

Company Registration Number: 09017776 (England & Wales)

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021



**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3
Statement of Trustees' Responsibilities	16
Independent Auditors' Report on the Financial Statements	17 - 20
Independent Reporting Accountant's Report on Regularity	21 - 22
Statement of Financial Activities Incorporating Income and Expenditure Account	23 - 24
Balance Sheet	25 - 26
Statement of Cash Flows	27
Notes to the Financial Statements	28 - 58

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Sir Roger Fry C Ellison R Schofield Rt Revd H Scriven Sir Pritpal Singh (appointed 28 October 2021)
Trustees	Sir R Fry, Chairman M Benito Molina (resigned 7 September 2021) ¹ M Cooper ¹ A Davison (resigned 13 October 2020) ² P Harris ¹ N Lelew B Shah ² B Williams ¹ D Smith ² D Taylor (appointed 3 November 2021) ¹ Finance, HR and Audit ² Education and Standards
Company registered number	09017776
Company name	King's Group Academies
Principal and registered office	King's Academy College Park Crofton Road Portsmouth PO2 0NT
Chief executive officer	N Cross
Finance Director and Company Secretary	S Collins
Senior management team	N Cross, Chief Executive Officer S Collins, Director of Finance and Corporate Affairs L Walsh, Director of HR (appointed 31/08/2021) P Marks, Director of Estates (appointed 01/10/2021)
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 10 Temple Back Bristol BS1 6FL
Bankers	Lloyds Bank Plc PO Box 1000 Andover BX1 1LT

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

Solicitors	Browne Jacobson Mowbray House Castlemeadow Road Nottingham NG2 1BJ
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**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

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 one all-through, five primary and two secondary and academies in the south of England. Its academies have a combined pupil capacity of 6,139 and had a roll of 3,903 in the school census on 7 October 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of King's Group Academies are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as King's Group Academies. The academies in the Trust are: King's Academy Ringmer, King's Academy College Park (Junior), King's Academy College Park (Infant), King's Academy Northern Parade (Junior), King's Academy Northern Parade (Infant), King's Academy Binfield, King's Academy Oakwood, King's Academy Prospect.

Details of the Trustees who served throughout the year, 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.

Trustees' Indemnities

Trustees' liability cover is provided under the Education and Skills' Funding Agency's Risk Protection Arrangement up to a limit of £10m.

Method of recruitment and appointment or election of Trustees

The Trust was formed using the DfE model articles of association. The articles state that the number of trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The academy trust shall have the following trustees:

- Up to nine trustees, appointed under Article 50;
- Up to two chairs of local governing bodies selected by the trustees; and
- A minimum of two parent trustees elected or appointed under Article 53 & 56 in the event that no local governing bodies are established under Article 100a or if no provision is made for at least two parent local governors on each established local governing body pursuant to Article 101A.
- The academy trust may also have any co-opted trustee appointed under Article 58.

Future trustees shall be appointed or elected, as the case may be, under the Articles. The members may appoint staff trustees through such process as they may determine. The total number of trustees including the Chief Executive Officer if they so choose to act as trustee under Article 57 who are employees of the academy trust shall not exceed one third of the total number of trustees. The term of office of any trustee is four years.

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

King's Group Academies (KGA) is keen to ensure that it recruits the right mix of skills and experience to the board. To ensure this the Trust has agreed a trustee selection process, which identifies the skills and experience needed as well as describing the selection process which covers:

- Agreeing the job description with the selection panel and distributing it to the board;
- Agreeing a process for candidates nominated by a member of the board or a trusted staff member;
- Completing a skills matrix self assessment;
- Arranging first opinion interviews;
- Final panel; and
- Decision and appointment to KGA board

Policies and Procedures adopted for the Induction and Training of Trustees

Training and induction provided for new trustees depends upon their existing experience. Appointments of new trustees are infrequent and induction is tailored to the individual. Trustees visit academies throughout the trust and meet staff and senior leaders. The trust holds formal training sessions for trustees, the content being informed by a regular skills audit.

Organisational Structure

KGA was set up with a management structure to support the education brief. The trust's management structure consists of four levels: the members, the trustees, the local governing body and the senior leadership team. The Trust members set the operational strategy of the Trust. The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring its financial and operational performance and making strategic decisions about the direction of the Trust, approving major items of expenditure and making senior staff appointments. The local governing bodies have responsibility for assisting in ensuring the educational quality and supporting local engagement. These responsibilities are defined in the Scheme of Delegation. The senior leadership team - in particular the CEO - have delegated authority to manage day to day activities of the trust; the principals and executive principals of the academies have responsibility for the academy operations. There are two committees as follows:

- Finance, HR and Audit Committee - this meets at least three times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee; and
- Education Standards Committee - this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.

The trustees have developed a scheme of financial delegating which clearly sets out the level of financial authority delegated to the principals and other members of staff.

The Chief Executive Officer is the Accounting Officer.

The regional structure, with each of three regions being led by an experienced Executive Headteacher, ensures the Trust has the capacity to work with existing schools and grow to support additional schools. KGA has a pedagogically focussed school improvement team who are responsive and have capacity to provide the necessary support for rapid and sustained improvement. The support services for all schools have regional delivery but are managed centrally by the Director of Finance and Corporate Affairs to ensure consistency.

To achieve improvement and to grow effectively, the Trust grows capacity ahead of taking on schools, so we are able to provide support at the earliest opportunity. This means we are well placed to provide the right support to ensure rapid and sustained improvement. The Board of Trustees only take decisions to partner with schools where they fit with, or can be developed to fit with, our culture and ethos and where there is benefit to the Trust as a whole.

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

The KGA Board and local governing bodies:

- Have a balance of skills, which are reviewed regularly and inform recruitment to the Board;
- Receive training is provided on the on responsibilities of trustees, as well as specific aspects (e.g. FFT);
- Scrutinise performance, the impact of School Improvement, finances & risk; and
- Collaboration is a strength with local governing bodies buying in to KGA mission and identity.

