

Company Registration Number: 08714241 (England & Wales)

**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	P C Harland N J Linsell J J Hinns L Fleming (appointed 4 February 2020) Link Academies Collaborative Trust
Trustees	P C Harland ^{1,2,3} N J Linsell ¹ S E Cowell J E Bourne ^{1,3} S Carter ² B M Dudman (Resigned 8 September 2020) ³ J C Falaki ² L Fleming (Resigned 9 December 2019) ³ J J Hinns ^{2,3} Z C McCormick ² A Morton ¹ M L Shepherd (appointed 6 May 2020) L Westlake (appointed 8 September 2020)

- ¹ Resources Committee
- ² School Improvement Committee
- ³ Every Person Matters Committee

Company registered number	08714241
Company name	Shaw Ridge Primary School
Senior management team	S Cowell, Headteacher J Lee, Deputy Headteacher S Godwin, Teacher L Oler, Teacher K Jeffery, Teacher L Armstrong, SENCo
Independent auditors	Bishop Fleming Bath Limited Chartered Accountants Statutory Auditors Minerva House Lower Bristol Road Bath BA2 9ER
Bankers	Lloyds Bank PLC Old Town Swindon SN1 3EN

**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ
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**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**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 period ended 31 August 2020. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 2 to 11 in West Swindon. In January 2020 the academy expanded to include a nursery for children aged from 2 years old. It has a pupil capacity of 420 in the school and a capacity of 24 in the nursery, and had a roll of 401 + 23 in the school census on 1 October 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust was incorporated on 2 October 2013 and opened as an Academy on 1 November 2013. It is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Shaw Ridge Primary School Academy Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Shaw Ridge Primary School.

Details of the Trustees who served throughout the period, except as noted, 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 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 they cease to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £5,000,000.

TRUSTEES

Method of recruitment and appointment or election of Trustees

The Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

- The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:
- Up to 3 Trustees who are subscriber members.
- Up to 3 Parent Trustees who are elected by Parents/Carers of registered pupils at the Academy.
- Up to 2 staff Trustees elected by staff at the Academy (made up of 1 elected by teaching staff and 1 elected by non-teaching staff).
- Up to 2 Community Trustees who are appointed by the Link Academy Collaborative Trust.
- The Headteacher who is treated for all purposes as being an ex officio Trustee.

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

**SHAW RIDGE PRIMARY SCHOOL
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

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

Policies and Procedures adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 4 committees as follows;

- Resources Committee - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget. This committee is also responsible for and has oversight of the upkeep and maintenance of the physical structure of the school. It also incorporates the role of an audit committee.
- School Improvement Committee - this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment.
- Admissions Committee - this meets as required to deal with all matters relating to admissions.
- Every Person Matters Committee – this meets once a term to deal with all staffing and pastoral matters including but not limited to the welfare and safeguarding of pupils with special educational needs, pupils in receipt of pupil premium funding and looked after children.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Academy has a leadership structure which consists of the Trustees, the Strategic Team, the Senior Leadership Team and Subject Co-ordinators. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels. A summary of the responsibilities at each level is given in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation.

The Academy is a member of the Link Academies Collaborative Trust which comprises four primary schools – Millbrook Primary School, Peatmoor Primary School, Shaw Ridge Primary School and Westlea Primary School. The LACT Trust Board is comprised of the Headteacher and the Chair of Trustees of each member school plus external experts in school improvement and finance.

The Headteacher is the Accounting Officer.

**SHAW RIDGE PRIMARY SCHOOL
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Arrangements for setting pay and remuneration of key management personnel

The Trustees consider that the Board of Trustees, the Strategic Team and the Senior Leadership Team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely, and details of remuneration paid to the Strategic Team and Senior Leadership Team are disclosed in the notes to the accounts, as are details of Trustees' expenses and related party transactions. The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

Connected Organisations, including Related Party Relationships

Mr Philip Harland, Chair of Governors, is also a director of a related party, Your Logo Limited, a company which supply school uniform. Your Logo Limited supply uniform directly to parents/carers through their offices and/or website, and very occasionally the school purchase uniform from them. This year sweatshirts with the school logo on were purchased and provided to new pupils in the nursery to celebrate the opening of the new nursery unit. In addition, another governor, Mrs Julia Hinns, is also a director of a related party, Childminding Matters, a company which this year provided essential training at very short notice prior to the opening of the nursery unit.

Neither Your Logo Limited nor Childminding Matters as companies have any influence on the decisions or operations of Shaw Ridge Primary School. For more information regarding related party relationships please refer to Note 27.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities.

The principal object and activity of the Charitable Company is the operation of Shaw Ridge Primary School to provide free education and care for pupils of different abilities.

