

Company Registration Number: 07851337 (England & Wales)

THE FIRS LOWER SCHOOL
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

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THE FIRS LOWER SCHOOL**(A Company Limited by Guarantee)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr Gareth Jones, Chair of Trustees Dr Jason Hart, Trustee and Vice Chair Mrs Therese Mostowfi Mrs Sandra Evans Mr Max Wiseberg
Trustees	Mr Gareth Jones, Chair of Trustees Mr Adam Campbell, Headteacher and Accounting Officer Mrs Fran Sherry, Staff Trustee ¹ Mr Paul McKinney (resigned 26 November 2019) Mrs Annette Anderson Mrs Louise Haigh Mrs Joanne Milne (appointed 27 January 2020) Mr Jonathan Wilson ¹ Dr Jason Hart Mr Jason Manley Mr John Ashley
	¹ Member of the Environment and Finance Committee
Company registered number	07851337
Company name	The Firs Lower School
Principal and registered office	Station Road Amphill Bedfordshire MK45 2QR
Company secretary	Elizabeth Barnicoat
Senior leadership team	Adam Campbell, Headteacher Kerry Mercer, Assistant Headteacher Allison Brady, Teacher and Literacy Leader Sue A'Court, School Office Manager Celia Bennett, School Business Manager
Independent auditors	MHA MacIntyre Hudson Chartered Accountants Statutory Auditors Moorgate House 201 Silbury Boulevard Milton Keynes Buckinghamshire MK9 1LZ

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Bankers National Westminster Bank Plc
8 Church Street
Amphill
Bedfordshire
MK45 2ET

Solicitors Browne Jacobson
Mowbray House
Castle Meadow Road
Nottingham
NG2 18J

THE FIRS LOWER SCHOOL

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trust operates an Academy for pupils ages 2-9 serving a catchment area to the west and south of Ampthill. It has a pupil capacity of 326 and had a roll of 296 in the school census of October 2020.

Structure, governance and management

Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity. The Academy is a Single Academy Trust and these financial statements give the results of the Academy as a single entity. The Academy is incorporated in England & Wales.

The charitable company's Memorandum of Association is the primary governing document of the Academy Trust.

The Trustees of The Firs Lower School are also the directors of the charitable company for the purposes of company law.

The charitable company is known as The Firs Lower School.

The initial Members of the Academy Trust were the subscribers to the Memorandum of Association (and such Members are also Trustees). All subsequent Trustees are also Members of the Academy Trust under the terms of the Articles of Association. Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member. Further details can be found within note 25.

Trustees' indemnities

In accordance with normal practice the Academy has purchased insurance to protect the Trustees and officers from claims arising from negligent acts, errors or omissions whilst on Academy business. The cover under the policy is £5 million and in the period under review no sums were paid out. Further details can be found within note 13.

Method of recruitment and appointment or election of Trustees

The Governing Body comprises of five members, and ten Trustees (2 of which are also Members being the Chair and Vice Chair) five co-opted parents, three elected parents, a staff member and the Headteacher. Additional Trustees can be appointed under Article 62, 62A or 68A of the Articles of Association and further Trustees under Article 63 or 68A.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

The co-opted Trustees are appointed by the Members of the Academy Trust. The Parent Trustees are elected by the parent body of the School. The Staff Trustees are elected by the School's staff. Individuals may request to join the Governing Body and the Members of the Academy Trust may decide to invite one of these individuals to join should a vacancy arise.

Policies adopted for the induction and training of Trustees

All Trustees undertake training as appropriate to their work at the School. New Trustees will be provided with an induction programme. A log is kept of all Trustee training and reviewed on a regular basis at the full Governing Body meetings.

The Trustees are responsible for the overall management and control of the School and meet at least three times a year. The work of reviewing and monitoring most policies is delegated to the members of the Committees as outlined below. They all work under the chairmanship of a Trustee appointed at the first committee meeting in each academic year. Terms of reference of these committees are agreed annually at these meetings. The Clerk to the Trustees co-ordinates the work of the Trustees and their Committees, prepares agendas and papers and reviews matters arising. The Business Manager prepares the accounts on behalf of the Trustees.

All Trustees give their time to the role freely, no remuneration was paid to Trustees, other than Staff Trustees, and no expenses were paid in the period.

Organisational structure

The Trustees determine the general policies of the School. The day to day running of the School is delegated to the Head teacher, supported by the Senior Leadership Team. The Head teacher undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the Senior Leadership Team. The day to day administration is undertaken within the policies and procedures approved by the Trustees. Only significant expenditure decisions and major capital projects should be referred to the Trustees for prior approval. The Head teacher, (who is the Accounting Officer) a Staff Trustee, attends all Governing Body meetings. The Assistant Head teacher, the Office Manager and the Business Manager are invited to attend subcommittee meetings as appropriate.

Associate Trustees attend Trustees meetings by nature of their role in the Academy but do not have any voting rights and are not full Trustees nor therefore directors under the Companies Act, Members of the company or Trustees of the Academy Trust.

Trustee Committee Structure

Each of the sub-committees can make recommendations that must be endorsed by the Full Governing Board. The Committees and the Full Board meet at least three times per year.

The Governing Body

The Governing Body will take a strategic role, act as a critical friend to the School and be accountable for its decisions. It will set the vision and key goals and agree, monitor and review policies, targets and priorities.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

The duties of the Governing Body are as follows:

1. The conduct of the school (i.e. ethos, appearance, attitudes, level of parental support etc.) is under the direction of the Trustees. The Headteacher is responsible for the internal organisation and management of the school and the Governing Body has ultimate responsibility for the implementation of the curriculum and its delivery.
2. The Trustees must try to ensure that the right provision is made for students with special educational needs.
3. The Trustees must have a policy on whether and how sex education should be provided at the school.
4. The Trustees must decide how the school's delegated budget is spent, and ensure that accurate accounts are kept.
5. The Trustees must approve the school's staffing structure. They can recommend dismissal of staff and should set out disciplinary rules and procedures. They can use their discretion over the award of incentive allowances.
6. Discipline: The Trustees must approve the school behaviour policy and must hear any appeals by parents against exclusion.
7. Members play a limited but crucial role in safeguarding academy trust governance. They should assure themselves that the governance of the trust is effective, that Academy Trustees are acting in accordance with the trust's charitable object(s) and that they, the Members, use their powers to step in if governance is failing. Academy trusts are founded by Members, who may then appoint additional Members to join them. The first Members are the signatories to the memorandum of association which is drawn up when the academy trust is first established. These first Members agree the academy trust's first articles of association, which include the academy trust's charitable purpose.

Members should not be involved in the day-to-day business of the academy trust and must ensure they do not assume the powers of the Academy Trustees. However, they do have an important role in an academy trust, based on a number of key powers set out in the department's model articles of association and in company law. Members should make themselves familiar with their own Articles of Association.