Arrangements for setting pay and remuneration of key management personnel

The local governing body sets the pay ranges for the principal, vice principal and assistant principal to reflect the responsibilities of the job in addition to the size of the academy and any other factors. The pay committee will agree performance objectives relating to school leadership, management and pupil progress. The CEO salary and remuneration is determined by the board of trustees based on a review of objectives and targets.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	2.5

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	3
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£4,373
Provide the total pay bill	£18,454,760
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.02%

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	0%
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Related Parties and other Connected Charities and Organisations

KGA operates an Associate Membership scheme, non-binding on both sides, to promote working with other schools and academies at all levels. During the year, Easthampstead Park Community School was an Associate Member.

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

Engagement with employees (including disabled persons)

The Trust engages with their employees through many means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union officials;
- Regular updates to all staff members, via formal and informal meetings, weekly and termly updates and newsletters; and
- Encouraging all staff to participate in an annual well-being survey.

Engagement with suppliers, customers and others in a business relationship with the Trust

The Trust seeks to maintain good relations with suppliers and customers through transparency over purchasing policy and prompt processing of invoices, including the efficient handling of queries. The Trust's Best Value Statement and Register of Interests support this, and robust measures are in place to ensure that the Trust bases its decisions on sound criteria.

The trust's scheme of delegation recognises the importance of maintaining good relations with wider stakeholders, making this a specific responsibility of Local Governing Bodies, where local and personal contact are invaluable.

OBJECTIVES AND ACTIVITIES

Objects and Aims

In setting the objectives the trustees have given careful consideration to the Charity Commission's general guidance on public benefits and in particular to its supplementary public benefit guidance on advancing education.

KGA's objectives are to advance education for the public benefit in the local areas of Portsmouth, East Sussex and Berkshire.

KGA has at its core the pursuit of the very highest standards of education. The trustees believe all children can exceed expectations irrespective of prior attainment or experience.

In KGA we aim to:

- Create a culture of high aspiration, motivation and achievement for all;
- Build strong communities based on fairness and personal responsibility;
- Welcome, value and respect all who come into our academies;
- Be reflective and committed to our ongoing development as teachers and leaders, in our continuous striving for excellence;
- Promote positive dialogue and partnership within our communities;
- Provide an innovative and challenging curriculum that will motivate our students to achieve beyond expectations;
- Appoint teachers who are passionate about their subject, energised by learning and capable of delivering outstanding teaching; and
- Ensure our global connectivity is the golden thread running through all our academies.

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

Objectives, Strategies and Activities

The main strategy is encompassed in the Mission Statement "Opportunity and Success on a Global Stage" and is carried out by:

- Establishing a learning environment designed to inspire pupils in their quest for knowledge and skills through a range of learning strategies and activities; and
- Establishing a structure to maintain and improve on the high standards achieved. School improvement activities include:
 - Fortnightly accountability meetings by the executive team including the CEO with headteachers and/or senior leaders;
 - Monitoring: progress, attainment, attendance and exclusions;
 - Annual quality assurance reviews;
 - Target setting for progress and attainment (individuals and cohorts);
 - Network meetings: Headteachers, SLT, Attendance Leads, SENCOs, English Leads, Mathematics Leads, Digital Learning Leads;
 - Support writing Academy Improvement Plans and Self-Evaluation Form;
 - Immediate support by phone/email, brokering additional support as required by the school, directing support where required to ensure school improvement;
- CPD;
 - External programmes: NPQML, NPQSL & NPQH;
 - In-house CPD Programme; O Modelling practice: teaching and learning; leadership;
 - Coaching senior leaders;
- Annual KGA Leadership Conference ± Residential; and
- Annual KGA INSET Day;

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.

The leaders of our academies are active participants in local educational fora, sharing best practice and offering support to other schools. Several of our academies have active lettings programmes, making facilities available to the community for sports and other activities. Our wraparound care schemes are a benefit to the parents of our pupils. The restrictions brought about by COVID-19 reduced our ability to offer some of our extra-curricular and community-focused activities. Instead, we ensured that every effort was made to welcome vulnerable children and the children of key workers into school throughout the closure period, while continuing to provide education and welfare services such as lunch deliveries to the rest of the students.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

All of our academies showed improvement in pupil outcomes and attendance. Additionally, we developed deeper relationships with a range of schools and trusts with a view to them joining us. The central services function also became more efficient and expanded, thereby providing a better level of service to our academies. Our influence grew during the academic year, with start from academies and the central team speaking at conferences and events organised by the Department for Education.

Key Performance Indicators

All academies, using teacher assessed grades all demonstrated improvements on last year's performance. Additionally, attendance, was better than the national average. A school joined the trust in October 2020, this helped us move towards our target of 15 schools. We appointed a Human Resource Director and an Estates Director, these are having an impact streamlining support services to generate greater educational and financial economies of scale.

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

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

Most of the trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the trust's accounting policies.

During the year ended 31 August 2021, the trust received total income of £23,631,714 (excluding the restricted fixed asset fund and pension reserve) and incurred total expenditure of £21,790,826. The excess of income over expenditure for the year was £1,840,888.

At 31 August 2021 the net book value of fixed assets was £63,811,070 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the trust.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included the Fraud Policy and Tender Procedures.

Financial sustainability

- The Board of Trustees has set a top slice of 5% of school income to provide a range of functions and services and has agreed with schools that they will work towards a 5% surplus at each academy; and
- The Board of Trustees works closely with schools to save money through joint procurement and integrated curriculum financial planning.