The aims of the Academy during the period ended 31 August 2020, as set out in our Strategic Action Plan are summarised below:

- Developing attainment and progress in reading at Key Stage 2
- Embedding and building upon early progress in writing throughout KS1
- Increasing the number of pupils achieving and exceeding age related expectations through quality first teaching and targeted interventions
- Ensure that all groups of children have equal access to education by working with parents through Achievement for All methodology to reduce barriers to learning
- Ensure all statutory and LA requirements for Child Protection and Safeguarding are implemented
- Establishing quality provision for 3 and 4-year olds
- Developing and embedding our progressive skills based on curriculum for foundation subjects
- Developing the strategic role of middle leaders with curriculum responsibility for implementing, monitoring and judging impact of teaching and learning

At Shaw Ridge Primary School we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

Unfortunately, as the world was in the grips an international pandemic and the whole country was in an enforced lockdown from 20 March 2020, much of the original plans, objectives, hopes and aspirations had to be re-examined, re-evaluated and re-worked to fit with the new conditions, challenges and regulations imposed.

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

Many assumptions and expectations became unrealistic, with the greatest proportion of teaching, as well as admin work, having to be done from home and in different formats. Priorities had to be re-assessed and plans and schedules had to be modified appropriately. With directives and regulations being frequently amended the challenges to Shaw Ridge, and to all schools, were massive. The mental health and well-being of pupils, parents/carers and staff became a far more important and extensive issue than ever before.

Objectives, Strategies and Activities

Key priorities for the year are contained in our Strategic Action Plan which is available from the Academy Office. Improvement focuses for this year include many of the same as last year which had to be unexpectedly curtailed:

- Developing attainment and progress in reading at Key Stage 2
- Embedding and building upon early progress in writing throughout KS1
- Increasing the number of pupils achieving and exceeding age related expectations through quality first teaching and targeted interventions
- Ensure that all groups of children have equal access to education by working with parents through Achievement for All methodology to reduce barriers to learning
- Ensure all statutory and LA requirements for Child Protection and Safeguarding are implemented
- Embedding quality provision for 3 and 4-year olds
- Embedding our progressive skills based on curriculum for foundation subjects
- Embedding the strategic role of middle leaders with curriculum responsibility for implementing, monitoring and judging impact of teaching and learning

Key activities and targets were identified in the Strategic Action Plan and were influenced by the significant and ongoing challenges arising from national funding in education and additional considerations necessary due to the ongoing world pandemic. The activities included the following:

- Review of staffing levels in the light of budgetary pressure.
- Further development of the intranet to support administration and communication.
- Continued development of systems for tracking and monitoring progress across the whole curriculum.
- Continual monitoring of online learning provision, suitability and uptake.

Public Benefit

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

STRATEGIC REPORT

Achievements and Performance

The Academy is in its seventh year of operation and we have seen the number of students remaining relatively stable, at 401. The Academy is full in most year groups, although there are significantly fewer children in one year group due to that being a low birth rate year, as advised by Swindon Borough Council. There is a waiting list in operation. Two classes have 32 pupils, and there are two classes in each year group. Following the enforced lockdown period nearly all children returned to school in September and we are confident the parents feel we are keeping their children safe. Most children have quickly adapted to the new regime with altered playtimes and lunchtime procedures. We are now endeavouring to assess where the children are at academically following their home learning experiences. Our children's learning behaviour, conduct around school, knowledge of how to keep safe and confidence in adults keeping them safe has been consistently at least good. Absence and persistent absence figures are difficult to evaluate given the self-isolation and lockdown situations, however we continue to challenge all non-approved absences and work with our parents/carers to ensure all children have access to education.

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

Unexpectedly, in September 2019, the opportunity arose for the school to open a nursery unit in what had previously been our Community Suite. This was strongly recommended and encouraged by the local council Early Years Provision Department, and after due consideration the necessary permissions were obtained. The unit opened to children on 1st January 2020, and continues to go from strength to strength with uptake and attendance both high. To date the local council has not made any contribution towards the refurbishment or equipping costs, which have had to be borne entirely by the school.

There were no national tests across schools in 2020 due to the pandemic and lockdown, however we are working to assess children's achievements and fill any gaps which are becoming obvious with appropriate interventions.

Prior to March 2020, we welcomed many parent volunteers to help in the Academy however this is again something which cannot now continue until the medical emergency situation is resolved. We look forward to welcoming parent helpers back into school in the future as we know they allow us to provide opportunities for the pupils we would not be able to otherwise.

