

Clitheroe Royal Grammar School
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year Ended 31 August 2021

Clitheroe Royal Grammar School
Annual Report and Financial Statements
Year Ended 31 August 2021

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Clitheroe Royal Grammar School

Reference and Administrative Details

Year Ended 31 August 2021

Members	Dr A D Clayton Mrs J S Hart Mr A Rogers Mrs J Child Mr W Honeywell Rev A Froud – Resigned 24/03/2021
Trustees / Members of Governing Body	Mr M Blacklidge – Vice Chairman – from 07/10/2020 (Foundation) Dr A D Clayton* - Chairman (Foundation) Mrs J Pinder (Foundation) – Resigned 07/10/2020 Mr J Sutton* - Vice Chairman – up to 07/10/2020 (Foundation) Mrs S Turner* (Foundation) Mrs C Lehner (Community) – Appointed 01/07/2021 Mr A Rogers* - Chairman of Finance & Audit – up to 07/10/2020 (Community) Mr A Scholfield* (Community) Mr C P Watson (Community) Mrs M Brennan-Bargh (Parent) – Resigned 04/10/2021 Mr M N Frankish* - Chairman of Finance & Audit – from 07/10/2020 (Parent) Mr A Hawkins* (Parent) Mrs V Hollingsworth (Parent) Mrs J Holden (Staff) Mr A PRIORITY (Staff) – Resigned 18/03/2021 Mrs A Taylor (Co-opted) Mrs J Wenborn (Co-opted) – Resigned 08/11/2020 Dr H Whitehead* (Member) Mr J Keulemans* - Head teacher & Accounting Officer (*Members of Finance & Audit Committee)
Secretary	Mrs L Higginbottom
Senior Leadership Team	Mr J Keulemans (Head teacher) Mrs C Reeves (Deputy Head teacher) Mrs K Johnston (Deputy Head teacher) Miss J Renold (Assistant Head teacher) Mr J Alcock (Assistant Head teacher) Miss H Ashton (Assistant Head teacher) Mrs L Higginbottom (Bursar)
Principal and Registered Office	York Street Clitheroe BB7 2DJ
Company Registration Number	07461173

Clitheroe Royal Grammar School

Reference and Administrative Details

Year Ended 31 August 2021

Independent Auditor

CWR Chartered Accountants
20 Mannin Way
Lancaster Business Park
Caton Road
Lancaster
LA1 3SW

Bankers

Barclays Bank plc
Castle Street
Clitheroe
BB7 2BT

Foundation

The Clitheroe Royal Grammar School Foundation CIO
York Street
Clitheroe
BB7 2DJ

Clitheroe Royal Grammar School

Trustees' Report

Year Ended 31 August 2021

The Trustees present their annual report together with the financial statements and auditor's report of the Charitable Company for the period from the 1 September 2020 to the 31 August 2021. The annual report serves the purposes of both a Trustees' report, and a directors' report including a strategic report under company law.

The Academy Trust operates an academy for pupils aged 11 to 18, who are preferentially drawn from the area in which the academy is situated. As a former grammar school, designated as such under section 104 of the School Standards and Framework Act 1998, the academy selects its intake at Year 7 by reference to academic ability. The academy operates an open-access Sixth Form and as such typically admits between 200 and 220 students from other 11 – 16 providers in the area at Year 12, in addition to those continuing into Year 12 from the School itself. The Main School (Years 7 to 11) had a roll of 748 in the school census of January 2021 and the Sixth Form a roll of 651.

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

1.1 Constitution:

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Clitheroe Royal Grammar School are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Clitheroe Royal Grammar School (the school) (company number 07461173).

Additionally, the Trustees of Clitheroe Royal Grammar School are also the Governors of the School. Details of the Trustees, who served throughout the year, are included in the Reference and Administrative Details on Page 2.

1.2 Members' Liability:

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

1.3 Trustees' Indemnities:

Since the incorporation of the Charitable Company on the 6 December 2010, the Trustees (Directors) have been indemnified in respect of their legal liability for financial loss arising because of a negligent act, accidental error or omission in the course of their official duties. As explained in note 10 to the Financial Statements the limit of this indemnity is £10,000,000.

1.4 Principal Activities:

The principal activity of Clitheroe Royal Grammar School is to provide a quality, free education for young people, aged 11 to 19, who live in the area local to the School.

In determining its intake at Year 7 the School preferentially accepts those young people who live in the town of Clitheroe and the surrounding 41 civil parishes of the Ribble Valley (as defined in the School's Admissions Policy). At Year 12, typically 200 students join those already in the School to enter the Sixth Form, from other Schools in the area.