Reserves Policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review. The Trustees have determined that the appropriate level of free reserves should be approximately 5% of combined General Annual Grant (currently approximately £910,000), subject to 10% tolerance either way. All revenue reserves are controlled by the Trust Board including those transferred in upon conversion and cannot be spent without the approval of the Board. The intention is that transferred reserves and surpluses will be retained for the benefit of the individual academy unless the Board directs otherwise.

The reserves at 31 August 2021 were as follows:

- Free reserves (unrestricted + GAG) of £2,806,338;
- A restricted fixed asset fund of £64,056,703 which can only be realised through disposal of fixed assets;
- A pension deficit of £11,870,000;
- Other restricted funds of £1,980,033; and
- Total funds of £55,259,190.

**KING'S GROUP ACADEMIES
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

Due to the nature and timing of receipt of funding, the Trust may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has responsibility for overseeing risk management. The objectives for managing risk across the Trust are:

- To comply with risk management best practice;
- To ensure risks facing the Trust are identified and properly documented;
- To provide assurance to the trustees that risks are being properly controlled, or identify areas for improvement; and
- To ensure action is taken appropriately in relation to accepting, mitigating, transferring and avoiding risks.

The key risks which have mitigation strategies in place are:

- Financial management;
- Governance;
- Loss of key staff;
- Performance of individual academies; and
- Financial sustainability.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 25 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

FUNDRAISING

As part of its work within the community, the academy trust undertakes fund-raising activities, for example through cake sales, non-uniform days, etc. The academy trust raises funds in order to support its own operations and also to make donations to local and national charities. The academy trust undertakes all such activities itself, with the help of its students and their families. In relation to fundraising, the trustees confirm that:

- No unsolicited approaches are made to members of the public;
- No commercial participators are used;
- No regularity schemes or standards are applicable; and
- No complaints were made to the academy trust during the year.

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (kWh)	1,616,284	709,947
Energy consumption break down (kWh) (optional) • gas, • electricity, • transport fuel		
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	92.69	21.35
Owned transport – mini-buses	0.73	0.65
Total scope 1	93.42	22
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	235.74	138.44
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee owned vehicles	2.64	3.73
Total gross emissions in metric tonnes CO2e	331.79	164.17
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.088	0.068

Measures taken to improve energy efficiency

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites. We have used Salix loans to replace inefficient lighting with LED lighting. We plan to use SCA funding to replace inefficient heating systems and to repair and replace roofs.

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

As the trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

PLANS FOR FUTURE PERIODS

Capacity for growth Our growth strategy is focussed around three regions: South East, Berkshire and Hampshire. The Board of Trustees wants to grow each of the regions sustainably, developing effective local school to school collaboration within the context of realising the benefits of being part of a single trust working across three regions.

The Board have approved a 1-year and 5-year plan, which addresses the following areas:

- School Improvement;
- KGA Ethos;
- Growth Strategy;
- Efficiencies/Back Office Savings;
- HR Strategy; and
- Good Governance.

Financial Strategy for Growth

- The Trust is building the necessary capacity by scaling our central support functions to be able to deliver school improvement. Examples include the use of Executive Headteachers, financial planning, a centralised HR support function and payroll;
- Growth will further strengthen the trust's overall budget position as we have created the regional structure to support this growth without the immediate need for further recruitment;
- We are keen to bid for and use TCaF money to buy help with premises management and capital planning;
- We have experience of successfully accepting (1) converter academies (2) former LA-maintained schools and (3) new builds. All are thriving under KGA leadership - we have a strong track record; and
- We operate Associate Membership to allow interested schools and academies to try before they commit to joining KGA.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

AUDITOR

In so far as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14/12/21 and signed on its behalf by:



Sir Roger Fry
Trustee



N Cross
Accounting Officer

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 King's Group Academies 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 7 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
Sir Roger Fry	7	7
Ms E Benito	6	7
Mr M Cooper	7	7
Dr A Davison	1	1
Dr P A Harris	7	7
Mr N Lelew	7	7
Mr B Shah	6	7
Mrs D Smith	7	7
Mr B Williams	6	7

Trustees were saddened by the death of Dr Alan Davison, a leading educationalist. A suitable replacement will be made in 2021/22, to maintain the balance of skills and expertise on the Board.

The Board's committees – Finance, HR & Audit and Education & Standards – meet in advance of each Board meeting, allowing sufficient time for all data submitted to the Board to be scrutinised and challenged by Trustees with appropriate expertise. The Board can therefore be confident of the data it receives. The Board commissions periodic reviews of its skills and training needs, as well as undertaking regular training in its responsibilities for child protection and safeguarding.

Governance Review

As Trustees, we acknowledge we have overall responsibility for ensuring that King's Group Academies 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 Chief Executive Officer, 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 King's Group Academies 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.

The Finance, HR & Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor the financial performance of the Trust and to ensure compliance with its statutory and regulatory responsibilities

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr B Williams	3	3
Ms E Benito	3	3
Mr M Cooper	2	3
Dr P A Harris	3	3

REVIEW OF VALUE FOR MONEY

As Accounting Officer the Chief Executive Officer 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 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 during the year by:

- Seeking economies of scale in procurement across the Trust, by applying a rigorous best value procurement process for higher value purchases and by making use of purchasing frameworks provided by the Department for Education.
- Robust financial governance and budget management;
- Value for money purchasing;
- Reviewing controls and managing risk;
- Considering allocation/targeting/use of resources;
- Making comparisons with similar Academies using data provided by the ESFA and the Government;
- Facilitating the sharing of expertise across academies within the Trust;
- Reviewing quality of curriculum provision and quality of teaching;
- Reviewing quality of children's learning to enable children to achieve nationally expected progress;
- Outlining procedures for accepting best value, noting that this is not necessarily the cheapest quote.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks 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 King's Group Academies for the period from 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 have been in place for the period from 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.