To ensure that standards are continually assessed, the Academy operates a programme of lesson observations, which are undertaken by the Senior Leadership Team. Again, this was not possible during lockdown, however the Senior Leadership Team continually assessed the quality of lessons being delivered online via the Class Dojo platform.

Staff members have received high quality CPD online training courses which were made available free of charge during lockdown.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date, in particular, the management of spending against General Annual Grant (GAG). In the period under review, £118,009 was carried forward representing 8.0% of GAG. As an Academy the school no longer has the financial back up of the local authority should it be required in emergency situations. It is therefore essential that sufficient reserves are held to cover any such situations.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Going Concern Policy.

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities. The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2020, total expenditure of £1,975,600 (excluding the fixed asset fund and pension reserve) was covered by recurrent grant funding from the DfE, together with other incoming resources of £1,911,713. The excess of income over expenditure for the year (excluding restricted fixed asset funds and service costs associated with the defined benefit pension scheme) was £44,113.

At 31 August 2020 the net book value of fixed assets was £3,518,143 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

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

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on 31 March 2014 at £3,980,000. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 24 to the financial statements.

Key financial policies adopted or reviewed during the year include the Scheme of Delegation which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Asset Control & Accountability Policy, Charging & Remissions Policy, Competitive Tendering Policy, Investment Policy, Reserves Policy, and Risk Management Policy.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be approximately 2 months' salary costs which are approximately £200,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. Total reserves of the academy amount to £118,009. The amount is represented as £118,009 of unrestricted funds and is the balance that the Trustees monitor in accordance with the Board's reserves policy. This represents 0.8 months of normal recurring expenditure. The Trustees are confident that through continued cost savings and economies the reserves will return to this target level.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income.

Investment Policy

The Academy's aim is to spend the public monies with which we are entrusted for the direct educational benefit of students as soon as is prudent. The school does not consider the investment of surplus funds as a primary activity, rather it is the result of good stewardship as and when circumstances allow. Where the surplus is deemed to be significant and long-term, funds may be invested in Treasury deposits, with maturity dates which do not result in the cash funds being unavailable for longer than 12 weeks, upon agreement of the Governing Body.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the EFA. In the last year 95% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. The Trustees acknowledge that, especially given the uncertainty of any Brexit deals, and with the ongoing restrictions due to COVID19, upcoming financial periods are likely to be challenging. They will do their utmost to ensure that income and expenditure budgets are managed to ensure that target level of reserves can be achieved.

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

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed, as well as ensuring successes are publicised in local press when possible and appropriate.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Academy is over-subscribed, risks to revenue funding from a falling roll are small. However, the freeze on the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 24 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

**SHAW RIDGE PRIMARY SCHOOL
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community.

Full details of our plans for the future are given in our Strategic Action Plan, which is available on our website or from the Clerk to the Trustees.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

TRUSTEES INDEMNITIES

Insurance provision has been arranged with a limit of Indemnity of £5,000,000.

AUDITORS

In so far as the Trustees are aware:

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

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

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 1 December 2020 and signed on the board's behalf by:



**P C Harland
Chair of Trustees**

**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Shaw Ridge Primary 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.

The board of Trustees has delegated the day-to-day responsibility to the Headteacher, 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 Shaw Ridge Primary School and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the year.

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

Trustee	Meetings attended	Out of a possible
P C Harland	7	7
N J Linsell	7	7
S E Cowell	7	7
J E Bourne	7	7
S Carter	7	7
B M Dudman	7	7
J C Falaki	7	7
L Fleming	3	3
J J Hinns	7	7
Z C McCormick	6	7
A Morton	7	7
M L Shepherd	3	3

The Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor, evaluate and review policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/Internal Audit and drafting the annual budget. This committee is also responsible for and has oversight of the upkeep and maintenance of the physical structure of the school.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
P C Harland	5	5
S E Cowell	5	5
N J Linsell	5	5
J E Bourne	3	5
A Morton	5	5

GOVERNANCE STATEMENT (CONTINUED)

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy 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.

At the invitation of the ESFA we undertook work with a SRMA who worked closely with our Bursar, both in person and remotely. This was a valuable opportunity to consider our financial challenges and perhaps approach them from different perspectives. The SRMA was also able to review with us the actions already implemented and further proposals we had in place. Her recommendations to the Trustees confirmed our actions as being relevant and financially beneficial in the longer term. The opening of an onsite nursery provision and the resulting redeployment of staff meant redundancies would not be required, which significantly improved staff morale. We should look for further opportunities to source grant funding.