8. The Trustees control the use of premises outside school time and should periodically inspect the premises and keep the LEA informed as to the condition and state of repair under the terms of a 125 year lease.
9. To agree constitutional matters including procedures where the Governing Body has discretion, as follows:
 - To recruit new members as vacancies arise and to appoint new Trustees where appropriate; To hold at least three Governing Body meetings a year;
 - To appoint or remove the Chair and Vice Chair;
 - To appoint or remove a Clerk to the Governing Body;
 - To establish the committees of the Governing Body and their terms of reference; To appoint the Chair of any committee;
 - To appoint or remove a Clerk to each committee; To suspend a Trustee;
 - To decide which functions of the Governing Body will be delegated to committees, groups and individuals;

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

- To receive reports from any individual or committee to whom a decision has been delegated and to consider whether any further action by the Governing Body is necessary;
- To provide final approval of the budget plan as recommended by the Environment and Finance Sub-committee;
- To review Health and Safety issues and recommendations referred to the Governing Body by the Environment and Finance sub-committee;
- To review the delegation arrangements annually;
- To agree, by early in the autumn term, the programme of work and calendar of meetings for the Governing Body and its committees for the school year, based on known cycles of school improvement, financial management, staffing issues and communicating with parents;
- To monitor the progress of work being undertaken by committees and individuals;
- To consider recommendations made by committees with regard to the working of the Governing Body;
- To establish and keep under review, the Governing Body 'Protocols' and 'terms of reference'; To establish and keep under review arrangements for Trustees' visits to school;
- To oversee arrangements for Trustee involvement in formulating and monitoring the School Development Plan, the Ofsted SEF and School Profile;
- To conduct reviews of the performance of the Governing body using an appropriate 'Trustee HealthCheck' process;
- To make recommendations to the Governing Body to establish working parties where particular circumstances arise e.g. a joint committee to oversee a building project or a special committee to oversee an Ofsted inspection; and
- To be available and respond to matters of particular difficulty, sensitivity or emergency and offer advice to the Headteacher.

The following Committees are sub-committees of the Governing Body.

Environment and Finance committee

1. To assist the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity; and
2. To make appropriate comments and recommendations on such matters to the Governing Body on a regular basis.

Staff Pay Committee

The Staffing Committee on Pay shall consider and decide upon all matters relating to staff pay as part of the annual review process in accordance with the whole school salary policy agreed by the Governing Body in respect of the following staff: school teachers; NJC Local Government Services Staff; any other staff as determined by the Governing Body.

Hearings Committee

1. To make any determination to dismiss any member of staff;
2. To make any decisions under the Governing Body's personnel procedures (e.g. disciplinary, grievance, capability) where the Headteacher is the subject of the action;
3. To make any decisions relating to any member of staff other than the Headteacher, under the Governing Body's personnel procedures and pay policy;
4. To make any determination or decision under the Governing Body's General Complaints Procedure for Parents and others; and

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Structure, governance and management (continued)

5. To make any determination or decision under the Governing Body's Curriculum Complaints Procedure, in respect of National Curriculum applications, and the operation of the Governing Body's charging policy.

Appeals Committee

1. To consider any appeal against a decision to dismiss a member of staff made by the Hearings Committee;
2. To consider any appeal against a decision short of dismissal under the Governing Body's personnel procedures (e.g. disciplinary, grievance, capability);
3. To consider any appeal against selection for redundancy; and
4. To consider any appeal against a pay decision.

Pupil Discipline Committee

1. To consider representations from parents in the case of exclusions of 5 days or less (Committee may not re-instate);
2. To consider representations from parents in the case of exclusions totalling more than 5 but not more than 15 school days in one term (meeting to be held between 6th and 15th school days after receiving notice of the exclusion); and
3. To consider the appropriateness of any permanent exclusion or any exclusion where one or more fixed period exclusions total more than 15 school days in one term or where a pupil is denied the chance to take a public examination (meeting to be held between 6th and 15th school days after receiving notice of the exclusion).

Curriculum Committee

1. To consider and advise the Governing Body on standards and other matters relating to the school's curriculum, including statutory requirements and the School's Curriculum Policy and Teaching and Learning Policy;
2. To consider curricular issues which have implications for Finance and Personnel decisions and to make recommendations to the relevant committees or the Governing Body;
3. To ensure that children's enjoyment of lessons is an integral part of all curriculum planning;
4. To oversee the analysis annually of test data and pupil assessment and make recommendations to the Governing Body as appropriate;
5. To ensure that all curricular improvements required by Ofsted are implemented. To review annually the School Prospectus;
6. To review annually the School Profile;
7. To make arrangements for the Governing Body to be represented at School Improvement discussions with the SI P and for reports to be received by the Governing Body;
8. To oversee arrangements for individual Trustees to take a leading role in specific areas of provision, e.g. SEND, Literacy, Numeracy and Curriculum Leadership Groups. To receive regular reports from them and advise the Governing Body; and
9. To oversee arrangements for educational visits, including the appointment of a named co-ordinator (EVC).

HR and Change Committee

1. To draft and review annually the staffing structure, in consultation with the Headteacher and the Environment and Finance Committee;
2. To oversee the selection and appointment procedure for all staff;

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

3. To oversee and review termly, the school's safeguarding procedures, including the implementation of the Child Protection and Safer Recruiting policies;
4. To establish and review a Performance Management policy for all staff. To oversee the process leading to staff reductions;
5. To keep under review staff work/life balance, working conditions and well-being, including the monitoring of absence;
6. To make recommendations on personnel related expenditure to the Environment and Finance Committee; and
7. To ensure that DfE regulatory and guidance documents are implemented appropriately in the school, with specific reference to the role assigned to the Governing Body.

Headteacher's Performance Review group

1. To arrange to meet with the External Adviser | School Improvement Partner to discuss the Headteacher's performance targets;
2. To decide, with the support of the External Adviser | School Improvement Partner, whether the targets have been met and to set new targets annually;
3. To monitor through the year the performance of the Headteacher against the targets; and
4. To make recommendations to the Environment and Finance Committee in respect of awards for the successful meeting of targets set.

Arrangements for setting pay and remuneration of key management personnel

The Trustees of the Academy do not receive any remuneration in respect of their roles as Trustees. Staff Trustees are only remunerated as a result of their employment by the Academy Trust.

The Academy follows Bedford Borough's Pay Policy for support staff following national NJC and Senior Management pay grades and terms and conditions. For teachers and senior leaders the Academy follows the national pay scales and progression/increment policy linked to performance management.

Performance reviews are carried out by Adam Campbell, Headteacher and Kerry Mercer, Assistant Headteacher. Any changes in pay as a result of these reviews go to the HR and Change Committee. The Headteacher's performance is reviewed by the School Improvement Partner and recommendations are made by them to the Chair of Trustees and presented to the HR and Change Committee.

Trade union facility time

There were no employees who were relevant union officials during the year to 31 August 2020.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

Objects and aims

The Firs Lower School's objects are specifically restricted to the following:

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

To promote, for the benefit of the inhabitants of Ampthill and the surrounding area, the provision of facilities for recreation or other leisure time occupation, of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social welfare and with the object of improving the condition of life of the said inhabitants.

Objectives, strategies and activities

The School has identified the following key development areas:

1. Coronavirus Recovery - Key Focus Area 1

To identify well being issues and gaps in learning, following the partial school closure, and implement steps to improve outcomes for children.

2. Developing the broader curriculum - Key Focus Area 2

Part 1 - To further enhance the provision for science and foundation subjects

- Engaging provision
- Appropriate challenge
- Moving on from PSQM

Part 2 - To further strengthen subject leadership

- Clear planning for curriculum monitoring
- Efficient and effective evidence collection
- Accurate conclusions drawn
- Confidence in how to move forward and how to communicate Subject Leader knowledge

3. Developing The Saplings Pre School and EYFS provision - Key Focus Area 3

Part 1 - To establish a strong pre-school provision adopting appropriate features of the best practice from Pine.

- Successful provision established with growing numbers
- Evidence of improving quality of provision offered
- Sense of continuity with existing Foundation Stage provision.

Part 2 - Further enhancing feedback to parents and preparing for new curricular and assessment arrangements in September 21

- Baseline autumn 20 delivered and used well.
- Focus pupil process is manageable and successful
- Staff ready to implement changes in autumn 21

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

(continued)

Public benefit

In setting the Academy's objectives and planning its activities, the Governing Body have given careful consideration to the Charity Commission's general guidance on public benefit. The Academy Trust's object is specifically restricted to the following:

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

To promote for the benefit of the inhabitants of Ampthill and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social welfare and with the object of improving the condition of life of the said inhabitants.