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

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, HR & Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties; and
- Identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- To appoint Kreston Reeves as internal auditor

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

- an audit of ICT and Cyber Security throughout the Trust, and an audit of financial controls at King's Academy Ringmer (other academies to be audited on a rolling basis)

The auditor has reported to the Board of Trustees, through the Finance, HR & Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

- The auditor has reported Full Assurance in all aspects of the financial controls, and Substantial Assurance in the area of ICT and Cyber Security.

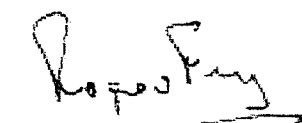
REVIEW OF EFFECTIVENESS

As Accounting Officer the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

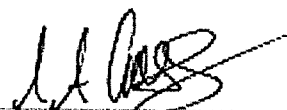
- the work of the internal assurance provider;
- the work of the external auditors;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

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



Sir Roger Fry
Trustee



N Cross
Accounting Officer

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of King's Group Academies I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & 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.

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.

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.



N Cross

Accounting Officer

Date: 16/12/2021

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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

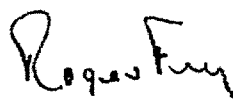
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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



Sir R Fry
Chair of Trustees

Date: 14/12/21

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KING'S
GROUP ACADEMIES**

OPINION

We have audited the financial statements of King's Group Academies (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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KING'S
GROUP ACADEMIES (CONTINUED)**

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

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.

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KING'S
GROUP ACADEMIES (CONTINUED)**

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.

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KING'S
GROUP ACADEMIES (CONTINUED)**

Our procedures to respond to risks identified included the following:

- 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.

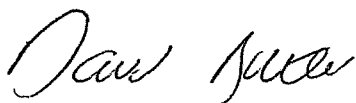
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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. This description forms part of our Auditors' Report.

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.



David Butler FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 17 December 2021

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KING'S
GROUP ACADEMIES AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 26 July 2019 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 King's Group Academies 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 King's Group Academies and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to King's Group Academies 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 King's Group Academies and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF KING'S GROUP ACADEMIES'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of King's Group Academies's funding agreement with the Secretary of State for Education dated 29 February 2016 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.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy complied with the framework of authorities. We also reviewed the reports commissioned by the Trustees to assess the internal controls throughout the year.

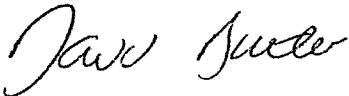
We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and noncompliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KING'S
GROUP ACADEMIES AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.



David Butler FCA DChA
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 17 December 2021

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:						
Donations and capital grants:	3					
Transfer from local authority on conversion		-	-	-	-	5,472,000
Transfer from existing academies		745,264	(4,129,038)	16,428,335	13,044,561	-
Other donations and capital grants		-	127,426	1,270,617	1,398,043	64,036
Other trading activities	5	172,281	-	-	172,281	172,794
Investments	6	1,463	-	-	1,463	4,365
Charitable activities		299,472	21,842,846	-	22,142,318	13,556,188
TOTAL INCOME		1,218,480	17,841,234	17,698,952	36,758,666	19,269,383
EXPENDITURE ON:						
Charitable activities		600,628	22,490,198	1,574,443	24,665,269	14,620,579
TOTAL EXPENDITURE		600,628	22,490,198	1,574,443	24,665,269	14,620,579
NET (EXPENDITURE)/ INCOME		617,852	(4,648,964)	16,124,509	12,093,397	4,648,804
Transfers between funds	19	-	(223,435)	223,435	-	-
NET MOVEMENT BEFORE OTHER RECOGNISED GAINS/(LOSSES)		617,852	(4,872,399)	16,347,944	12,093,397	4,648,804
Actuarial losses on defined benefit pension schemes	25	-	(588,000)	-	(588,000)	(730,000)
NET MOVEMENT IN FUNDS		617,852	(5,460,399)	16,347,944	11,505,397	3,918,804

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
RECONCILIATION OF FUNDS:					
Total funds brought forward	474,602	(4,429,568)	47,708,759	43,753,793	39,834,989
Net movement in funds	617,852	(5,460,399)	16,347,944	11,505,397	3,918,804
TOTAL FUNDS CARRIED FORWARD	1,092,454	(9,889,967)	64,056,703	55,259,190	43,753,793

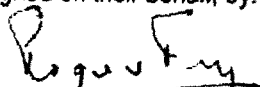
The notes on pages 28 to 58 form part of these financial statements.

**BALANCE SHEET
AS AT 31 AUGUST 2021**Page 25

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:09017776

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements on pages 23 to 58 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Sir R Fry

Chair of Trustees

Date: 14/12/21

The notes on pages 28 to 58 form part of these financial statements.

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	21	1,332,696	1,226,562
CASH FLOWS FROM INVESTING ACTIVITIES	22	1,256,395	(412,236)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		2,589,091	814,326
Cash and cash equivalents at the beginning of the year		2,911,511	2,097,185
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	23, 24	<u>5,500,602</u>	<u>2,911,511</u>

The notes on pages 28 to 58 form part of these financial statements

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the 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.

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.

At the year end the Trust had a surplus reserves balance of £3,072,487 (2020: £1,455,034) (excluding the pension reserve and restricted fixed asset fund). However, King's Academy Ringmer had a deficit reserves balance of £610,032 (2020: £373,988) at this date. Due to cashflow constraints in the current and previous period the Trust made applications to the ESFA for additional short term funding to ensure the Trust is able to meet its financial liabilities for the foreseeable future. The ESFA made loans of £250,000 (2020: £300,000) to the Academy Trust, leading to a balance on loans of £850,000 (2020: £600,000) at the year end. The loans are interest free and will be repaid over 5 years from 2022/23. The balance on the loan balance is included within creditors due after more than one year as at 31 August 2021.

The Trustees are confident that the Academy Trust will be able to make the scheduled repayments of the loan and return the reserves at King's Academy Ringmer to a surplus position in future accounting periods.