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1.5 Method of Recruitment and Appointment or Election of Governors (Trustees):

The processes for appointing or electing the various types of Governor at Clitheroe Royal Grammar School are as follows:

- 1) *Foundation Governors* – The Trustees of The Clitheroe Royal Grammar School Foundation have the right to appoint up to FIVE Governors of the School. Such appointments are usually made following consultation by the Trustees of the Foundation with the Governors of the School.

In addition to their overall role as governors and trustees, the Foundation Governors are appointed for the purpose of ensuring that the character of the School is preserved and developed, i.e. a selective 11 to 16 grammar school with an open access sixth form.

- 2) *Parent Governors* – The Articles of Association require that there shall be FOUR Parent Governors. Parents, including carers, of registered pupils at the School are eligible to stand as individuals for election as a Parent Governor. They are elected by other parents at the School as individuals who are representative of the parental body. Suitable procedures have been put in place for the conduct of Parent Governor elections.

If insufficient parents stand for election, the Governors must appoint Parent Governors to bring their number up to that required by the Articles of Association. Such appointed Parent Governors would preferentially be parents or carers of registered pupils at the School. If, however, no such parents are willing to undertake the role then the Governors can appoint any person who is the parent or carer of one or more school-age children.

- 3) *Staff Governors* – Up to THREE Staff Governors are elected by the School staff as individuals who are representative of the staff of the School. Both teaching and support staff paid to work at the School are eligible for staff governorship.

Suitable procedures have been put in place for the conduct of Staff Governor elections.

- 4) *Community Governors* – Up to FOUR Community Governors can be appointed by the Governors. Community Governors can be people who live or work in the community served by the School, or people who live outside of the immediate area and who are committed to the good governance and success of the School.

Vacancies for Community Governors will be posted upon the School's web site. Anyone expressing an interest in becoming a Community Governor will be asked to provide an appropriate curriculum vitae with their letter of application. Following an informal interview with the Chairman and Head teacher each application will be considered by the Governors.

The Governors may not appoint an employee of Clitheroe Royal Grammar School as a Community Governor if the number of Governors who are employed by the School (including the Head teacher) would thereby exceed one third of the total number of Governors.

- 5) *Co-opted Governors* – Up to THREE Co-opted Governors can be appointed by the Governors because they have experience and/or expertise of particular benefit to the school. Following an identification of specific needs suitable candidates are identified by the Governing Body and approached accordingly.

A "Co-opted Governor" means a person who is appointed to be a Governor by being co-opted by Governors who have not themselves been so appointed.

The Governors may not appoint an employee of Clitheroe Royal Grammar School as a Co-opted Governor if the number of Governors who are employed by the School (including the Head teacher) would thereby exceed one third of the total number of Governors.

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- 6) *Member Governor* - The Members of Clitheroe Royal Grammar School (the Academy Trust) may appoint up to ONE Governor.

No person who is a Local Authority Associated Person (LAAP) may be appointed as a Trustee (Governor) if, once the appointment has taken effect, the number of Trustees who are LAAPs would represent 20% or more of the total number of Trustees.

Local Authority Associated Person means any person associated with any local authority within the meaning given in Section 69 of the Local Government and Housing Act 1989.

1.6 Policies and Procedures Adopted for the Induction and Training of Governors (Trustees):

Following their appointment/election all new Governors receive an introduction to their role from the Chairman and Head teacher, this introduction includes tours of the School's sites and the opportunity to meet other members of the Senior Leadership Team.

The Governors at Clitheroe Royal Grammar School are committed to provide adequate opportunities for Governors to undertake and receive suitable training, so as to enable them to undertake their role more effectively. To this end the School maintains a Service Level Agreement with the Lancashire County Council's Governor Services Department. This Agreement allows for any or all the Governors to attend any of the training courses provided by Lancashire County Council.

All Governors are actively encouraged to take advantage of this Agreement to gain a better understanding of the role and responsibilities of being a school governor and trustee. Additionally, Governors with specific roles are strongly encouraged to undertake specific training.

There is a nominated Training and Development Governor who acts as liaison between Governor Services and Clitheroe Royal Grammar School.

1.7 Organisational Structure:

Before conversion to academy status on 1 January 2011, Clitheroe Royal Grammar School was a foundation school with a foundation, as defined in the School Standards and Framework Act 1998. The relative autonomy of a foundation school meant that the former Governing Body was structured to undertake similar roles to those required of the Board of Trustees of an academy. Consequently, whilst the extra responsibilities of the Trustees of the Academy Trust have been recognised, the structure of the board still reflects its very successful predecessor.

