2,943,441</u>	
Restricted funds excluding pension asset	18	<b>2,979,446</b>		2,943,441	
Pension reserve	18	<b>(606,000)</b>		(403,000)	
<b>Total restricted funds</b>	18		<b>2,373,446</b>		2,540,441
<b>Unrestricted income funds</b>	18		<b>79,007</b>		-
<b>Total funds</b>			<b>2,452,453</b>		<u>2,540,441</u>

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

The financial statements on pages 23 to 49 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Andrew Daw  
 (Chair of Trustees)  
 Date: 16 December 2021

The notes on pages 26 to 49 form part of these financial statements.

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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	<b>Note</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<b>203,200</b>	354,384
<b>Cash flows from financing activities</b>	21	<b>(81,771)</b>	(27,434)
<b>Change in cash and cash equivalents in the year</b>		<b>121,429</b>	326,950
Cash and cash equivalents at the beginning of the year		<b>499,830</b>	172,880
<b>Cash and cash equivalents at the end of the year</b>	22, 23	<b>621,259</b>	499,830

The notes on pages 26 to 49 form part of these financial statements

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

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**1. ACCOUNTING POLICIES**

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

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

Kingston Maurward Studio School Limited meets the definition of a public benefit entity under FRS 102.

**1.2 GOING CONCERN**

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

**1.3 INCOME**

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

• **Grants**

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

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

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

• **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of financial activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

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

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**1. ACCOUNTING POLICIES (continued)**

**1.3 INCOME (CONTINUED)**

• **Donations**

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

• **Other income**

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

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

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

**1.4 EXPENDITURE**

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

• **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.

**1.5 INTEREST RECEIVABLE**

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

**KINGSTON MAURWARD STUDIO SCHOOL LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**1. ACCOUNTING POLICIES (continued)**

**1.6 TAXATION**

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

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

**1.7 TANGIBLE FIXED ASSETS**

Assets costing £1000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following basis:

Freehold property	-	2% per annum
Furniture and equipment	-	25% per annum
Computer equipment	-	33% per annum

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

**1.8 DEBTORS**

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

**1.9 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

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

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**1. ACCOUNTING POLICIES (continued)**

**1.10 LIABILITIES**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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.

**1.11 FINANCIAL INSTRUMENTS**

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement bases are as follows:

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

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

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

**1.12 PENSIONS**

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

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

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

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

**1. ACCOUNTING POLICIES (continued)**

**1.13 FUND ACCOUNTING**

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

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

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

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

Critical accounting estimates and assumptions:

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

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



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**3. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
ESFA Laptop donation	20,999	<b>20,999</b>	-
Capital Grants	30,702	<b>30,702</b>	13,703
<b>TOTAL 2021</b>	<u>51,701</u>	<u><b>51,701</b></u>	<u>13,703</u>
TOTAL 2020	<u>13,703</u>	<u>13,703</u>	

**4. FUNDING FOR THE ACADEMY TRUST'S EDUCATION**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
<b>DFE/ESFA GRANTS</b>				
General Annual Grant (GAG)	-	2,076,432	<b>2,076,432</b>	2,042,008
<b>OTHER DFE/ESFA GRANTS</b>				
Pupil Premium	-	103,749	<b>103,749</b>	50,513
Teachers' Pay/Pension	-	151,142	<b>151,142</b>	126,352
Other Grants	-	67,522	<b>67,522</b>	62,445
	<u>-</u>	<u>2,398,845</u>	<u><b>2,398,845</b></u>	<u>2,281,318</u>
<b>OTHER GOVERNMENT GRANTS</b>				
SEN Funding	-	75,379	<b>75,379</b>	48,211
	<u>-</u>	<u>75,379</u>	<u><b>75,379</b></u>	<u>48,211</u>
<b>Other income from the Academy Trust's education</b>	<b>161,294</b>	-	<b>161,294</b>	127,013
<b>COVID-19 ADDITIONAL FUNDING (DFE/ESFA)</b>				
Catch-up Premium	-	49,345	<b>49,345</b>	-
Mass Testing	-	25,080	<b>25,080</b>	-
	<u>-</u>	<u>74,425</u>	<u><b>74,425</b></u>	<u>-</u>
<b>TOTAL 2021</b>	<u>161,294</u>	<u>2,548,649</u>	<u><b>2,709,943</b></u>	<u>2,456,542</u>
TOTAL 2020	<u>127,013</u>	<u>2,329,529</u>	<u>2,456,542</u>	