Strategic report

Achievements and performance

Key performance indicators

The Curriculum and standards

I Intent

1. The Firs has always ensured that the curriculum is designed to meet the needs of all learners including the most able and vulnerable learners (including SEND and disadvantaged pupils) with the following key drivers agreed by all stakeholders:
 - a. To develop our children's view of themselves as successful learners and to help them to develop stamina and robustness in embracing challenge.
 - b. To inculcate our agreed values in our children and develop key personal skills to enhance teamwork, communication skills, independence and confidence.
 - c. To ensure that children develop a sound grasp in all the key aspects on literacy and numeracy, with a passionate focus on all children being fluent readers who take a pleasure in reading.
 - d. To help children to see themselves as successful writers by providing an appropriate and exciting range of purposeful writing opportunities that develop their skills and inspire them to write.
 - e. To encourage mathematical thinking, so that children can talk about their learning, demonstrating a good level of maths fluency and independently finding ways to record.
 - f. To cover all aspects of the curriculum in a stimulating way, by giving children a rich and varied range of experiences, including the use of IT resources.
 - g. To make sure that all our children develop an appreciation of the natural world, the threats it faces and the need for care and stewardship.
2. The school ethos promotes equal opportunities, high expectations and positive attitudes to learning as embodied by our 'Growth Mindset' learning culture. (Monitoring data).
3. The curriculum provides imaginative & stimulating learning opportunities that ensure pupils experience and have the opportunity to value music, artists, stories etc. including those from different times and places to support the delivery of the 'cultural capital' we wish children to experience. The Redborne Upper School Sports Partnership has contributed very successfully to the curricular and extra-curricular provision for pupils. (Photographic evidence on website and Sports Premium Review 17/18, 18/19 and 19/20). Visitors, themed days / weeks provide memorable and enjoyable experiences that make learning a joyful and enriching experience. (Photographic evidence).

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

4. There is a passionate focus on working to ensure all children read fluently and at an age appropriate level or beyond, which is greatly supported by the RWI literacy programme, that provides a rigorous and carefully sequenced approach. This focus leads to very good outcomes for learners. (See monitoring data and SEF Section B3).
5. The school curriculum is designed to ensure the coverage of the national curriculum, with additional elements such as Forest Schools and Eco themed work and additional enrichment aspects such as the Grafham Water Residential visit in Y4 and drama productions (to support statement b and f).
6. Between September 18 and summer 20, a sharper focus on the key determining factors behind the design of our curriculum in first Science then the foundation subjects has been undertaken. There is now a clear picture of what we want the 'intent' to be, and the review of each area of the curriculum has ensured that we can more effectively achieve the highly successful outcomes desired for our learners. (See SDP 19/20 and Firs Scheme of Work).
7. There has been good progress with the augmentation of the science curriculum, following our efforts to emulate elements of the highly successful Science Week in summer 18, with more engaging work seen in planning checks and work scrutiny and observed teaching. Strong leadership from the science leader and a colleague, has enhanced progress with good work on exploring the thinking behind our approach to teaching science.
8. 'Firs Science Standards Files' were begun in 18/19 to provide guides on best practice for colleagues concerning the approach to differentiation in science. Work continued in 19/20 but was interrupted and in 20/2 the Standards Files will be implemented as a guide to help ensure planning is carefully reviewed to provide appropriate support and challenge in science. This work has been greatly supported by the work to successfully achieve the Primary Science Quality Mark. (SDP 19/20 Section A- KFA2 and SDP 20/21).

II Implementation

9. The school sets out clear guidelines to staff to reinforce and make explicit to all, the agreed vision for approaches to teaching in the school and the expected standards we expect to maintain. (19/20 SDP Section A- KF1, 'Expected Practice Guide' and monitoring data.)
10. Teachers' good subject knowledge, careful planning and use of strategies to include, challenge and engage all pupils, ensure a good pace of learning.
11. The focus now needs to be on ensuring that the new SoW is fully implemented in the planning of lesson content and in the assessment of pupil's acquisition of knowledge and skills. (SDP 20/21).
12. Achievement in phonics has grown and 'Read Write Inc.' provides a structured programme and high quality staff development that has ensured the development and maintenance of high standards. (Head's reports, Ofsted Report Nov 13, Ofsted letter 2017, Y1 Phonic test results and RWI data analysis and SEF Section B4). Work in summer / autumn 19 ensured a more successful alignment of the school reading scheme to the RWI programme. (SDP 19/20 Section D3).
13. Teachers' good knowledge of the National curriculum ensures accurate and effective coverage. (Long Term and Medium term planning records).
14. Subject matter including learning objectives and success criteria, are used successfully and presented clearly, to communicate to children the key facts and skills involved in an aspect of learning and how to achieve well. (Monitoring evidence).

III Impact

15. Standards in literacy are good overall. Conclusions from Focus Days conducted in 19/20 indicated that tasks were varied and pitched appropriately and that in writing lessons, children were engaged by stimulating factors such as linking to their own everyday experiences in Y1, in the use of 'wow' creatures, the use of a 'crime scene' and the 'storytelling technique' in Y2, the development of a

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

dragon theme and the designing a tree-house work in Y3 and Iron Man inspired writing and work inspired by 'Pixar' on line tools in Y4. In these lessons there was good evidence of a development of children's knowledge and skills. Work continues on maximising boys attainment in writing, creating greater consistency in the development of ambitious vocabulary and on continuing the work on enhancing the provision for handwriting and spelling interrupted by the partial school closure for Covid 19. (SDP 20/21).

16. Standards in numeracy are good, with considerable evidence of a use of open ended approaches to learning. Children were engaged in a diverse range of activities and they demonstrated a good grasp of related knowledge and skills. where practice was best, equipment was used effectively to support learning and to provide strong visual images / practical demonstrations of key concepts. (For example bead bars and counting sticks being used very effectively in oral mental starters and use of whiteboards in KS1). There was a very good progression of skills seen and support / challenge was effective in the majority of lessons seen. Children were given a broad range of 'rich' opportunities to develop their mathematical thinking, through rich, open-ended tasks. Improvement was seen in the delivery of the oral mental starter (Monitoring evidence). Improvement was seen in ensuring consistently high standards in planning. With an interruption caused by the partial school closure ensuring that high standards are maintained will be a focus for monitoring in Numeracy in 20/21 (SDP 19/20 Section A KFA1, Monitoring data and SDP 20/21).
17. YR pupils achieved well over the last three years:
-% Achieving a GLD - 72% 2016, 75% 2017, 76% 2018.
18. In 18/19 the YR cohort had a larger number of pupils than normal for The Firs (305) with emotional, social and communication issues (see 18/19 Baseline) but with close and appropriate support, achieved well given the context of these issues:
-% Achieving a GLD - 70%.
-% Expected+ Reading 81%, Writing 74%, Numbers 78%, SSM 83%.
19. Children have achieved very highly in the Y1 Phonics over the last three years:
-% passing test 89% 2017, 96% 2018, (letter from Nick Gibb indicating school was in top 7% of schools) and 96% again in 2019
20. Children have achieved well at the end of KS1:

% Expected +

Subject	2017	2018	2019	National 2018
Reading	79%	77%	82%	75%
Writing	66%	70%	79%	70%
Maths	77%	77%	84%	76%

The cohort in 2018 contained a larger number of pupils than normal for The Firs with emotional, social and behavioural issues but made good progress despite this. In 2019 the % Expected or better is well above National in all areas.