At Clitheroe Royal Grammar School, most of the roles and responsibilities of the Board of Trustees have been delegated to a small number of committees, as defined in the Governors' Standing Orders. The Board has, however, retained responsibility for certain aspects, again as defined in the Standing Orders.

Members of the Senior Leadership Team (SLT), in addition to the Head teacher, attend Governors' meetings as appropriate.

The Governors are responsible for the strategic management of the School, deciding and setting the key aspects, including strategic direction, annual budgets, senior staff appointments, policy changes etc. Operational management is the responsibility of the Head teacher and staff. This latter is carried out at a number of levels, i.e. by the Senior Leadership Team, Heads of Learning, Heads of Year and Sixth Form Tutors.

School policies are developed by senior members of the School's staff to reflect both the strategic direction agreed by the Governors and statutory requirements. These policies are approved and adopted by the Governors and implemented as procedures and systems by the SLT and other designated members of staff.

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During the year ending 31 August 2021 the full Board of Trustees met four times; the Finance & Audit Committee four times; The Estates Committee three times; the Students and Staffing Committee three times, the Curriculum and Achievement Committee three times; and the Admissions Committee once.

1.8 Arrangements for Setting Pay and Remuneration of Key Management Personnel:

Arrangements for setting the pay and remuneration of key management personnel follows the School Teachers Pay and Conditions document (STPCD) and the Lancashire County Council Whole School Pay Policy. The Governors of Clitheroe Royal Grammar School adopted this Whole School Pay Policy to provide a clear framework to exercise its powers in relation to the pay of individual members of staff. The Governors have established a Chairs' and Pay Committee to exercise their functions in relation to the Pay Policy, with clearly delegated responsibilities.

For a new appointment to the post of Head teacher, the Governors will review the salary range taking account of the responsibilities of the post, the social, economic, and cultural background of pupils attending the school, whether the post has been difficult to fill, and the appropriate positions of other leadership group pay ranges.

For a new appointment to the post of Deputy or Assistant Head teacher, the Governors will review the salary range taking account of the responsibilities and challenges of the post and whether the post is difficult to fill.

Once in post, the Head teacher, Deputy or Assistant Head teacher's overall performance is reviewed by the Chairs' and Pay Committee/Head teacher, with reference to the quality of the appraisee's leadership and management and the progress made by pupils at the school, in accordance with the school's policy on appraisal/performance management.

Movement up a pay range for members of the Senior Leadership Team can only take place following a review of performance (which will include performance objectives) at the end of the school year, and the review has shown sustained high quality of overall performance. These pay ranges are not incremental scales and there is no right of progression following a review of performance. In the case of the Headteacher such a review will consider the findings of a performance review carried out by an independent external adviser.

1.9 Related Parties and other Connected Charities and Organisations:

The Clitheroe Royal Grammar School Foundation, a Charitable Incorporated Organisation (CIO), Registered Charity No. 1174177, holds on trust property and investments that represent the present-day value of the permanent endowment of the School given to it by Queen Mary at its founding by Letters Patent in 1554. The income derived from this permanent endowment can only be used by the Trustees of the Foundation in accordance with the objects of the charity, i.e.

- 1) Providing for the School such special benefits of any kind not normally provided by governmental or other public funds or provided as part of the normal running costs of the School as may from time to time be agreed between the School's Governors and the Trustees of the Foundation; and
- 2) Otherwise promoting the education (including social and physical training) of persons who are pupils of the School or former such pupils under the age of 25 years and who are in need of financial assistance.

2. OBJECTIVES AND ACTIVITIES

2.1 Objects and Aims:

The principal object and activity of the Charitable Company is the operation of Clitheroe Royal Grammar School to provide education for pupils between the ages of 11 and 18.

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The School provides an education for pupils who are preferentially drawn from the area in which the School is situated. As a former grammar school, designated as such under section 104 of the School Standards and Framework Act 1998, the School selects its intake at Year 7 by reference to academic ability. The School, however, operates an open-access sixth form and as such admits approximately 200 to 220 students from other 11 – 16 providers in the area at Year 12 in addition to those continuing into Year 12 from the School itself.

2.2 Objectives, Strategies and Activities:

The Academy Trust was set up on 6 December 2010 to advance, for the public benefit, education in the Clitheroe area of the County of Lancashire by maintaining, operating, and developing Clitheroe Royal Grammar School; a school with a history and tradition dating back to 1554. Clitheroe Royal Grammar School offers a broadly-based curriculum.