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**4. FUNDING FOR THE ACADEMY TRUST'S EDUCATION (CONTINUED)**

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Pupil Premium and Pay Awards is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The Academy Trust has been eligible to claim additional funding in the year from government support schemes in response to the coronavirus outbreak.

The Academy Trust received £49k of funding for catch-up premium and costs incurred in respect of this funding totalled £49k.

The Academy Trust received £25k of funding for Covid-19 mass testing using the school's facilities, costs incurred in respect of this funding totalled £25k.

**5. INCOME FROM OTHER TRADING ACTIVITIES**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	Total funds 2020 £
Other Income	8,235	<b>8,235</b>	5,826

**6. INVESTMENT INCOME**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	Total funds 2020 £
Bank interest	9	<b>9</b>	25

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**7. EXPENDITURE**

	<b>Staff Costs 2021 £</b>	<b>Premises 2021 £</b>	<b>Other 2021 £</b>	<b>Total 2021 £</b>	<b>As restated Total 2020 £</b>
EDUCATION:					
Direct costs	1,551,853	51,791	307,823	<b>1,911,467</b>	1,741,299
Support costs	383,733	328,615	160,061	<b>872,409</b>	519,190
<b>TOTAL 2021</b>	<b>1,935,586</b>	<b>380,406</b>	<b>467,884</b>	<b>2,783,876</b>	<b>2,260,489</b>
TOTAL 2020 AS RESTATED	1,610,553	232,167	417,769	2,260,489	

**8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

**Summary by fund type**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Education	90,531	2,693,345	<b>2,783,876</b>	2,260,489
TOTAL 2020	65,271	2,195,218	2,260,489	

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Direct costs 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>	<b>As restated Total funds 2020 £</b>
Education	1,911,467	872,409	<b>2,783,876</b>	2,260,489
TOTAL 2020 AS RESTATED	1,741,299	519,190	2,260,489	

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

**ANALYSIS OF DIRECT COSTS**

	<b>Education 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Pension finance costs	7,000	<b>7,000</b>	3,000
Staff costs	1,522,506	<b>1,522,506</b>	1,456,050
Depreciation	51,791	<b>51,791</b>	49,885
Educational supplies	25,135	<b>25,135</b>	24,264
Examination fees	42,386	<b>42,386</b>	17,060
Staff development	3,445	<b>3,445</b>	7,384
Other costs	229,857	<b>229,857</b>	152,281
Supply teachers	29,347	<b>29,347</b>	31,375
<b>TOTAL 2021</b>	<b>1,911,467</b>	<b>1,911,467</b>	<b>1,741,299</b>

**ANALYSIS OF SUPPORT COSTS**

	<b>Education 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Staff costs	383,733	<b>383,733</b>	123,128
Depreciation	20,294	<b>20,294</b>	8,845
Bad debt write off	5,739	<b>5,739</b>	30
Sponsor recharge costs	30,440	<b>30,440</b>	42,178
Recruitment and other staff costs	12,712	<b>12,712</b>	10,632
Maintenance of premises and equipment	42,794	<b>42,794</b>	37,605
Cleaning	31,075	<b>31,075</b>	32,105
Rent and rates	209,615	<b>209,615</b>	132,393
Energy costs	23,555	<b>23,555</b>	17,429
Insurance	7,074	<b>7,074</b>	7,198
Security and transport	1,282	<b>1,282</b>	3,790
Catering	19,284	<b>19,284</b>	18,902
Technology costs	7,904	<b>7,904</b>	7,366
Office overheads	56,128	<b>56,128</b>	59,815
Bank interest and charges	347	<b>347</b>	256
Governance costs	20,433	<b>20,433</b>	17,518
<b>TOTAL 2021</b>	<b>872,409</b>	<b>872,409</b>	<b>519,190</b>