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy has delivered improved value for money during the year by ensuring funding is used effectively to provide additional support to those with greatest need, especially latterly during the COVID19 pandemic. Some examples of this are:

- The continuing professional development and training of all staff remained a high priority during the year. We continued our sharing of training resources and facilities within the LACT in order to maximize savings. We continue to jointly purchase consultancy services to benefit from discounted costs. During lockdown many resources became available online for significantly reduced costs, or free and we endeavoured to take full advantage of the opportunities offered.
- A revised insurance contact was negotiated with Zurich insurance based on a 3-year contract with all 4 LACT schools. This contract undercut the RPA quote and the price is guaranteed at this level for the next 3 years, with resultant significant savings.
- Purchasing ongoing online access to safeguarding training has enabled this critical training to be delivered in a 1:1, measurable, cost-effective manner to all staff regardless of when they commence employment during the year.
- We continue to ensure all PPA time is covered by qualified teachers.
- A Child and Family Support Worker dedicated to providing support for our most vulnerable children and families has proved to be an invaluable resource this year
- Ensuring quality teaching assistants are in every class allow provision of support for struggling children

Unfortunately, due to the COVID19 pandemic and the resulting lockdowns, new regulations and restrictions imposed by the Government, there has been a massive increase in costs for cleaning and cleaning materials, with some goods becoming extremely difficult and expensive to source. The Accounting Officer and Trustees are certain the finance and admin team have done their very best to source the necessary PPE at best value prices.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Shaw Ridge Primary School for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

**SHAW RIDGE PRIMARY SCHOOL
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GOVERNANCE STATEMENT (CONTINUED)

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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 board of Trustees
- regular reviews by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Financial Services 4 Schools Limited as Internal Assurance Officer.

The Internal Assurance Officer's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems.

On a semi-annual basis, the Internal Assurance Officer reports to the Board of Trustees on the operation of the systems of control and on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

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

The Accounting Officer ensures there is an ongoing programme of continuous review and improvement of the systems if required.

Approved by order of the members of the Board of Trustees on 1 December 2020 and signed on their behalf by:


P C Harland
Chair of Trustees

**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Shaw Ridge Primary School I have considered my responsibility to notify the Academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, 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 board of Trustees 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 board of Trustees and ESFA.



S Cowell
Accounting Officer
Date: 1 December 2020

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 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:



P C Harland
Chair of Trustees

Date: 1 December 2020

**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SHAW
RIDGE PRIMARY SCHOOL**

Opinion

We have audited the financial statements of Shaw Ridge Primary 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 FRS 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.

**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SHAW
RIDGE PRIMARY 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 including the Strategic report, and the Governance 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy 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.

**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SHAW
RIDGE PRIMARY SCHOOL (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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.

Bishop Fleming Bath Ltd

John Talbot FCA (Senior statutory auditor)

for and on behalf of

Bishop Fleming Bath Limited

Chartered Accountants

Statutory Auditors

Minerva House

Lower Bristol Road

Bath

BA2 9ER

Date: *14.1.21*

**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SHAW RIDGE
PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 4 December 2018 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 Shaw Ridge Primary 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 Shaw Ridge Primary School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Shaw Ridge Primary 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 Shaw Ridge Primary School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Shaw Ridge Primary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Shaw Ridge Primary School's funding agreement with the Secretary of State for Education dated 19 December 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.

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

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

**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SHAW RIDGE
PRIMARY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

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

Bishop Fleming Bath Ltd

John Talbot FCA (Reporting Accountant)
Bishop Fleming Bath Limited
Chartered Accountants
Statutory Auditors
Minerva House
Lower Bristol Road
Bath
BA2 9ER

Date: *14.1.21*

**SHAW RIDGE PRIMARY 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	4	13,642	11,043	-	24,685	14,822
Charitable activities	5	62,829	1,808,608	8,658	1,880,095	1,700,945
Other trading activities		15,491	-	-	15,491	39,492
Investments	8	100	-	-	100	137
Total income		92,062	1,819,651	8,658	1,920,371	1,755,396
Expenditure on:						
Charitable activities		47,949	1,927,651	96,671	2,072,271	1,994,773
Total expenditure		47,949	1,927,651	96,671	2,072,271	1,994,773
Net income/ (expenditure)		44,113	(108,000)	(88,013)	(151,900)	(239,377)
Transfers between funds	18	-	(14,442)	14,442	-	-
Net movement in funds before other recognised gains/(losses)		44,113	(122,442)	(73,571)	(151,900)	(239,377)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	7,000	-	7,000	(203,000)
Net movement in funds		44,113	(115,442)	(73,571)	(144,900)	(442,377)
Reconciliation of funds:						
Total funds brought forward		73,896	(444,558)	3,592,060	3,221,398	3,663,775
Net movement in funds		44,113	(115,442)	(73,571)	(144,900)	(442,377)
Total funds carried forward		118,009	(560,000)	3,518,489	3,076,498	3,221,398

The notes on pages 24 to 48 form part of these financial statements.