The aims of the School rest on the following principles:

- a belief that all students have various talents that need encouragement to develop.
- a recognition that school should be a preparation for life in the fullest possible sense and that students need a sound basis of knowledge, skill, competence and experience to equip them to cope with the many roles they will have to take on during their lives.
- the need for a working environment which secures effective teaching and learning, and values achievement by all students in their social, moral, spiritual, cultural, mental and physical development.

Our students are encouraged to be happy, independent, enquiring, creative, curious and respectful individuals.

We value the rich diversity of our student body and celebrate every individual and their unique educational journey.

At Clitheroe Royal Grammar School, we create a safe, effective learning community where each individual encounters a wide range of opportunities to reach their full potential and to excel.

Clitheroe Royal Grammar School therefore aims to encourage students to:

- Develop lively, enquiring minds capable of original thought and well-balanced critical argument.
- Become confident, independent learners well-equipped for lifelong learning.
- Derive enjoyment from their learning which should extend their intellectual capacity, develop their interest and stimulate their curiosity.
- Embrace the many opportunities afforded by developments in information and communication technologies, whilst fully accepting the responsibilities that go with using them properly.
- Engage in a broad programme of experiences which enable them to appreciate their cultural inheritance and understand more about themselves and the world in which they live.
- Develop the capacities to make informed, rational and responsible decisions and to work in ways which enhance their self-respect and sensitivity to the needs of others, particularly those less advantaged than themselves.
- Show respect for each other and all people working in the school and appreciate the diverse talents that contribute to our school community.
- Play a full part in creating a caring, supportive school environment.
- Develop a range of reasoned beliefs and values and a sympathy and respect for those held by others, which will prepare them to become considerate and responsible citizens.
- Display self-discipline and proper regard for authority.
- Foster good behaviour and avoid all forms of bullying.

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2.3 School Improvement Plan for the Academic Year 2021-2022:

At Clitheroe Royal Grammar School, we wish to maintain our overall OFSTED grading of outstanding. In September 2020, we implemented a School Improvement Plan (SIP) which would run until August 2022, with ongoing amendments, when required. We regularly review our progress against these targets and updated the targets in summer term 2021 to reflect the current needs of our students and staff.

Outcomes for Students

Challenge our most able students and increase % of A* / Level 8/9 grades awarded to students.

- Be in the top 25% of schools nationally at all key stages.
- Reduce within-school variation.
- Improve achievement in Targeted departments at GCSE.
- Improve achievement in Mathematics, Further Mathematics and Classics at A Level.
- Consolidate achievement in reformed specifications.

Quality of Teaching, Learning and Assessment

- Continue to develop our Quality Assurance processes for Teaching and Learning (T&L).
- Review and adapt Quality Assurance (QA) processes to reflect the changes to the Education Inspection Framework (EIF).
- Develop further the curriculum and plan learning to best meet individual needs.
- Develop our relationship/involvement/collaboration with Teaching School Hubs/external agencies/school networks.
- Develop further the involvement of parents/carers in supporting learning.
- Develop blended learning approaches to ensure quality curriculum delivery continues during any periods of school closure and as part of the ongoing curriculum implementation.
- Develop and share effective approaches to remote assessment.

Personal Development

- Encourage students to develop increased resilience and become independent and flexible learners.
- Review current Careers Education, Information, Advice and Guidance (CEIAG) provision to ensure the Gatsby Benchmarks are being fully addressed so that students are prepared for the next stages in their lives.
- Ensure opportunities for Spiritual, Moral, Social and Cultural (SMSC) development are identified.

Behaviour and Attitudes

- Celebrate success throughout the school.
- Continue to develop and maintain a positive climate for learning.
- Develop the school's contribution to the wider community.

Effectiveness of Leadership and Management

- Ensure accuracy of tracking data and procedures at all Key Stages.
- Further embed curriculum changes at all key stages.
- Further development of leadership capacity at all levels with a central focus on effective succession planning.
- Ensure the efficient use of resources for financial stability and security.
- Further develop collaborative relationships to enhance T&L and leadership practice in school and across the regional education network.
- Review site safety safeguarding procedures (CIF Bid).
- Support recovery from COVID-19 impact, staff and students, achievement and well-being.

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Sixth Form Provision

- Continue to improve preparation for Oxbridge candidates and for all students preparing for specialist aptitude/admissions tests and interviews.
- Reduce number of students with less than 90% attendance, especially attendance of disadvantaged students.
- Increase the number of A*s from A*/A and A target students and raise the achievement of B target boys.
- Develop remote admissions system.
- Ensure that students are supported to move on to their next steps, despite the current challenges caused by the pandemic.
- Ensure that plans are in place to support the emotional and physical health and wellbeing of students and identify those who have been badly affected by the pandemic.