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**10. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) for the year includes:

	<b>2021</b>	2020
	£	£
Depreciation of tangible fixed assets	<b>72,085</b>	58,731
Fees paid to auditors for:		
- audit	<b>9,250</b>	7,782
- other services	<b>2,245</b>	1,689
	<b>72,085</b>	58,731

**11. STAFF**

**a. STAFF COSTS**

Staff costs during the year were as follows:

	<b>2021</b>	2020
	£	£
Wages and salaries	<b>1,355,510</b>	1,163,901
Social security costs	<b>136,298</b>	118,104
Pension costs	<b>414,431</b>	297,173
	<b>1,906,239</b>	1,579,178
Supply staff costs	<b>29,347</b>	31,375
	<b>1,935,586</b>	1,610,553

**b. STAFF NUMBERS**

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

	<b>2021</b>	2020
	No.	No.
Teachers	<b>24</b>	21
Administration and Support	<b>11</b>	5
Management	<b>5</b>	5
	<b>40</b>	31

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**11. STAFF (CONTINUED)**

**b. STAFF NUMBERS (CONTINUED)**

The average headcount expressed as full-time equivalents was:

	<b>2021 No.</b>	2020 No.
Teachers	<b>24</b>	-
Educational Support	<b>8</b>	-
Admin	<b>3</b>	-
Management	<b>5</b>	-
	<hr/> <b>40</b> <hr/>	<hr/> - <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**11. STAFF (CONTINUED)**

**c. HIGHER PAID STAFF**

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

	<b>2021</b>	2020
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>1</b>	-
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	<b>1</b>	-
	<b>=====</b>	<b>=====</b>

**d. KEY MANAGEMENT PERSONNEL**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £348,185 (2020 - £384,031).

**12. TRUSTEES' REMUNERATION AND EXPENSES**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows: A Minard: Remuneration £90,000 - £100,000 (2020: £80,000 - £90,000), Employer's pension contributions £10,000 - £15,000 (2020: £20,000 - £25,000).

No other trustees were paid remuneration or received other benefits from an employment with the Trust.

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

**13. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides unlimited cover on any one claim and the cost for the year ended 31 August 2021 was £6,264 (2020 - £6,408). The cost of this insurance is included in the total insurance cost.

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**14. TANGIBLE FIXED ASSETS**

	Leasehold property £	Furniture and equipment £	Computer equipment £	Total £
<b>COST OR VALUATION</b>				
At 1 September 2020	2,809,971	18,377	255,707	3,084,055
Additions	2,099	12,802	36,159	51,060
At 31 August 2021	<u>2,812,070</u>	<u>31,179</u>	<u>291,866</u>	<u>3,135,115</u>
<b>DEPRECIATION</b>				
At 1 September 2020	279,543	4,994	254,922	539,459
Charge for the year	56,203	5,744	10,138	72,085
At 31 August 2021	<u>335,746</u>	<u>10,738</u>	<u>265,060</u>	<u>611,544</u>
<b>NET BOOK VALUE</b>				
At 31 August 2021	<u>2,476,324</u>	<u>20,441</u>	<u>26,806</u>	<u>2,523,571</u>
At 31 August 2020	<u>2,530,428</u>	<u>13,383</u>	<u>785</u>	<u>2,544,596</u>

**15. DEBTORS**

	2021 £	2020 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	2,191	10,658
Other debtors	417	3,779
Prepayments and accrued income	11,015	18,485
Tax recoverable	6,402	20,068
	<u>20,025</u>	<u>52,990</u>