**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08714241**

**BALANCE SHEET
AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	15	3,518,143	3,592,060
		<u>3,518,143</u>	<u>3,592,060</u>
Current assets			
Debtors	16	67,732	68,481
Cash at bank and in hand		166,212	141,089
		<u>233,944</u>	<u>209,570</u>
Creditors: amounts falling due within one year	17	(115,589)	(121,232)
Net current assets		<u>118,355</u>	<u>88,338</u>
Total assets less current liabilities		<u>3,636,498</u>	<u>3,680,398</u>
Net assets excluding pension liability		<u>3,636,498</u>	<u>3,680,398</u>
Defined benefit pension scheme liability	24	(560,000)	(459,000)
Total net assets		<u><u>3,076,498</u></u>	<u><u>3,221,398</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	18	3,518,489	3,592,060
Restricted income funds	18	-	14,442
		<u>3,518,489</u>	<u>3,606,502</u>
Restricted funds excluding pension asset	18	3,518,489	3,606,502
Pension reserve	18	(560,000)	(459,000)
Total restricted funds	18	<u>2,958,489</u>	<u>3,147,502</u>
Unrestricted income funds	18	<u>118,009</u>	<u>73,896</u>
Total funds		<u><u>3,076,498</u></u>	<u><u>3,221,398</u></u>

The financial statements on pages 21 to 48 were approved by the Trustees, and authorised for issue on 01 December 2020 and are signed on their behalf, by:


P C Harland
Chair of Trustees

The notes on pages 24 to 48 form part of these financial statements.

**SHAW RIDGE PRIMARY 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/(used in) operating activities	20	47,777	(101,763)
Cash flows from investing activities	21	(22,654)	(9,613)
Change in cash and cash equivalents in the year		25,123	(111,376)
Cash and cash equivalents at the beginning of the year		141,089	252,465
Cash and cash equivalents at the end of the year	22, 23	<u>166,212</u>	<u>141,089</u>

The notes on pages 24 to 48 form part of these financial statements

**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

1. General information

Shaw Ridge Primary School is a company limited by guarantee, incorporated in England and Wales. The registered office is Shaw Ridge Primary School, Ridge Green, Shaw, Swindon, SN5 5PU.

2. Accounting policies

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

2.1 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.

Shaw Ridge Primary School meets the definition of a public benefit entity under FRS 102.

2.2 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.

2. Accounting policies (continued)

2.3 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.

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.

2.4 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.

**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

2. Accounting policies (continued)

2.5 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.

2.6 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.

On conversion the Academy trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the local authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold Property	- 50 years straight line
Long-term leasehold property	- 125 years straight line
Furniture and fixtures	- 5-10 years straight line
Computer equipment	- 3 years straight line

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.

2.7 DEBTORS

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

2.8 CASH AT BANK AND IN HAND

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

**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

2. Accounting policies (continued)

2.9 LIABILITIES AND PROVISIONS

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

2.10 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. 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 amortised cost.

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. 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.

2.11 OPERATING LEASES

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

2. Accounting policies (continued)

2.12 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.

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.

The Academy is a member of a multi-employer plan. Where it is not possible for the Academy to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

2.13 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.

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

**SHAW RIDGE PRIMARY SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
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3. 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 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 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 Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

4. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	13,642	11,043	24,685	14,822
Total 2019	2,283	12,539	14,822	

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5. Income from charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Education	27,107	1,817,266	1,844,373	1,700,945
Nursery	35,722	-	35,722	-
Total 2020	62,829	1,817,266	1,880,095	1,700,945
Total 2019	39,171	1,661,774	1,700,945	

6. Funding for the Academy's Educational Operations

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants				
General Annual Grant	-	1,483,814	1,483,814	1,405,116
Other DfE/ESFA grants	-	249,040	249,040	209,728
	-	1,732,854	1,732,854	1,614,844
Other Government grants				
High Needs	-	84,412	84,412	46,930
	-	84,412	84,412	46,930
Other funding				
Internal Catering Income	18,385	-	18,385	23,427
Sales to Students	1,433	-	1,433	1,639
Other	7,289	-	7,289	14,105
Total 2020	27,107	1,817,266	1,844,373	1,700,945
Total 2019	39,171	1,661,774	1,700,945	

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7. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings	15,491	15,491	34,823
Reimbursement from other schools	-	-	4,669
Total 2020	<u>15,491</u>	<u>15,491</u>	<u>39,492</u>
Total 2019	<u>39,492</u>	<u>39,492</u>	

8. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank Interest	100	100	137
Total 2019	<u>137</u>	<u>137</u>	

9. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Education					
Direct costs	1,362,865	96,651	110,883	1,570,399	1,501,256
Allocated support costs	221,378	101,332	179,162	501,872	493,517
Total 2020	<u>1,584,243</u>	<u>197,983</u>	<u>290,045</u>	<u>2,072,271</u>	<u>1,994,773</u>
Total 2019	<u>1,530,002</u>	<u>139,182</u>	<u>325,589</u>	<u>1,994,773</u>	

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10. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Education	1,570,399	501,872	2,072,271	1,994,773
Total 2019	1,501,256	493,517	1,994,773	

Analysis of direct costs

	Total funds 2020 £	Total funds 2019 £
Pension income	9,000	6,000
Staff costs	1,362,865	1,331,179
Depreciation	96,671	98,054
Education supplies	34,981	25,446
Other costs	36,319	27,460
Supply teachers	28,486	10,648
Technology costs	2,077	2,469
Total 2020	1,570,399	1,501,256

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10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Staff costs	221,378	198,823
Staff development	5,855	8,056
Other costs	3	3
Recruitment and support	1,433	2,360
Maintenance of premises and equipment	16,669	17,754
Cleaning	38,116	38,876
Rent and rates	17,281	14,891
Energy costs	29,044	28,389
Insurance	8,819	11,791
Security and transport	222	-
Catering	72,836	84,314
Technology costs	14,117	12,043
Office overheads	22,657	18,462
Legal and professional	44,143	53,400
Bank interest and charges	62	32
Governance	9,237	4,323
Total 2020	501,872	493,517

11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Operating lease rentals	17,343	7,812
Depreciation of tangible fixed assets	96,671	98,054
Fees paid to auditors for:		
- audit	5,550	5,050
- other services	1,850	1,750

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12. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	1,118,175	1,158,893
Social security costs	83,634	87,082
Pension costs	353,948	273,379
	<u>1,555,757</u>	<u>1,519,354</u>
Agency staff costs	28,486	10,648
	<u>1,584,243</u>	<u>1,530,002</u>

b. Staff numbers

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

	2020 No.	2019 No.
Teachers	21	21
Educational Support	37	34
Administration and Clerical	6	7
Management	3	2
	<u>67</u>	<u>64</u>

The average headcount expressed as full-time equivalents was:

	2020 No.	2019 No.
Teachers	15	17
Educational Support	22	21
Administration and Clerical	4	5
Management	3	2
	<u>44</u>	<u>45</u>

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12. Staff (continued)

c. 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 £70,001 - £80,000	<u>1</u>	<u>1</u>

d. 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 £340,770 (2019 £312,391).

13. 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 other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: S Cowell: Remuneration £70,000 - £75,000 (2019: £70,000 - £75,000), Employer's pension contributions £15,000 - £20,000 (2019: £10,000 - £15,000), B Dudman: Remuneration £10,000 - £15,000 (2019: £5,000 - £10,000), Employer's pension contributions £0 - £5,000 (2019: £0 - £5,000), S Carter: Remuneration £35,000 - £40,000 (2019: £30,000 - £35,000), Employer's pension contributions £5,000 - £10,000 (2019: £5,000 - £10,000).

During the year, retirement benefits were accruing to no Trustees (2019 - 3) in respect of defined contribution pension schemes.

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

14. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2020 was £250 (2019 - £250). The cost of this insurance is included in the total insurance cost.

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15. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2019	4,020,473	47,023	77,334	4,144,830
Additions	-	3,554	19,200	22,754
At 31 August 2020	<u>4,020,473</u>	<u>50,577</u>	<u>96,534</u>	<u>4,167,584</u>
Depreciation				
At 1 September 2019	462,171	28,822	61,777	552,770
Charge for the year	79,248	8,371	9,052	96,671
At 31 August 2020	<u>541,419</u>	<u>37,193</u>	<u>70,829</u>	<u>649,441</u>
Net book value				
At 31 August 2020	<u>3,479,054</u>	<u>13,384</u>	<u>25,705</u>	<u>3,518,143</u>
At 31 August 2019	<u>3,558,302</u>	<u>18,201</u>	<u>15,557</u>	<u>3,592,060</u>

16. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	191	2,676
Other debtors	15,111	14,706
Prepayments and accrued income	52,430	51,099
	<u>67,732</u>	<u>68,481</u>

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17. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	-	1,237
Other taxation and social security	20,363	21,788
Other creditors	29,050	24,969
Accruals and deferred income	66,176	73,238
	<u>115,589</u>	<u>121,232</u>
	<u>115,589</u>	<u>121,232</u>
	2020	2019
	£	£
Deferred income at 1 September 2019	48,582	55,852
Resources deferred during the year	37,811	48,582
Amounts released from previous periods	(48,582)	(55,852)
	<u>37,811</u>	<u>48,582</u>
	<u>37,811</u>	<u>48,582</u>

Deferred income of £37,811 at 31 August 2020 relates to funding received for Universal Infant Free School Meals and rates and donations for school trips to take place in the 2020/21 academic year.