% GDS

Subject	2017	2018	2019	National 2018
Reading	54%	37%	46%	26%
Writing	19%	12%	30%	16%
Maths	25%	28%	39%	22%

The cohort in 2018 contained a larger number of pupils than normal for The Firs with emotional, social and behavioural issues and it as harder to achieve the 40%+ GDS in reading we aspire to. In 2019 and 2018 however, the %GDS is well above National in all areas.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

21. Appropriate Induction arrangements from our pre school The Saplings and other local settings, ensure children in Pine (YR) settle in quickly, feel safe and secure in school and make good progress with their learning. (Parent Forum feedback).
22. Other internal arrangements ensure a smooth transition to the next year group. In Y4, a careful transition programme is designed to familiarise children with the middle school and to help prepare them for the change. (FARM transition arrangements). Next year work will focus on providing greater emotional support for pupils through creating a Cognitive Behaviour Therapy based programme of work for Y4 pupils (SDP 20/21 Section D1) and FARM joint work on introducing common and consistent approaches to collaborative working practices, interrupted by the partial school closure, will continue) (SDP 20/21 Section A KFA1).
23. Pupil's work is of a good quality and demonstrates that children persevere with tasks and make good progress in lessons. There was growing evidence of progress over time, as illustrated by the achievement of the Primary Science Quality Mark, with an increase in the quality and quantity of work produced.

There was also growing evidence of challenge in science in KS2 in 19/20 and this work, interrupted by partial school closure, will be continued in 20/21, responding to the feedback in the PSQM assessment, with monitoring focused on ascertaining that there is good evidence of challenge in all year groups in science. (SDP 19-20 Section A KFA2 and SDP 20/21).

24. 2018 parent questionnaire indicated there was a high degree of parental satisfaction with the quality of education provided:
 - 99% of parents agreed that children were taught well (up 3% from 2017);
 - 96% of parents agreed that their child makes good progress. (up 5% from 2017);
 - 83% of parents are satisfied with the information they receive on their child's progress. (down 2% from 2017 and following Parent Forum feedback this was a focus for review. (SDP 19/20 Section D3).

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies.

COVID-19 Impact

The academy saw a reduction of around £23k of business income from its wrap around care provision and around £7k in pre school fee income. This represents 2% of our total income. Although we have seen small increases in expenditure on cleaning and occupational costs this has been offset by reductions in resources expenditure and other operational expenditure, such as water and power. Overall we have had a reduction of £62k in expected expenditure that represents 4.8 % of our total. Pupil numbers have not been adversely affected. The "in year" predicted surplus has not been adversely affected.

Financial review

The Academy had a satisfactory financial period to 31 August 2020, with total income (before transfers between funds and adjustments) of £1,577,638 and expenditure of £1,350,358 and a net surplus of £227,280. There is a deficit arising on the restricted funds amounting to £26,359 but this includes pension expenditure of £75,000 arising from the LGPS pension actuarial valuation. The remaining in year deficit is a result of spending brought forward revenue reserves.

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(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Financial review (continued)

Most of the Academy Trust's income is obtained from the Department of Education via the Education and Skills Funding Agency in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the Department of Education during the period ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities and the grants received are detailed in note 4 to the financial statements.

Any surplus funds are swept nightly into a Liquidity Select bank account earning interest. No further investment activities are undertaken.

Throughout the year there were a number of areas that the Trustees considered/ratified, as follows:

- Extended the Catering contract for the provision of school meals for a further year;
- Continued to review of the Finance Risk Assessment and register in light of the challenges faced by the partial closure due to Covid. This was considered in November 2019, January 20 and May 2020;
- Reviewed the progress of the Pre school build and budget for the build;
- Termination of the cleaning contract and taking the service in house;
- Continued review of the preschool operational budget to ensure staffing levels are sufficient;
- Considered the Building and Maintenance Survey commissioned, by an external consultant;
- Received the Risk Assessment for Vehicle Movement on the school drive way and the Fire Risk Assessment and Social Distancing and Covid protocols;
- Received the Equality Policy, Charges and Remissions policy. Reviewed charges for Pre school and Wrap-around Care; and
- The Internal Scrutiny report was received by the Trustees in June 2020.

The Trustees considered the Schedule of requirements for Trustees at the January 2020 meeting and the top 10 Trustees musts at the June 2020 committee.

The final forecast for the year ended 31 August 2020 was reviewed in detail within the Environment and Finance Committee 7th July 2020 along with a 3 year budget plan going forward.

Reserves policy

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. This applies particularly to funds earmarked for future capital projects. The level of reserves will be kept under review by the Trustees.

The Trustees have the reserves policy as a standing item within the Environment and Finance Committee. Reserves at the end of the period 31 August 2020 were £1,869,361 comprising £185,541 of restricted general funds, £58,463 of unrestricted general funds, £2,390,357 of restricted fixed asset fund and a pension reserve deficit of £765,000. This is laid out in the table below.

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Financial review (continued)

The deficit on the pension scheme relates to the non-teaching staff pension scheme (Local Government Pension Scheme) where, unlike the teachers scheme, the deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits.

The restricted funds will be spent in accordance with the terms of the particular grants or funding received. Unrestricted funds are for use of the general purpose of the Academy and future capital projects, at the discretion of the Trustees.

	£
Unrestricted	58,463
Restricted: Fixed asset funds	2,390,357
Pension	(765,000)
Other	<u>185,541</u>
	<u>1,869,361</u>

Investment policy

The School's Investment Strategy is:

1. Regularly monitor cash flow and current/fund account balances to ensure immediate financial commitments can be met (payroll and payments runs) and that the accounts have adequate balances to meet forthcoming commitments.
2. Funds surplus to immediate cash requirements (set at £10k) are transferred nightly to the School's liquidity deposit account bearing a higher interest rate.
3. Periodically review interest rates and compare with other investment opportunities.
4. The School's current policy is to only invest funds in risk free and immediately accessible deposit accounts.

Any change in policy requires the approval of Trustees via the Environment and Finance Committee.

Principal risks and uncertainties

The Trustees conduct an annual review of the major financial risks to which the Academy Trust is exposed.

The Trustees are responsible for the overseeing of the financial risks faced by the School. Detailed considerations of risk are delegated to the Headteacher and School Business Manager. Risks were identified, assessed and controls established throughout the period with two reviews being submitted to the Environment and Finance Committee in November 2019, January 2020 and May 2020. The Trustees were satisfied that the actions agreed to mitigate these risks gave assurance that they could be adequately managed.

The major financial risks identified by the Trust for over the period September 2019 to August 2020 were:

- Risk that in year budget for 19/20 & 20/21 will be in deficit due to reduced pupil numbers.
- Risk that funding for the new preschool provided by CBC will be insufficient to cover all the costs of the new Build.
- Risk that the budget will be in deficit for the current year.

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Financial review (continued)

- Risk that the school have or will enter into future commitments without having future funding available to meet them.
- Risk that new building will not be open for increased capacity and wrap around care.
- Risk that employers' contribution rate increases.
- Loss of unrestricted income principally Kids Club.
- Risk that Budget will be in deficit in the current year 19/20 due to partial closure.
- Risk that in year budget for 20/21 & 21/22 will be in deficit due to reduced pupil numbers and reduced surpluses from 19/20.
- Risk that Pre-school Budget will be in deficit due to loss of fee paying income due to partial closure.
- The rise in Employers LGPS contributions following the actuarial review.
- Risk of COVID-19 impact on income and trading activities.

Risk is managed under the headings of strategic and reputational risks, operational risks, compliance risks and financial risks as recommended by the DfE's Academy Financial Handbook. Through the risk management processes that are formalised by the School, the Trustees are satisfied that the major finance risks identified will be adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks will be adequately managed.