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

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**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2021</b>	2020
	£	£
Trade creditors	<b>21,619</b>	23,898
Amounts owed to connected entity	<b>540</b>	44,190
Other taxation and social security	<b>37,333</b>	31,594
Other creditors	<b>35,415</b>	31,999
Accruals and deferred income	<b>11,495</b>	22,294
	<u><b>106,402</b></u>	<u>153,975</u>

**17. FINANCIAL INSTRUMENTS**

	<b>2021</b>	2020
	£	£
<b>FINANCIAL ASSETS</b>		
Cash at bank and in hand	<b>621,259</b>	499,830
	<u><b>621,259</b></u>	<u>499,830</u>

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**18. STATEMENT OF FUNDS**

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>UNRESTRICTED FUNDS</b>					
General funds	-	169,538	(90,531)	-	79,007
<b>RESTRICTED GENERAL FUNDS</b>					
General Annual Grant (GAG)	391,058	2,076,432	(2,012,256)	-	455,234
Start up grant	7,787	-	(7,787)	-	-
Pupil Premium	-	103,749	(103,749)	-	-
Teachers' Pay/Pension	-	151,142	(151,142)	-	-
Other DfE/ESFA Grants	-	67,522	(67,522)	-	-
SEN Funding	-	75,379	(75,379)	-	-
Covid related grants	-	74,425	(74,425)	-	-
Pension reserve	(403,000)	-	(129,000)	(74,000)	(606,000)
	(4,155)	2,548,649	(2,621,260)	(74,000)	(150,766)
<b>RESTRICTED FIXED ASSET FUNDS</b>					
DfE/EFA capital grants	2,544,596	30,702	(67,231)	-	2,508,067
Other capital grants and donations	-	20,999	(4,854)	-	16,145
	2,544,596	51,701	(72,085)	-	2,524,212
<b>TOTAL RESTRICTED FUNDS</b>	<b>2,540,441</b>	<b>2,600,350</b>	<b>(2,693,345)</b>	<b>(74,000)</b>	<b>2,373,446</b>
<b>TOTAL FUNDS</b>	<b>2,540,441</b>	<b>2,769,888</b>	<b>(2,783,876)</b>	<b>(74,000)</b>	<b>2,452,453</b>

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

**UNRESTRICTED FUNDS**

Unrestricted funds represent funds which may be used towards meeting any of the charitable objectives of the Trust at the discretion of the Trustees

**RESTRICTED FUNDS**

General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

**NOTES TO THE FINANCIAL STATEMENTS  
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**18. STATEMENT OF FUNDS (CONTINUED)**

Start up Grant - This represents one off funding received from the ESFA to contribute to the cost of converting from a school to an academy.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Teachers' Pension Award and Teachers' Pay Award - funding to provide support for academies with respect to the teachers' pay awards.

SEN Funding - Funding received by the Local Authority to fund further support for students with additional needs.

Covid-19 additional funding DfE/ESFA - this represents mass testing funding, covid catch-up premium and other ESFA exceptional funding relating to Covid-19.

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

**RESTRICTED FIXED ASSET FUNDS**

DfE/ESFA Capital Grants - These funds are received from the DfE/ESFA for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

Other capital grants and donations - These funds were received from third parties for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

Fixed assets purchased from GAG - This represents funds transferred from the restricted GAG fund to purchases fixed assets. The fixed asset fund balance at the year end represents the Net Book Value of assets.