Therefore the Trustees 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.

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **Transfer of existing academies into the Academy Trust**

Where assets and liabilities are received on the transfer of an existing academy into the Academy Trust, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

• **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.

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

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.

- **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 TANGIBLE FIXED ASSETS

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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:

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives as follows:

Freehold property	- Not depreciated
Leasehold property	- Shorter of 50 years straight line or length of lease
Furniture and fixtures	- 5 years - straight line
Motor vehicles	- 5 years - straight line
Computer equipment	- 3 years - straight line

Long leasehold land has not been depreciated as it is similar to freehold land, which does not require depreciation

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.

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.6 OPERATING LEASES

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

1.7 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 DEBTORS

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

1.9 CASH AT BANK AND IN HAND

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

1.10 LIABILITIES AND PROVISIONS

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific for the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 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.

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

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.

1.13 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.

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease required the Academy to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
DONATIONS					
Transfer from local authority on conversion	-	-	-	-	5,472,000
Transfer from existing academies	745,264	(4,181,103)	16,342,400	12,906,561	-
Donations	-	179,491	85,935	265,426	5,706
Capital Grants	-	-	1,270,617	1,270,617	58,330
	<u>745,264</u>	<u>(4,001,612)</u>	<u>17,698,952</u>	<u>14,442,604</u>	<u>5,536,036</u>
Total 2020	<u>-</u>	<u>5,706</u>	<u>5,530,330</u>	<u>5,536,036</u>	

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

4. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DFE/ESFA GRANTS				
General Annual Grant	-	18,229,183	18,229,183	10,446,410
Other DfE/ESFA grants	-	533,167	533,167	488,373
Pupil Premium	-	1,113,888	1,113,888	699,516
	-	19,876,238	19,876,238	11,634,299
OTHER GOVERNMENT GRANTS				
High Needs	-	480,450	480,450	156,735
Other government grants	-	1,407,154	1,407,154	1,235,918
	-	1,887,604	1,887,604	1,392,653
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Catch-up Premium	-	79,004	79,004	-
	-	79,004	79,004	-
OTHER FUNDING				
Catering income	72,320	-	72,320	71,487
Uniform income	9,814	-	9,814	8,115
Other income	54,906	-	54,906	131,130
Nursery income	162,432	-	162,432	318,504
	299,472	-	299,472	529,236
	299,472	21,842,846	22,142,318	13,556,188
Total 2020	529,236	13,026,952	13,556,188	

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

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Kids' Club Income	124,285	124,285	102,825
Lettings Income	47,996	47,996	69,969
	<u>172,281</u>	<u>172,281</u>	<u>172,794</u>
Total 2020	<u>172,794</u>	<u>172,794</u>	

6. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank Interest	1,463	1,463	4,365
Total 2020	<u>4,365</u>	<u>4,365</u>	

7. EXPENDITURE

	Staff Costs 2021 £	Premises 2021 £	Other costs 2021 £	Total 2021 £	Total 2020 £
Academy's educational operations:					
Direct costs	14,884,011	-	1,311,191	16,195,202	9,585,167
Support costs	4,032,929	2,866,129	1,571,009	8,470,067	5,035,412
	<u>18,916,940</u>	<u>2,866,129</u>	<u>2,882,200</u>	<u>24,665,269</u>	<u>14,620,579</u>
Total 2020	<u>11,091,997</u>	<u>1,835,766</u>	<u>1,692,816</u>	<u>14,620,579</u>	

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Education	16,195,202	8,470,067	24,665,269	14,620,579
Total 2019	9,585,167	5,035,412	14,620,579	

ANALYSIS OF DIRECT COSTS

	Total funds 2021 £	Total funds 2020 £
Staff costs	14,477,761	8,764,631
Educational supplies	784,730	417,567
Examination fees	115,983	35,066
Staff development	62,832	36,256
Other costs	202,275	189,462
Agency staff costs	406,250	33,272
Technology costs	145,371	108,913
	16,195,202	9,585,167

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2021 £	Total funds 2020 £
Pension finance costs	157,000	70,000
Staff costs	4,032,929	2,297,094
Depreciation	1,574,443	1,125,433
Other costs	83,292	92,364
Recruitment and other staff costs	118,793	61,891
Maintenance of premises and equipment	491,415	228,631
Cleaning	103,572	59,131
Rent and rates	161,254	114,455
Energy costs	535,445	308,116
Insurance	77,834	45,758
Security and transport	21,992	15,511
Catering	384,656	293,389
Technology costs	333,303	164,215
Legal and professional	356,337	141,490
Bank interest and charges	4,354	1,080
Governance costs	33,448	16,854
	8,470,067	5,035,412

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	13,007	11,845
Depreciation of tangible fixed assets	1,574,443	1,125,432
Fees paid to auditors for:		
- audit	19,350	19,000
- other services	3,250	2,600

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

10. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	13,217,446	8,026,623
Social security costs	1,277,427	732,191
Pension costs	3,959,887	2,302,911
	<u>18,454,760</u>	<u>11,061,725</u>
Agency staff costs	406,250	33,272
Staff restructuring costs	55,930	-
	<u><u>18,916,940</u></u>	<u><u>11,094,997</u></u>

Staff restructuring costs comprise:

	2021 £	2020 £
Severance payments	40,930	-
Non-contractual settlements	15,000	-
	<u>55,930</u>	<u>-</u>

b. STAFF NUMBERS

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

	2021 No.	2020 No.
Teachers	220	144
Administration and Educational Support	327	266
Management	33	6
	<u>580</u>	<u>416</u>

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

10. STAFF (CONTINUED)

c. HIGHER PAID STAFF

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	4	3
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	1	5
In the band £90,001 - £100,000	2	-
In the band £130,001 - £140,000	1	-
	<u>1</u>	<u>-</u>

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 £291,174 (2020: £223,475).