Financial risk management objectives and policies

The financial risks the Academy faces are mitigated by the fact that they relate largely to bank balances, cash and trade creditors, with limited trade (and other) debtors. The exception is the Pension Scheme for Local Government Employees which has a current shortfall of £765,000 which the Academy is making up over seven years. This amount is booked as a liability in these financial statements.

Fundraising

The school does not use any external fundraisers. All fundraising is undertaken by The Parent Teacher Association.

Plans for future periods

The Trustees intend to continue their current strategies of improving the School's reputation by aiming to provide outstanding education for all students. Achieving high standards in academic results is a constant aim whilst maintaining the breadth and depth of the wider curriculum, to develop the whole child. The Headteacher and Senior Leadership Team continue to review the curriculum and standards in teaching and learning, to ensure that the education provided remains appropriate for our students' development.

Our future plans are financed from income direct from the ESFA, related to student numbers and other factors. Trustees will ensure funding is invested appropriately for the next generation of students as they have done in the past for current students. Maintaining, and where necessary, developing the fabric of the facilities and updating internal fixture and fittings with sustainability and the environment in mind. The Pre School new build, in conjunction with Central Bedfordshire Council, is central to our strategy to ensure an outstanding provision for 2 to 9 year olds. The school has also been able to extend its availability of wrap around care with provision available from 7.50am to 6pm. This will be a great help to the increasing number of working parents.

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Funds held as custodian on behalf of others

No such funds are held by The Firs Lower School.

Disclosure of information to auditors

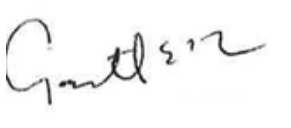
Insofar as the Trustees are aware:

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

Auditors

The auditors, MHA MacIntyre Hudson, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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



.....

Mr Gareth Jones

Chair of Trustees

Date: 01.12.20

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Governing Body has delegated the day-to-day responsibility to the Head Teacher, 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 The Firs Lower School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body 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 Governing Body has formally met 6 times during the year.

Attendance during the year at meetings of the board of Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
Mr Gareth Jones, Chair of Trustees	5	5
Mr Jason Hart, Vice Chairman	4	5
Mr Adam Campbell, Head Teacher and Accounting Officer	5	5
Mrs Fran Sherry	3	5
Mr John Ashley	5	5
Mrs Joanne Milne (appointed 27 January 2020)	3	3
Mr Jonathan Wilson	4	5
Mrs Louise Haigh	3	5
Mrs Annette Anderson	3	5
Mr Jason Manley	3	3

Governance reviews:

The committee reviews the "must haves" on an annual basis and reviews the risk register twice a year.

The Trustees undertook a Governing Body Health Check using a check list as a process of self evaluation.

The Environment and Finance Committee is a sub-committee of the main Governing Body. Its purpose is to:

1. Assist the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity.

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

2. Make appropriate comments and recommendations on such matters to the Governing Body on a regular basis.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr Jonathan Wilson (Chair)	6	6
Mr John Ashley	6	6
Mr Adam Campbell (Headteacher)	6	6
Mrs Fran Sherry (Staff Trustee)	6	6

Mrs C Bennett also attended all of the above meetings in her role as School Business Manager.

During the course of the year the Environment and Finance committee reviewed all the monthly finance reports against budget and cash flow statements. The finance risk register was reviewed and discussed in full at Committee meetings in November 2019 January 2020 and May 2020. The main risks that were monitored during the in-year were budgetary risks surrounding the School and Preschool. The uncertainty surrounding Central Government funding for schools for future years. The risks associated with the capital build of the new pre-school building.

Review of value for money

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

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

- The Governing Body is accountable for the way in which the school's resources are allocated to meet the objectives set out in the school's development plan. Trustees need to secure the best possible outcome for pupils, in the most efficient and effective way, at a reasonable cost. This will support the school's efforts to continuously improve standards achieved and services provided.
- Trustees and school leaders have adhered to the purchasing procedures which are laid down in The Firs Lower School Finance Manual. Goods and services have been obtained which provide "value for money" in terms of the school purchasing what it needs in the correct quantity, the appropriate quality and at the time the best price possible.
- The Trustees reviewed its Pre school and Kids Club Charges. The schools charges were benchmarked against a number of local providers and it was decided to increase them slightly but keep them just below other local providers.
- The school has implemented parent pay across all its income collection area which ensures prompt and complete cash collection.

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. This year the system of Internal Scrutiny has been expanded in line with the Academies Financial Handbook to encompass a wider remit. The system of internal control has been in place in the Academy Trust for the year to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body 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 Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The risk and control framework

Internal scrutiny is a process that provides independent assurance to the Board that its financial and other controls, and risk management procedures, are operating effectively. It involves a series of tests to ensure systems are effective and compliant, but goes beyond mere transaction checking.

Approach to work and standards

The Firs Lower School is not a large, complex organisation and as such the scale of any internal scrutiny is appropriate. In several areas requiring scrutiny, the underlying test and check work is already being completed on a regular basis and can potentially be relied upon for the purposes of the IS Report. For example, the School Business Manager (SBM), Senior Leadership Team (SLT) and relevant Trustees regularly examine the Risk Matrix and resulting Risk Register; With this in mind, the work of IS has focussed largely on bringing together and reviewing the work performed and assessing whether it meets the required standard to form an opinion on the school's control and risk management structure. Where necessary, further tests were performed by the Internal Scrutineer to reach an opinion.

The Academy'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 Governing Body;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines; and
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor.

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

However, the Governing Body have appointed Mrs Elizabeth Owen as an Internal Scrutineer who is a qualified accountant who acts as an independent, trusted 'critical friend' and assists the Board to improve governance, risk and control arrangements, as well as ensures compliance with the AFH (Academies Financial Handbook).

The Internal Scrutineer reviews policies, systems and operations in order to determine how well risks are managed, whether effective processes are in place, and whether agreed procedures are being followed.

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

- Testing of income system.
- Testing of payroll system.
- Testing of bank accounts and petty cash reconciliations.
- Testing of purchasing system & review of contracts.
- Review of risk register.
- Review of VAT control account.
- Review of monthly management accounts.

In addition the Internal Scrutiniser undertook a review of Governance, Risk Management, IT and security systems, and other operational matters including succession planning and business continuity.

On a semi-annual basis, the reviewer reports to the Governing Body through the finance and general purposes committee on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

All areas were assessed as excellent except other operational matters including succession planning and business continuity was assessed as good.

Review of effectiveness

As Accounting Officer, the Head Teacher 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 Scrutineer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the Senior Leadership Team within the Academy who have responsibility for the development and maintenance of the internal control framework.