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

**TRANSFERS**

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

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

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>UNRESTRICTED FUNDS</b>						
General Funds	-	132,863	(161,499)	28,636	-	-
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	90,424	2,042,009	(1,712,739)	(28,636)	-	391,058
Start up grant	7,787	-	-	-	-	7,787
Pupil Premium	-	50,513	(50,513)	-	-	-
Other DfE/ESFA Grants	-	237,008	(237,008)	-	-	-
Pension reserve	(177,000)	-	(40,000)	-	(186,000)	(403,000)
	(78,789)	2,329,530	(2,040,260)	(28,636)	(186,000)	(4,155)
<b>RESTRICTED FIXED ASSET FUNDS</b>						
DfE/EFA capital grants	2,589,622	13,704	(58,730)	-	-	2,544,596
<b>TOTAL RESTRICTED FUNDS</b>	2,510,833	2,343,234	(2,098,990)	(28,636)	(186,000)	2,540,441
<b>TOTAL FUNDS</b>	2,510,833	2,476,097	(2,260,489)	-	(186,000)	2,540,441

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**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	2,523,571	<b>2,523,571</b>
Current assets	79,007	561,636	641	<b>641,284</b>
Creditors due within one year	-	(106,402)	-	<b>(106,402)</b>
Provisions for liabilities and charges	-	(606,000)	-	<b>(606,000)</b>
<b>TOTAL</b>	<u>79,007</u>	<u>(150,766)</u>	<u>2,524,212</u>	<u><b>2,452,453</b></u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	2,544,596	2,544,596
Current assets	552,820	-	552,820
Creditors due within one year	(153,975)	-	(153,975)
Provisions for liabilities and charges	(403,000)	-	(403,000)
<b>TOTAL</b>	<u>(4,155)</u>	<u>2,544,596</u>	<u>2,540,441</u>

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**20. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
Net (expenditure)/income for the year (as per Statement of financial activities)	<b>(13,988)</b>	215,607
<b>ADJUSTMENTS FOR:</b>		
Depreciation	<b>72,085</b>	58,731
Capital grants from DfE and other capital income	<b>30,702</b>	13,704
Interest receivable	<b>9</b>	25
Defined benefit pension scheme cost less contributions payable	<b>122,000</b>	37,000
Defined benefit pension scheme finance cost	<b>7,000</b>	3,000
Decrease/(increase) in debtors	<b>32,965</b>	(31,409)
(Decrease)/increase in creditors	<b>(47,573)</b>	57,726
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>203,200</b>	354,384

**21. CASH FLOWS FROM FINANCING ACTIVITIES**

	2021 £	2020 £
Purchase of tangible fixed assets	<b>(51,060)</b>	(13,705)
Interest receivable	<b>(9)</b>	(25)
Capital grants from DfE and other capital income	<b>(30,702)</b>	(13,704)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(81,771)</b>	(27,434)

**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2021 £	2020 £
Cash in hand and at bank	<b>621,259</b>	499,830
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>621,259</b>	499,830

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

	<b>At 1 September 2020 £</b>	<b>Cash flows £</b>	<b>At 31 August 2021 £</b>
Cash at bank and in hand	<b>499,830</b>	<b>121,429</b>	<b>621,259</b>
	<b>499,830</b>	<b>121,429</b>	<b>621,259</b>

**24. CAPITAL COMMITMENTS**

At 31 August 2019 the academy had entered into a lease with Kingston Maurward College for use of rooms during the 2020-21 academic year. During the year, a total value of £34,444 was paid to the College for these facilities.

**25. PENSION COMMITMENTS**

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Dorset County Council.. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £35,415 were payable to the schemes at 31 August 2021 (2020 - £31,309) and are included within creditors.

**TEACHERS' PENSION SCHEME**

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

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

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**25. PENSION COMMITMENTS (CONTINUED)**

**VALUATION OF THE TEACHERS' PENSION SCHEME**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £250,972 (2020 - £234,426).

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

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

**LOCAL GOVERNMENT PENSION SCHEME**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £54,000 (2020 - £33,814), of which employer's contributions totalled £41,000 (2020 - £25,747) and employees' contributions totalled £ 13,000 (2020 - £8,066). The agreed contribution rates for future years are 13.7 per cent for employers and 5.5 to 7.5 per cent for employees.