11. CENTRAL SERVICES

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

- Legal costs
- Auditors' remuneration
- Consultancy fees
- Staff costs

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

5% of GAG income, although transitional arrangements may apply during the academy's first year as a member of the Academy Trust.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
King's Academy College Park (Junior)	85,500	82,248
King's Academy Ringmer	128,088	112,812
King's Academy College Park (Infant)	67,608	63,768
King's Academy Northern Parade	166,488	161,820
King's Academy Binfield and Oakwood	185,040	121,134
King's Academy Prospect	276,688	-
TOTAL	<u>909,412</u>	<u>541,782</u>

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, expenses totalling £10,558 were reimbursed or paid directly to 3 Trustees (2020 - £NIL to no Trustee).

13. TRUSTEES' AND OFFICERS' INSURANCE

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

14. TANGIBLE FIXED ASSETS

	Long-term leasehold and freehold land and buildings £	Furniture and fixtures £	Computer equipment £	Motor vehicles £	Total £
COST					
At 1 September 2020	49,299,574	224,009	543,423	55,135	50,122,141
Additions	1,177,618	79,257	236,406	-	1,493,281
Transfer on conversion	15,917,083	311,021	200,231	-	16,428,335
At 31 August 2021	66,394,275	614,287	980,060	55,135	68,043,757
DEPRECIATION					
At 1 September 2020	2,202,155	134,924	307,038	14,127	2,658,244
Charge for the year	1,130,140	111,559	322,217	10,527	1,574,443
At 31 August 2021	3,332,295	246,483	629,255	24,654	4,232,687
NET BOOK VALUE					
At 31 August 2021	63,061,980	367,804	350,805	30,481	63,811,070
At 31 August 2020	47,097,419	89,085	236,385	41,008	47,463,897

During the year land and buildings with a valuation of £15,917,083 were transferred to the Academy Trust in relation to the joining of King's Academy Prospect on 1 October 2020. This valuation has been achieved by reference to the cost of the land and build costs for the Academy.

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

15. STOCKS

	2021 £	2020 £
Goods for resale	5,051	5,322

16. DEBTORS

	2021 £	2020 £
Trade debtors	35,203	79,823
Other debtors	3,815	25,845
Prepayments and accrued income	806,638	274,787
Recoverable VAT	239,472	68,375
	<u>1,085,128</u>	<u>448,830</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other loans	12,000	-
Trade creditors	1,221,631	192,926
Other taxation and social security	226,192	202,727
Other creditors	372,429	208,593
Accruals and deferred income	572,409	461,521
	<u>2,404,661</u>	<u>1,065,767</u>

Other loans is made up of an interest free Salix loan awarded to the trust and repayable over 8 years. £12,000 is repayable within one year.

	2021 £	2020 £
DEFERRED INCOME		
Deferred income at 1 September 2020	344,538	318,952
Resources deferred during the year	194,152	344,538
Amounts released from previous periods	(344,538)	(318,952)
DEFERRED INCOME AT 31 AUGUST 2019	<u>194,152</u>	<u>344,538</u>

Resources deferred relates to funds received in advance in respect of tuition fees, trips and grants relating to the period subsequent to the balance sheet date.

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Other loans	868,000	600,000

Other loans is made up of an advance of £850,000 on GAG receivable from the ESFA. For further information on this loan, see note 1.2. The loan is interest free and repayable in equal instalments which will be deducted from future GAG income over a 5 year period from 2022/23.

Also included above is a balance of £18,000 for an interest free Salix loan awarded to the trust and repayable over 8 years.

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

19. STATEMENT OF FUNDS

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS						
Reserves	474,602	1,218,480	(600,628)	-	-	1,092,454
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	694,395	17,997,003	(16,977,514)	-	-	1,713,884
Pupil Premium	-	1,113,888	(1,113,888)	-	-	-
DfE/ESFA other grants	-	995,349	(995,349)	-	-	-
Local authority grants	-	1,777,014	(1,777,014)	-	-	-
Other educational activities	-	127,426	(17,192)	(110,234)	-	-
Loose equipment budget	93,998	-	(1,857)	(51,960)	-	40,181
Local authority furniture budget	192,039	-	(1,857)	(61,241)	-	128,941
Covid catch up	-	291,964	(215,737)	-	-	76,227
Sports premium grant	-	110,590	(89,790)	-	-	20,800
Pension reserve	(5,410,000)	(4,572,000)	(1,300,000)	-	(588,000)	(11,870,000)
	<u>(4,429,568)</u>	<u>17,841,234</u>	<u>(22,490,198)</u>	<u>(223,435)</u>	<u>(588,000)</u>	<u>(9,889,967)</u>

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS (CONTINUED)

RESTRICTED FIXED ASSET FUNDS						
Fixed asset fund	17,949,279	-	(657,500)	1,433,271	-	18,725,050
DfE/ESFA capital grants:						
Lyndhurst - DFC	59,543	9,208	-	(9,208)	-	59,543
Ringmer - DFC	71,899	11,509	-	(11,509)	-	71,899
College Park - DFC	38,584	8,005	-	(8,005)	-	38,584
Northern Parade - DFC	80,549	17,197	-	(17,197)	-	80,549
Prospect - DFC	-	22,478	-	(22,478)	-	-
Binfield - DFC	6,008	13,655	-	(13,655)	-	6,008
Capital surplus transferred from local authority:						
College Park	91,818	-	-	-	-	91,818
Northern Parade	5,464	-	-	-	-	5,464
Donation from Local Authority	29,388,400	-	(583,600)	-	-	28,804,800
College Park - CIF	7,015	518,598	-	(468,751)	-	56,862
Northern Parade - CIF	10,200	669,967	-	(659,033)	-	21,134
Fixed assets on conversion	-	16,428,335	(333,343)	-	-	16,094,992
	<u>47,708,759</u>	<u>17,698,952</u>	<u>(1,574,443)</u>	<u>223,435</u>	<u>-</u>	<u>64,056,703</u>
TOTAL FUNDS	<u>43,753,793</u>	<u>36,758,666</u>	<u>(24,665,269)</u>	<u>-</u>	<u>(588,000)</u>	<u>55,259,190</u>

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

General annual grant - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

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.