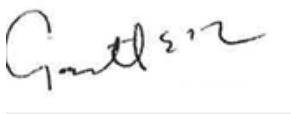
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the finance and general purposes committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

THE FIRS LOWER SCHOOL

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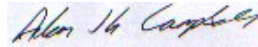
GOVERNANCE STATEMENT (CONTINUED)

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



Mr Gareth Jones
Chair of Trustees

Date: 01.12.20



Mr Adam Campbell
Accounting Officer

THE FIRS LOWER SCHOOL

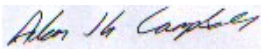
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Firs Lower School I have considered my responsibility to notify the Academy Trust's Governing Body 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, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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



.....
Mr Adam Campbell

Accounting Officer

Date: 01.12.20

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2020

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 . 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:

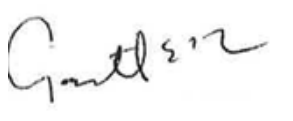
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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



.....
Mr Gareth Jones

Chair of Trustees

Date: 01.12.20

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE FIRS LOWER SCHOOL

Opinion

We have audited the financial statements of The Firs Lower School (the 'academy') for the year ended 31 August 2020 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 2019 to 2020 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's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 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 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

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

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

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE FIRS LOWER SCHOOL (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and administrative details, the Trustees' report, incorporating the Strategic Report and the Directors Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Trustees Responsibilities Statement. 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.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE FIRS LOWER SCHOOL (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy 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'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 or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Atul Kariya FCCA (Senior statutory auditor)

**for and on behalf on
MHA MacIntyre Hudson**

Chartered Accountants
Statutory Auditors
Moorgate House
201 Silbury Boulevard
Milton Keynes
Buckinghamshire
MK9 1LZ

Date: 22/1/2021

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE FIRS LOWER SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 30 August 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Firs Lower School during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Firs Lower School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Firs Lower School's funding agreement with the Secretary of State for Education dated January 2012 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw out conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing of a sample of payroll payments to staff;

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

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

- testing of a sample of payments to suppliers and other third parties;
- consideration of governance issues; and
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Atul Kariya FCCA (Senior statutory auditor)

for and on behalf on

MHA MacIntyre Hudson

Chartered Accountants

Statutory Auditors

Moorgate House

201 Silbury Boulevard

Milton Keynes

Buckinghamshire

MK9 1LZ

Date: 22/1/2021

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants	3	-	2,643	247,835	250,478	205,890
Charitable activities	4	-	1,242,081	-	1,242,081	1,202,724
Other trading activities	5	84,635	-	-	84,635	119,426
Investments	6	444	-	-	444	561
Total income		85,079	1,244,724	247,835	1,577,638	1,528,601
Expenditure on:						
Charitable activities		-	1,218,365	72,753	1,291,118	1,306,852
Other expenditure		59,240	-	-	59,240	56,413
Total expenditure	7	59,240	1,218,365	72,753	1,350,358	1,363,265
Net income		25,839	26,359	175,082	227,280	165,336
Transfers between funds	17	(43,447)	(37,312)	80,759	-	-
Net movement in funds before other recognised gains/(losses)		(17,608)	(10,953)	255,841	227,280	165,336
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	23	-	(264,000)	-	(264,000)	(144,000)
Net movement in funds		(17,608)	(274,953)	255,841	(36,720)	21,336

THE FIRS LOWER SCHOOL**(A Company Limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Note					
Reconciliation of funds:					
Total funds brought forward	76,071	(304,506)	2,134,516	1,906,081	1,884,745
Net movement in funds	(17,608)	(274,953)	255,841	(36,720)	21,336
Total funds carried forward	<u>58,463</u>	<u>(579,459)</u>	<u>2,390,357</u>	<u>1,869,361</u>	<u>1,906,081</u>

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

The notes on pages 35 to 60 form part of these financial statements.

THE FIRS LOWER SCHOOL**(A Company Limited by Guarantee)****REGISTERED NUMBER: 07851337**

**BALANCE SHEET
AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	2,369,064	2,100,106
		2,369,064	2,100,106
Current assets			
Debtors	15	49,720	50,835
Cash at bank and in hand		255,009	342,197
		304,729	393,032
Creditors: amounts falling due within one year	16	(39,432)	(161,057)
Net current assets		2,634,361	2,332,081
Total assets less current liabilities		2,634,361	2,332,081
Defined benefit pension scheme liability	23	(765,000)	(426,000)
Total net assets		1,869,361	1,906,081
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	2,390,357	2,134,516
Restricted income funds	17	185,541	121,494
		2,575,898	2,256,010
Restricted funds excluding pension asset	17	2,575,898	2,256,010
Pension reserve	17	(765,000)	(426,000)
Total restricted funds	17	1,810,898	1,830,010
Unrestricted income funds	17	58,463	76,071
Total funds		1,869,361	1,906,081

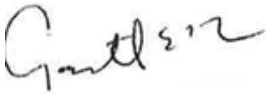
The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 30 to 60 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)
REGISTERED NUMBER: 07851337

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020



.....
Mr Gareth Jones

Chair of Trustees

Date: 01.12.20

The notes on pages 35 to 60 form part of these financial statements.

THE FIRS LOWER SCHOOL**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	19	2,214	123,930
Cash flows from investing activities	20	(89,402)	(1,015)
Change in cash and cash equivalents in the year		(87,188)	122,915
Cash and cash equivalents at the beginning of the year		342,197	219,282
Cash and cash equivalents at the end of the year	21, 22	255,009	342,197

The notes on pages 35 to 60 form part of these financial statements

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

The Firs Lower School is a private company limited by guarantee, incorporated in England. Its registered number and address of registered office are detailed on page 1. The nature of the academy trust's operations and principal activity are detailed in the Trustees' Report.

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

The financial statements are prepared in £ sterling, rounded to the nearest £1.

1.1 Basis of preparation of financial statements

The financial statements of the Academy, 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Firs Lower School meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

All incoming resources are recognised when the Academy 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)

1.3 Income (continued)

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 has provided the goods or services.

- **Donated goods, facilities and services**

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities incorporating Income and Expenditure Account, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's policies.

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)

1.6 Taxation

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

1.7 Tangible fixed assets

Assets costing £1,000 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:

Depreciation is provided on the following bases:

Leasehold land	- over the term of the 125 year lease
Leasehold buildings	- over 50 years on a straight line basis
Furniture and equipment	- 25% per annum on a straight line basis
Plant and machinery	- 25% per annum on a straight line basis
Building improvements	- 2-5% per annum on a straight line basis

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.

Land is depreciated as held under a long term lease.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)

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

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

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

1.12 Operating leases

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

1.13 Pensions

Retirement benefits to employees of the Academy 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 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. Accounting policies (continued)

1.13 Pensions (continued)

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

1.14 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability.

THE FIRS LOWER SCHOOL**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

2. Critical accounting estimates and areas of judgment (continued)

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 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The judgments that have had a significant effect on amounts recognised in the Financial Statements are those concerning the choice of depreciation policies and asset lives.

3. Income from donations and capital grants

	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	2,643	-	2,643	16,566
Capital Grants	-	247,835	247,835	189,324
Total 2020	<u>2,643</u>	<u>247,835</u>	<u>250,478</u>	<u>205,890</u>
Total 2019	<u>16,566</u>	<u>189,324</u>	<u>205,890</u>	

THE FIRS LOWER SCHOOL**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

4. Funding for Academy's Educational Operations

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	983,045	983,045	992,150
Pupil Premium	26,581	26,581	24,996
Other DfE/ESFA grants	73,184	73,184	67,046
	<hr/>	<hr/>	<hr/>
	1,082,810	1,082,810	1,084,192
	<hr/>	<hr/>	<hr/>
Other government grants			
Other government grants	151,133	151,133	95,745
	<hr/>	<hr/>	<hr/>
	151,133	151,133	95,745
	<hr/>	<hr/>	<hr/>
Other funding			
Trip income	1,211	1,211	18,546
Other income	6,927	6,927	4,241
	<hr/>	<hr/>	<hr/>
	8,138	8,138	22,787
	<hr/>	<hr/>	<hr/>
	1,242,081	1,242,081	1,202,724
	<hr/>	<hr/>	<hr/>
Total 2019	1,202,724	1,202,724	
	<hr/>	<hr/>	

THE FIRS LOWER SCHOOL

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	As restated Total funds 2019 £
Rental income	4,888	4,888	5,919
Pre School	21,483	21,483	27,201
School Clubs	58,064	58,064	83,944
Other income	200	200	2,362
Total 2020	<u>84,635</u>	<u>84,635</u>	<u>119,426</u>
Total 2019	<u>119,426</u>	<u>119,426</u>	