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

**PRINCIPAL ACTUARIAL ASSUMPTIONS**

	<b>2021</b>	2020
	%	%
Rate of increase in salaries	<b>3.85</b>	3.20
Rate of increase for pensions in payment/inflation	<b>2.85</b>	2.20
Discount rate for scheme liabilities	<b>1.70</b>	1.65
Inflation assumption (CPI)	<b>2.85</b>	2.20



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**25. PENSION COMMITMENTS (CONTINUED)**

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

	<b>2021</b>	2020
	<b>Years</b>	Years
RETIRING TODAY		
Males	<b>23.4</b>	23.3
Females	<b>24.8</b>	24.8
RETIRING IN 20 YEARS		
Males	<b>24.8</b>	24.7
Females	<b>26.3</b>	26.2

**SENSITIVITY ANALYSIS**

**SHARE OF SCHEME ASSETS**

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

	<b>2021</b>	2020
	<b>£</b>	£
Equities	<b>219,000</b>	112,000
Gilts	<b>145,000</b>	83,000
Debt instruments	<b>35,000</b>	21,000
<b>TOTAL MARKET VALUE OF ASSETS</b>	<b>399,000</b>	216,000

The actual return on scheme assets was £7000 (2020 - £3000).

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

	<b>2021</b>	2020
	<b>£</b>	£
Current service cost	<b>163,000</b>	37,000
Net interest	<b>7,000</b>	3,000
<b>TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES</b>	<b>170,000</b>	40,000

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**25. PENSION COMMITMENTS (CONTINUED)**

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

	2021 £	2020 £
<b>AT 1 SEPTEMBER</b>	<b>619,000</b>	328,000
Current service cost	<b>99,000</b>	62,000
Interest cost	<b>12,000</b>	6,000
Employee contributions	<b>13,000</b>	8,000
Actuarial losses	<b>134,000</b>	215,000
Benefits paid	<b>(5,000)</b>	-
Settlements	<b>133,000</b>	-
<b>AT 31 AUGUST</b>	<b>1,005,000</b>	619,000

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

	2021 £	2020 £
<b>AT 1 SEPTEMBER</b>	<b>216,000</b>	151,000
Interest income	<b>5,000</b>	3,000
Actuarial gains	<b>60,000</b>	29,000
Employer contributions	<b>41,000</b>	25,000
Employee contributions	<b>13,000</b>	8,000
Settlements	<b>69,000</b>	-
Estimated benefits paid	<b>(5,000)</b>	-
<b>AT 31 AUGUST</b>	<b>399,000</b>	216,000

**26. OPERATING LEASE COMMITMENTS**

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

	2021 £	2020 £
Not later than 1 year	<b>140,000</b>	140,000
Later than 1 year and not later than 5 years	<b>665,000</b>	805,000
	<b>805,000</b>	945,000

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**27. MEMBERS' LIABILITY**

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

**28. RELATED PARTY TRANSACTIONS**

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

During the year, Kingston Maurward College (Sponsor of Kingston Maurward Studio School, and the entity which L Rake is Principal) provided services to Kingston Maurward Studio School under service level agreements. The services provided were in respect of finance, governance, IT, premises and exams, these services amounted to £158,480 (2020: £177,733). In addition to these services, Kingston Maurward College also charged the Studio School transport costs of £220,207 relating to students utilising the College's bus network for travel to and from the College (2020: £151,354) and other miscellaneous expenses of £20,108 (2020: £19,772). Finally, Kingston Maurward College charged the Studio School lease costs of £34,444 for the use of classrooms in the 2020/21 academic year (2020: £Nil).

At the balance sheet date the amount owed to Kingston Maurward College was £540 (2020: £44,190).

During the year, DASP, a company in which Michael Foley is a Director, provided services costing £8,700 (2020: £4,950). Income received £Nil (2020: £57).

There were no other related party transactions other than certain trustees' remuneration and expenses already disclosed in note 12.

**29. GENERAL INFORMATION**

Kingston Maurward Studio School is a company limited by guarantee, incorporated in England and Wales. The registered office is Dorset Studio School, Kingston Maurward, Dorchester, Dorset, DT2 8PX.