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NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds - all funds	73,896	92,062	(47,949)	-	-	118,009
Restricted general funds						
General Annual Grant (GAG)	-	1,483,814	(1,483,814)	-	-	-
Universal Infant Free School Meals Income	-	62,509	(62,509)	-	-	-
Pupil Premium	-	83,038	(83,038)	-	-	-
High needs income	-	84,412	(84,412)	-	-	-
Donations	-	11,931	(11,931)	-	-	-
Other DfE/ESFA grants	-	94,835	(94,835)	-	-	-
Devolved formula capital	14,442	-	-	(14,442)	-	-
Pension reserve	(459,000)	-	(108,000)	-	7,000	(560,000)
	<u>(444,558)</u>	<u>1,820,539</u>	<u>(1,928,539)</u>	<u>(14,442)</u>	<u>7,000</u>	<u>(560,000)</u>
Restricted fixed asset funds						
Fixed assets transferred on conversion	3,554,863	-	(79,248)	14,442	-	3,490,057
Fixed assets purchased from GAG and other restricted funds	37,197	8,658	(17,423)	-	-	28,432
	<u>3,592,060</u>	<u>8,658</u>	<u>(96,671)</u>	<u>14,442</u>	<u>-</u>	<u>3,518,489</u>
Total Restricted funds	<u>3,147,502</u>	<u>1,829,197</u>	<u>(2,025,210)</u>	<u>-</u>	<u>7,000</u>	<u>2,958,489</u>
Total funds	<u><u>3,221,398</u></u>	<u><u>1,921,259</u></u>	<u><u>(2,073,159)</u></u>	<u><u>-</u></u>	<u><u>7,000</u></u>	<u><u>3,076,498</u></u>

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

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18. Statement of funds (continued)

RESTRICTED FUNDS

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

Universal Infant Free School Meals (UIFSM) - Funding from the ESFA to contribute to the costs of providing free school meals to children in Reception, Year 1 and Year 2.

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

Other DfE/ESFA grants - This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-ages pupils, so that they develop healthy lifestyles

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

Donations (school trips) - Contributions towards school trips.

Local Authority - Includes High Needs funding to fund further support for pupils with additional needs and additional Pupil Premium funding received from the Local Authority.

Devolved formula capital - This represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

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

RESTRICTED FIXED ASSET FUNDS

Fixed assets on conversion represent the value of the building and other assets transferred to the new Academy from the Local Authority.

Fixed assets purchased from restricted funds represents amounts spent on fixed assets from GAG and DFC received from the ESFA and other restricted donations.

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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18. 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						
General Funds	167,411	81,083	(174,598)	-	-	73,896
Restricted general funds						
General Annual Grant (GAG)	-	1,405,116	(1,405,116)	-	-	-
Universal Infant Free School Meals Income	-	69,492	(69,492)	-	-	-
Pupil Premium	-	84,037	(84,037)	-	-	-
High needs income	-	46,930	(46,930)	-	-	-
Donations	-	12,539	(12,539)	-	-	-
Other DfE/ESFA grants	-	32,007	(32,007)	-	-	-
Devolved formula capital	-	24,192	-	(9,750)	-	14,442
Pension reserve	(184,000)	-	(72,000)	-	(203,000)	(459,000)
	<u>(184,000)</u>	<u>1,674,313</u>	<u>(1,722,121)</u>	<u>(9,750)</u>	<u>(203,000)</u>	<u>(444,558)</u>
Restricted fixed asset funds						
Fixed assets transferred on conversion	3,634,111	-	(79,248)	-	-	3,554,863
Fixed assets purchased from GAG and other restricted funds	46,253	-	(18,806)	9,750	-	37,197
	<u>3,680,364</u>	<u>-</u>	<u>(98,054)</u>	<u>9,750</u>	<u>-</u>	<u>3,592,060</u>
Total Restricted funds	<u>3,496,364</u>	<u>1,674,313</u>	<u>(1,820,175)</u>	<u>-</u>	<u>(203,000)</u>	<u>3,147,502</u>

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18. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Total funds	3,663,775	1,755,396	(1,994,773)	-	(203,000)	3,221,398