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	444	444	561
Total 2019	<u>561</u>	<u>561</u>	

THE FIRS LOWER SCHOOL**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Educational operations:					
Direct costs	778,151	-	24,227	802,378	914,205
Allocated support costs	219,246	132,446	137,048	488,740	392,647
Other expenditure	55,797	-	3,443	59,240	56,413
	<u>1,053,194</u>	<u>132,446</u>	<u>164,718</u>	<u>1,350,358</u>	<u>1,363,265</u>
Total 2019	<u>1,053,049</u>	<u>56,745</u>	<u>253,471</u>	<u>1,363,265</u>	

8. Other expenditure

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
School clubs - costs	2,813	2,813	3,759
School shop - costs	630	630	1,326
School clubs - wages and salaries	44,288	44,288	41,621
School clubs - NI	2,209	2,209	2,042
School clubs - pension costs	9,300	9,300	7,665
	<u>59,240</u>	<u>59,240</u>	<u>56,413</u>
Total 2019	<u>56,413</u>	<u>56,413</u>	

THE FIRS LOWER SCHOOL**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Charitable activities expenditure	802,378	488,740	1,291,118	1,306,852
Total 2019	914,205	392,647	1,306,852	

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Pension cost	8,000	5,000
Staff costs	219,246	154,777
Depreciation	72,753	56,745
Bought in professional services	28,902	28,222
Educational trips & visits	3,321	-
Other costs	902	3,019
Maintenance of premises & equipment	30,142	28,214
Cleaning	10,081	10,654
Rates & water	5,985	(2,830)
Heat & light	13,485	11,248
Insurance	5,466	6,482
Catering	43,179	49,185
Security & transport	3,784	1,864
Other support costs	32,718	28,725
Governance costs	10,776	11,342
	488,740	392,647

THE FIRS LOWER SCHOOL**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

10. Net income

Net income for the year includes:

	2020	2019
	£	£
Operating lease rentals	986	3,019
Depreciation of tangible fixed assets	72,753	56,745
Fees paid to auditors for:		
- audit	7,340	6,500
- other services	3,485	4,492
	<u><u> </u></u>	<u><u> </u></u>

11. Staff**a. Staff costs**

Staff costs during the year were as follows:

	2020	2019
	£	£
Wages and salaries	760,987	789,059
Social security costs	54,682	56,929
Pension costs	235,517	193,505
	<u><u>1,051,186</u></u>	<u>1,039,493</u>
Agency staff costs	2,008	1,340
Staff restructuring costs	-	12,216
	<u><u>1,053,194</u></u>	<u><u>1,053,049</u></u>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2019 - £12,216).

THE FIRS LOWER SCHOOL**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. Staff (continued)**c. Staff numbers**

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

	2020 No.	2019 No.
Teachers	11	11
Administration and support	40	42
Management	2	2
	53	55

d. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	1	1

The above employee participated in the Teacher's Pension Scheme. During the year ended 31 August 2019 pension contributions for this staff member amounted to £15,681 (2019 - £10,668).

e. Key management personnel

The key management personnel of the Academy 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 was £280,141 (2019 - £264,904).

THE FIRS LOWER SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

12. Trustees' remuneration and expenses

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

		2020 £	2019 £
Mr Adam Campbell, Headteacher and Accounting Officer	Remuneration	65,000 -	60,000 -
		70,000	65,000
	Pension contributions paid	15,000 -	10,000 -
		20,000	15,000
Mrs Fran Sherry, Staff Trustee	Remuneration	15,000 -	15,000 -
		20,000	20,000
	Pension contributions paid	0 - 5,000	0 - 5,000

During the year ended 31 August 2020, expenses totalling £480 were reimbursed or paid directly to 1 Trustee (2019 - £NIL). The expenses reimbursed during the year related to the purchase of school goods.

13. Trustees' and Officers' insurance

The Academy 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.

THE FIRS LOWER SCHOOL**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

14. Tangible fixed assets

	Leasehold Land and Buildings £	Furniture and Equipment £	Plant and Machinery £	Total £
Cost or valuation				
At 1 September 2019	2,361,113	11,326	51,509	2,423,948
Additions	330,497	2,656	8,558	341,711
At 31 August 2020	<u>2,691,610</u>	<u>13,982</u>	<u>60,067</u>	<u>2,765,659</u>
Depreciation				
At 1 September 2019	286,885	3,057	33,900	323,842
Charge for the year	63,179	1,728	7,846	72,753
At 31 August 2020	<u>350,064</u>	<u>4,785</u>	<u>41,746</u>	<u>396,595</u>
Net book value				
At 31 August 2020	<u>2,341,546</u>	<u>9,197</u>	<u>18,321</u>	<u>2,369,064</u>
At 31 August 2019	<u>2,074,228</u>	<u>8,269</u>	<u>17,609</u>	<u>2,100,106</u>

The leasehold property is held under a 125 year lease from Central Bedfordshire Council ending 31 December 2136. No rent is payable under the terms of the lease.

Included in the leasehold land and buildings are improvements to leasehold with a net book value of £386,777 and land with a net book value of £313,235.

The acquisition of the freehold on which was purchased by the academy trust at a value of £330,497. All additions related to the refurbishment of existing buildings.

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Debtors

	2020	2019
	£	£
Due within one year		
Trade debtors	908	4,304
VAT recoverable	40,222	31,963
Prepayments and accrued income	8,590	14,568
	49,720	50,835

16. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	763	763
Other creditors	32	4,062
Accruals and deferred income	38,637	156,232
	39,432	161,057

	2020	2019
	£	£
Deferred income		
Deferred income at 1 September 2018	62,834	28,806
Resources deferred during the year	28,305	62,834
Amounts released from previous years	(62,834)	(28,806)
Deferred income at 31 August 2019	28,305	62,834

At the balance sheet date the Academy was holding funds received in advance for the following purposes: Universal Free School Meals funding of £28,305 (2019: £28,424) and CBC Capital income re the Preschool of £nil (2019: £34,410).

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
Unrestricted funds	<u>76,071</u>	<u>85,079</u>	<u>(59,240)</u>	<u>(43,447)</u>	<u>-</u>	<u>58,463</u>
Restricted general funds						
General Annual Grant (GAG)	37,326	983,045	(955,940)	48,800	-	113,231
Other restricted funds	84,168	261,679	(187,425)	(86,112)	-	72,310
Pension reserve	(426,000)	-	(75,000)	-	(264,000)	(765,000)
	<u>(304,506)</u>	<u>1,244,724</u>	<u>(1,218,365)</u>	<u>(37,312)</u>	<u>(264,000)</u>	<u>(579,459)</u>
Restricted fixed asset funds						
Fixed asset funds	<u>2,134,516</u>	<u>247,835</u>	<u>(72,753)</u>	<u>80,759</u>	<u>-</u>	<u>2,390,357</u>
Total Restricted funds	<u>1,830,010</u>	<u>1,492,559</u>	<u>(1,291,118)</u>	<u>43,447</u>	<u>(264,000)</u>	<u>1,810,898</u>
Total funds	<u>1,906,081</u>	<u>1,577,638</u>	<u>(1,350,358)</u>	<u>-</u>	<u>(264,000)</u>	<u>1,869,361</u>

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

The General Annual Grant (GAG) must be used for the normal running costs of the Academy.

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

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant. This includes items such as school trips for which income received is used to cover costs in association with these activities. Unrestricted funds are used for charitable purposes at the discretion of the Trustees.