Other DfE/ESFA grants - This is funding received from the ESFA for specific purposes.

Local authority grants - This is funding received from the local authority for specific purposes, for example Special Educational Needs funding.

Other educational activities - This includes all other educational income/expenditure.

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

19. STATEMENT OF FUNDS (CONTINUED)

Loose equipment budget- This is funding received from Bracknell Forest Borough Council to acquire items required for King's Academy Binfield & Oakwood as the pupil numbers grow having opened on 1 September 2018.

Pension reserve - This represents the negative reserve in respect of the liability on the LGPS pension scheme which was transferred to the academies on conversion.

Fixed asset fund - This fund includes the value of the tangible fixed assets of the academy on conversion, and amounts transferred from GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

DfE/ESFA capital grants - This is money received from the DfE/ESFA specifically for expenditure on tangible fixed 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.

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
Reserves	328,341	706,395	(560,134)	-	-	474,602
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	10,446,410	(9,752,015)	-	-	694,395
Pupil Premium	-	699,516	(699,516)	-	-	-
DfE/ESFA other grants	-	488,373	(488,373)	-	-	-
Local authority grants	-	1,195,687	(1,195,687)	-	-	-
Other educational activities	-	5,706	(5,706)	-	-	-
Loose equipment budget	387,386	-	(107,715)	(185,673)	-	93,998
Local authority furniture budget	-	196,966	-	(4,927)	-	192,039
Pension reserve	(3,994,000)	-	(686,000)	-	(730,000)	(5,410,000)
	<u>(3,606,614)</u>	<u>13,032,658</u>	<u>(12,935,012)</u>	<u>(190,600)</u>	<u>(730,000)</u>	<u>(4,429,568)</u>

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

19. STATEMENT OF FUNDS (CONTINUED)

**RESTRICTED
FIXED ASSET
FUNDS**

Fixed asset fund	17,782,443	-	(541,833)	708,669	-	17,949,279
DfE/ESFA capital grants:						
Lyndhurst - DFC	44,919	14,624	-	-	-	59,543
Ringmer - DFC	60,862	11,037	-	-	-	71,899
College Park - DFC	30,590	7,994	-	-	-	38,584
Northern Parade - DFC	63,211	17,338	-	-	-	80,549
Binfield - DFC	-	6,008	-	-	-	6,008
Capital surplus transferred from local authority:						
College Park	91,818	-	-	-	-	91,818
Northern Parade	5,464	-	-	-	-	5,464
Binfield	-	32,210	-	(32,210)	-	-
Donation from Local Authority	24,500,000	5,472,000	(583,600)	-	-	29,388,400
College Park - CIF	104,827	(20,965)	-	(76,847)	-	7,015
Northern Parade - CIF	429,128	(9,916)	-	(409,012)	-	10,200
	<u>43,113,262</u>	<u>5,530,330</u>	<u>(1,125,433)</u>	<u>190,600</u>	<u>-</u>	<u>47,708,759</u>
TOTAL FUNDS	<u><u>39,834,989</u></u>	<u><u>19,269,383</u></u>	<u><u>(14,620,579)</u></u>	<u><u>-</u></u>	<u><u>(730,000)</u></u>	<u><u>43,753,793</u></u>

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

19. STATEMENT OF FUNDS (CONTINUED)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
King's Academy College Park (Junior)	311,052	282,748
King's Academy Ringmer	(610,032)	(373,988)
King's Academy College Park (Infant)	61,411	46,453
King's Academy Northern Parade	659,561	334,030
King's Academy Binfield and Oakwood	1,391,260	997,387
King's Academy Prospect	770,100	-
Central Services	489,135	168,404
Total before fixed asset funds and pension reserve	3,072,487	1,455,034
Restricted fixed asset fund	64,056,703	47,708,759
Pension reserve	(11,870,000)	(5,410,000)
Total	55,259,190	43,753,793

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £
King's Academy Ringmer	(610,032)

The deficit at King's Academy Ringmer has arisen from falling pupil numbers.

The Academy Trust is taking the following action to return the academy to surplus:

Due to improvements in pupil outcomes and local engagement the academy is seeing an increase in pupil numbers which is forecast to result in financial surpluses within the next two to three years. Until then the Trust is making all practical economies to minimise the amount of borrowing required from the ESFA.

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

19. STATEMENT OF FUNDS (CONTINUED)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
King's Academy College Park (Junior)	1,580,719	118,320	75,965	316,365	2,091,369	2,030,192
King's Academy Ringmer	2,550,111	190,880	71,882	606,122	3,418,995	3,078,437
King's Academy College Park (Infant)	1,364,716	102,151	50,199	223,343	1,740,409	1,635,359
King's Academy Northern Parade	3,676,097	275,162	211,456	417,521	4,580,236	3,928,992
King's Academy Binfield and Oakwood	2,385,788	178,580	140,554	600,734	3,305,656	2,307,053
King's Academy Prospect	5,518,588	413,075	199,475	1,137,649	7,268,787	-
Central services	291,671	21,832	35,199	336,672	685,374	515,113
ACADEMY TRUST	17,367,690	1,300,000	784,730	3,638,406	23,090,826	13,495,146

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	63,811,070	63,811,070
Current assets	2,698,275	3,616,873	275,633	6,590,781
Creditors due within one year	314,179	(2,706,840)	(12,000)	(2,404,661)
Creditors due in more than one year	(170,000)	(680,000)	(18,000)	(868,000)
Provisions for liabilities and charges	(1,750,000)	(10,120,000)	-	(11,870,000)
TOTAL	1,092,454	(9,889,967)	64,056,703	55,259,190