19. 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	-	-	3,518,143	3,518,143
Current assets	118,009	115,589	346	233,944
Creditors due within one year	-	(115,589)	-	(115,589)
Pension Scheme Liability	-	(560,000)	-	(560,000)
Total	118,009	(560,000)	3,518,489	3,076,498

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	-	-	3,592,060	3,592,060
Current assets	73,896	135,674	-	209,570
Creditors due within one year	-	(121,232)	-	(121,232)
Pension Scheme Liability	-	(459,000)	-	(459,000)
Total	73,896	(444,558)	3,592,060	3,221,398

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NOTES TO THE FINANCIAL STATEMENTS
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20. Reconciliation of net expenditure to net cash flow from operating activities

	2020 £	2019 £
Net expenditure for the period (as per Statement of financial activities)	(151,900)	(239,377)
Adjustments for:		
Depreciation	96,671	98,054
Interest receivable	(100)	(137)
Defined benefit pension scheme cost less contributions payable	99,000	66,000
Defined benefit pension scheme finance cost	9,000	6,000
Decrease/(increase) in debtors	749	(14,961)
Decrease in creditors	(5,643)	(17,342)
Net cash provided by/(used in) operating activities	47,777	(101,763)

21. Cash flows from investing activities

	2020 £	2019 £
Interest Received	100	137
Purchase of tangible fixed assets	(22,754)	(9,750)
Net cash used in investing activities	(22,654)	(9,613)

22. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	166,212	141,089
Total cash and cash equivalents	166,212	141,089

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23. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	141,089	25,123	166,212
	<u>141,089</u>	<u>25,123</u>	<u>166,212</u>

24. 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 Wiltshire 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.

Contributions amounting to £28,774 were payable to the schemes at 31 August 2020 (2019 - £24,680) and are included within creditors.

Teachers' Pension Scheme

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

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

24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £153,619 (2019 - £102,662).

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 £124,000 (2019 - £117,000), of which employer's contributions totalled £100,000 (2019 - £94,000) and employees' contributions totalled £ 24,000 (2019 - £23,000). The agreed contribution rates for future years are 24.7 per cent for employers and 5.5 - 12.5 per cent for employees.

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

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

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	2.6	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.8

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	21.7	21.4
Females	24	23.7
<i>Retiring in 20 years</i>		
Males	22.5	22.3
Females	25.5	25.1

Sensitivity analysis

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

	2020	2019
	£	£
Equities	693,000	780,000
Debt instruments	396,000	154,000
Property	148,000	143,000
Cash and other liquid assets	-	22,000
Total market value of assets	1,237,000	1,099,000

The actual return on scheme assets was £4,000 (2019 - £41,000).

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24. Pension commitments (continued)

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

	2020 £	2019 £
Current service cost	(199,000)	(154,000)
Past service cost	-	(6,000)
Interest income	21,000	27,000
Interest cost	(30,000)	(33,000)
Total amount recognised in the Statement of Financial Activities	(208,000)	(166,000)

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

	2020 £	2019 £
At 1 September	1,558,000	1,103,000
Current service cost	199,000	154,000
Interest cost	30,000	33,000
Employee contributions	24,000	23,000
Actuarial (gains)/losses	(3,000)	244,000
Benefits paid	(11,000)	(5,000)
Past service costs	-	6,000
At 31 August	1,797,000	1,558,000

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

	2020 £	2019 £
At 1 September	1,099,000	919,000
Interest income	21,000	27,000
Actuarial gains	4,000	41,000
Employer contributions	100,000	94,000
Employee contributions	24,000	23,000
Benefits paid	(11,000)	(5,000)
At 31 August	1,237,000	1,099,000

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25. 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	11,271	14,764
Later than 1 year and not later than 5 years	11,175	7,382
	<u>22,446</u>	<u>22,146</u>

26. 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.

27. 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.

During the year purchases of items of school uniform totalling £277 (2019: £342) were made from Your Logo Limited, a company of whom Philip Harland, a trustee, is a director. The academy also spent £281 (2019: £nil) during the year on a staff training course from Childminding Matters Limited of whom Julia Hinns, a trustee, is a director.

The Academy is a member of the Link Academies Collaborative Trust with Westlea Primary School, Millbrook Primary School and Peatmoor Community Primary School. Income and expenditure with these schools in the year were as follows:

Income to £	Expenditure from £			
	Shaw ridge	Millbrook	Westlea	Peatmoor
Shaw Ridge	-	£3,450	-	-
Millbrook	£4,500	-	£4,500	£4,500
Westlea	-	£5,560	-	-
Peatmoor	-	£2,900	-	-

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28. Controlling party

The Company is under joint control of the Trustees and therefore there is no ultimate controlling party.