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17. Statement of funds (continued)

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme. The fund is in deficit, but given the nature of the liability this is not payable immediately.

The restricted fixed asset fund was funded predominantly by the funds inherited on conversion from the Central Bedfordshire local authority following the transfer of the land and buildings. The fund represents the net book value of capitalised fixed assets and unspent capital funds of £21,293 (2019 - £34,410).

The transfers from unrestricted funds and restricted funds to restricted fixed asset funds includes £69,546 (2019 - £42,946) in respect of amounts capitalised during the year.

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

17. Statement of funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
Unrestricted funds	57,539	119,987	(58,509)	(42,946)	-	76,071
Restricted general funds						
General Annual Grant (GAG)	28,471	1,001,669	(992,814)	-	-	37,326
Other restricted funds	56,744	217,621	(190,197)	-	-	84,168
Pension reserve	(217,000)	-	(65,000)	-	(144,000)	(426,000)
	<u>(131,785)</u>	<u>1,219,290</u>	<u>(1,248,011)</u>	<u>-</u>	<u>(144,000)</u>	<u>(304,506)</u>
Restricted fixed asset funds						
Fixed asset funds	1,958,991	189,324	(56,745)	42,946	-	2,134,516
Total Restricted funds	<u>1,827,206</u>	<u>1,408,614</u>	<u>(1,304,756)</u>	<u>42,946</u>	<u>(144,000)</u>	<u>1,830,010</u>
Total funds	<u><u>1,884,745</u></u>	<u><u>1,528,601</u></u>	<u><u>(1,363,265)</u></u>	<u><u>-</u></u>	<u><u>(144,000)</u></u>	<u><u>1,906,081</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds**Analysis of net assets between funds - current period**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	2,369,064	2,369,064
Current assets	58,463	224,973	21,293	304,729
Creditors due within one year	-	(39,432)	-	(39,432)
Pension scheme liability	-	(765,000)	-	(765,000)
Total	58,463	(579,459)	2,390,357	1,869,361

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	2,100,106	2,100,106
Current assets	76,071	282,551	34,410	393,032
Creditors due within one year	-	(161,057)	-	(161,057)
Pension scheme liability	-	(426,000)	-	(426,000)
Total	76,071	(304,506)	2,134,516	1,906,081

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Reconciliation of net income to net cash flow from operating activities

	2020	2019
	£	£
Net income for the period (as per Statement of Financial Activities)	227,280	165,336
Adjustments for:		
Depreciation	72,753	56,745
Capital grants from DfE and other capital income	(251,865)	(189,324)
Interest receivable	(444)	(561)
Defined benefit pension scheme cost less contributions payable	66,000	59,000
Defined benefit pension scheme finance cost	8,000	5,000
Decrease/(increase) in debtors	1,115	(32,064)
(Decrease)/increase in creditors	(121,625)	58,798
Defined benefit pension scheme administration cost	1,000	1,000
Net cash provided by operating activities	2,214	123,930

20. Cash flows from investing activities

	2020	2019
	£	£
Interest receivable	444	561
Purchase of tangible fixed assets	(341,711)	(190,900)
Capital grants from DfE Group	251,865	189,324
Net cash used in investing activities	(89,402)	(1,015)

21. Analysis of cash and cash equivalents

	2020	2019
	£	£
Cash in hand	255,009	342,197
Total cash and cash equivalents	255,009	342,197

THE FIRS LOWER SCHOOL**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

22. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	342,197	(87,188)	255,009
	342,197	(87,188)	255,009

23. Pension commitments

The Academy'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 Central Bedfordshire 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 2016.

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

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.

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).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

23. Pension commitments (continued)

- 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 £99,517 (2019 - £70,505).

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 has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 2020 was £89,000 (2019 - £82,000), of which employer's contributions totalled £70,000 (2019 - £64,000) and employees' contributions totalled £ 19,000 (2019 - £18,000). The agreed contribution rates for future years are 19.6 per cent for employers and 5.5 - 12.5 per cent for employees.

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	3.25	2.50
Rate of increase for pensions in payment/inflation	2.25	2.20
Discount rate for scheme liabilities	1.60	1.85
Commutation of pensions to lump sums	50	50

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

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

	2020 Years	2019 Years
<i>Retiring today</i>		
Males	22.2	20.7
Females	24.3	23.2
<i>Retiring in 20 years</i>		
Males	23.4	21.7
Females	26.1	24.7

Sensitivity analysis

	2020 £	2019 £
Discount rate +0.5%	248,000	155,000
Discount rate -0.5%	(248,000)	(155,000)
Mortality assumption - 1 year increase	20,000	25,000
Mortality assumption - 1 year decrease	(20,000)	(25,000)
CPI rate +0.5%	270,000	133,000
CPI rate -0.5%	(270,000)	(133,000)

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

	2020 £	2019 £
Equities	830,000	703,000
Corporate bonds	196,000	158,000
Property	115,000	96,000
Cash and other liquid assets	73,000	47,000
Total market value of assets	1,214,000	1,004,000

The actual return on scheme assets was £129,000 (2019 - £26,000).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

23. Pension commitments (continued)

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

	2020	2019
	£	£
Current service cost	(136,000)	(117,000)
Past service cost	-	(6,000)
Interest income	19,000	26,000
Interest cost	(27,000)	(31,000)
Total amount recognised in the Statement of Financial Activities	(144,000)	(128,000)

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

	2020	2019
	£	£
At 1 September	1,430,000	1,096,000
Current service cost	136,000	117,000
Interest cost	27,000	31,000
Employee contributions	19,000	18,000
Actuarial losses	374,000	144,000
Benefits paid	(7,000)	18,000
Past service costs	-	6,000
At 31 August	1,979,000	1,430,000

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

	2020	2019
	£	£
At 1 September	1,004,000	879,000
Actuarial gains	110,000	-
Employer contributions	70,000	64,000
Employee contributions	19,000	18,000
Benefits paid	(7,000)	18,000
Interest income	19,000	26,000
Administration expenses	(1,000)	(1,000)
At 31 August	1,214,000	1,004,000

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**NOTES TO THE FINANCIAL STATEMENTS
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	2020	2019
	£	£
The amounts recognised in the Balance Sheet are as follows:		
Closing defined benefit obligation	(1,979,000)	(1,430,000)
Closing fair value of scheme assets	1,214,000	1,004,000
	(765,000)	(426,000)

Total remeasurements recognised in Other Comprehensive Income:

	2020	2019
	£	£
Changes in financial assumptions	(170,000)	(214,000)
Changes in demographic assumptions	(119,000)	70,000
Other remeasurements	25,000	-
	(264,000)	(144,000)

Other finance income

	2020	2019
	£	£
Interest income on pension scheme assets	19,000	26,000
Interest on pension scheme liabilities	(27,000)	(31,000)
	(8,000)	(5,000)

24. Operating lease commitments

At 31 August 2020 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020	2019
	£	£
Not later than 1 year	986	986
Later than 1 year and not later than 5 years	986	1,972
	1,972	2,958

All commitments above relate to assets other than land and buildings.

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25. 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.

26. Related party transactions

Owing to the nature of the Academy 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's financial regulations and normal procurement procedures relating to connected and related party transactions.

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

The wives of the Trustee Jonathan Wilson and Trustee John Ashley are employed by the Academy as Teaching Assistant's:

- As a member of staff, these individuals are remunerated by the Academy and their remuneration is in line with all other members of staff of a similar grade. The remuneration of all staff is discussed by the Trustees as a body but Mr J Wilson is not involved in the discussions relating to the remuneration of his wife, neither is Mr J Ashley involved in the discussions relating to the remuneration for his wife.

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