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	47,463,897	47,463,897
Current assets	1,276,989	1,843,812	244,862	3,365,663
Creditors due within one year	(802,387)	(263,380)	-	(1,065,767)
Creditors due in more than one year	-	(600,000)	-	(600,000)
Provisions for liabilities and charges	-	(5,410,000)	-	(5,410,000)
TOTAL	474,602	(4,429,568)	47,708,759	43,753,793

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

21. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	12,093,397	4,648,804
ADJUSTMENTS FOR:		
Depreciation	1,574,443	1,125,432
Capital grants from DfE and other capital income	(1,324,490)	(58,330)
Interest receivable	(1,463)	(4,365)
Defined benefit pension scheme finance cost	157,000	70,000
Decrease/(Increase) in stocks	271	678
Decrease/(increase) in debtors	(553,174)	161,312
(Decrease)/increase in creditors	1,288,273	139,031
Defined benefit pension scheme cost less contributions payable	1,143,000	616,000
Transfer of fixed assets from local authority	-	(5,472,000)
Transfer of Prospect net assets from existing academy	(13,044,561)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,332,696	1,226,562

22. CASH FLOWS FROM INVESTING ACTIVITIES

	2021 £	2020 £
Interest receivable	1,463	4,365
Purchase of tangible fixed assets	(1,493,281)	(474,931)
Capital grants from DfE Group	1,324,490	58,330
Cash received on conversion to Academy Trust	1,423,723	-
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES	1,256,395	(412,236)

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand and at bank	596	427
Notice deposits (less than 3 months)	5,500,006	2,911,084
TOTAL CASH AND CASH EQUIVALENTS	5,500,602	2,911,511

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	2,911,511	2,589,091	5,500,602
Debt due within 1 year	-	(12,000)	(12,000)
Debt due after 1 year	(600,000)	(268,000)	(868,000)
	<u>2,311,511</u>	<u>2,309,091</u>	<u>4,620,602</u>

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 Hampshire County Council, Berkshire County Council and East Sussex 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 £348,940 were payable to the schemes at 31 August 2021 (2020 - £190,820) 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.

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 £2,025,955 (2020 - £1,028,667).

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 £841,000 (2020 - £666,000), of which employer's contributions totalled £635,000 (2020 - £511,000) and employees' contributions totalled £ 206,000 (2020 - £155,000). The agreed contribution rates for future years are 13.1 per cent for employers and 5.5 - 7.5 per cent for employees.

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

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

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

25. PENSION COMMITMENTS (CONTINUED)

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2021	2020
	%	%
Rate of increase in salaries	3.4	2.8
Rate of increase for pensions in payment/inflation	2.8	2.3
Discount rate for scheme liabilities	1.7	1.7
Inflation assumption (CPI)	2.8	2.1

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

	2021	2020
	Years	Years
Retiring today		
Males	21.9	22.1
Females	24.4	24.4
Retiring in 20 years		
Males	23.1	23.5
Females	25.9	26.1

SHARE OF SCHEME ASSETS

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

	2021	2020
	£	£
Equities	9,693,066	5,994,000
Government bonds	2,516,362	1,640,000
Property	995,080	657,000
Cash	218,918	131,000
Other	863,574	685,000
TOTAL MARKET VALUE OF ASSETS	14,287,000	9,107,000

The actual return on scheme assets was £2,004,535 (2020 - £238,146).

KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

25. PENSION COMMITMENTS (CONTINUED)

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

	2021 £	2020 £
Current service cost	(1,881,000)	(1,125,000)
Interest income	198,000	160,000
Interest cost	(351,000)	(230,000)
Total	(2,034,000)	(1,195,000)

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

	2021 £	2020 £
Opening defined benefit obligation	14,527,000	12,600,000
Current service cost	1,881,000	1,125,000
Interest cost	351,000	230,000
Employee contributions	236,000	155,000
Actuarial gains	2,230,000	565,000
Benefits paid	(251,000)	(151,000)
Settlements	7,183,000	3,000
Closing defined benefit obligation	26,157,000	14,527,000

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

	2021 £	2020 £
Opening fair value of scheme assets	9,117,000	8,606,000
Interest income	198,000	160,000
Actuarial gains	1,642,000	(165,000)
Employer contributions	738,000	511,000
Employee contributions	236,000	155,000
Benefits paid	(251,000)	(151,000)
Settlements	2,611,000	1,000
Administration expenses	(4,000)	-
Closing fair value of scheme assets	14,287,000	9,117,000

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

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 £
Amounts payable		
Within 1 year	20,430	10,454
Between 1 and 5 years	22,423	13,087
Total	42,853	23,541

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 £10 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.

The Academy Trust provided accounting services to Chopping Hart & Biddlecomb Limited, a company controlled by the Chair of Trustees, totalling £Nil (2020: £10,694), in respect of time spent by the CFO during trust working hours.

**KING'S GROUP ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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

29. TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY TRUST

King's Academy Prospect

	Value reported by transferring trust £	Transfer in recognised £
TANGIBLE FIXED ASSETS		
Freehold property	15,917,083	15,917,083
Furniture and equipment	265,144	265,144
Plant and machinery	45,877	45,877
Computer equipment	200,231	200,231
CURRENT ASSETS		
Debtors due within one year	250,687	250,687
Cash at bank and in hand	1,423,723	1,423,723
LIABILITIES		
Creditors due within one year	(456,184)	(456,184)
Creditors due after one year	(30,000)	(30,000)
PENSIONS		
Defined benefit pension scheme liability	(4,572,000)	(4,572,000)
NET ASSETS	13,044,561	13,044,561