2.4 Public Benefit:

The Trustees have considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by Clitheroe Royal Grammar School is the maintenance and development of the high-quality education provided by the School, for over 467 years, to the young people of Clitheroe and the surrounding parishes.

In doing this Clitheroe Royal Grammar school not only offers a broadly-based academic education but aims to educate the whole individual. A very wide range of extra-curricular activities, educational trips, visits, and foreign exchange programmes are offered and undertaken.

3. STRATEGIC REPORT

3.1 Achievements and Performance:

The school analysis of examination performance is very thorough using performance and benchmarking data from a range of sources. Heads of Departments are provided with the resources to undertake a full evaluation of the impact of Teaching and Learning on the cohort and on groups of students. There is appropriate attention paid to evaluating both attainment and progress. Our discussions reflect the high aspirations which the school has for its students and a strong drive for continuous improvement.

Analysis of public examination outcomes for the academic year 2020/2021

Key Stage 3

Standards remain high, in Mathematics and English changes to the curriculum to promote deeper learning are beginning to take effect and the recovery curriculum and remote learning have been developed to support all students and mitigate the impacts of the pandemic.

Key Stage 4

We were delighted with the outstanding achievements of our students in 2021. The students were awarded Centre Assessed Grades (CAGs), as directed by the Joint Council for Qualifications (JCQ)/ Department for Education (DfE). They worked incredibly hard and were supported by our exceptional staff. The percentage of grades 9 and 8 was over 49% – a tremendous achievement. More than 75% of grades were awarded at 9-7. 63% of students achieved a 9-7 grade in English and Maths. Our grades this year show the excellent progress that our students have made throughout their time at our school and reflect the tremendous dedication of our students and staff.

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Key Points

- Overall standards at the end of KS4 remain very high and are well above the national average.
- This year there was an improvement in the proportion of higher grades awarded to our students and we were delighted that the proportion of A* grades (or equivalent) improved.
- The Attainment 8 grade at 7.37 is equivalent to an average GCSE grade between A and A*.
- The proportion of the cohort achieving 5 strong pass grades or above was 100%.
- Standards in the three core subjects are high.
- In Mathematics all students achieved passes at grade 5 or better and the proportion of higher grades, 7-9 at 87.5% was higher than last year.
- Standards remain high in both English Language and Literature in 2020. Over 72% of grades were at the grades 9-7 in both Language and Literature.
- Standards in Science remain very high. All students achieved grade 4 or above in two or more Sciences and approximately 3/4 of entries in Biology, Chemistry and Physics were graded 9-7.
- Standards and achievement across a broad range of GCSE option subjects remain consistently strong and this is a significant strength of the school.
- Progress 8 is not an appropriate measure this year (2020) as there is no national standardising.
- Taking into account overall achievement and the improved outcomes in English and Mathematics, the data is consistent with a judgement that outcomes in KS4 are outstanding in 2020.

KS5 A Level

We were delighted with the excellent academic achievements of our students in 2021. An impressive 10% of all grades were awarded at A*, 59% at A*-B and 83% of grades were awarded A*-C.

Key Points

- The proportion of A* grades awarded, at 10%, remains strong.
- The Assessment and Learning in Practice Settings (ALPS) value added analysis suggests that outcomes in a majority of subjects were either in line with or above expectation given the prior attainment of students.
- A significant number of departments continue to have upper quartile value added.
- Teaching quality grades are consistent with good provision.
- The overall ALPS value added data suggests that outcomes at A2 are good.
- The 3-year ALPS T score of 3, indicates overall upper quartile achievement over the last 3 years.

3.2 Key Performance Indicators:

The school sets key targets through the School Improvement Plan, which is monitored regularly through rigorous self-evaluation. Examination results are carefully monitored against set targets. Internal and external data e.g. RAISE online, ALPS and Level 3 Value Added data are carefully evaluated and considered actions are implemented. Our school's success, however, is not only measured by external examination results and the very positive responses to our students and parent questionnaires indicate that students have a wide range of opportunities to develop into well-rounded individuals.

The school complies with all the terms and conditions of its Funding Agreement with the Education and Skills Funding Agency (ESFA) and manages its reserves in line with the policy set out below.

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3.3 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 Accounting Policies note of the financial statements (note 1).

4. FINANCIAL REVIEW

4.1 Operating and Financial Review for the year:

Most of the School's income is obtained from the DfE via the Education and Skills Funding Agency (ESFA) in the form of its General Annual Grant (GAG), the use of which is restricted to specific purposes, i.e., the objects of the Academy Trust. The GAG funding received during the period covered by this report and the associated expenditure is shown as restricted funds in the Statement of Financial Activities.

The School was successful in both of its bids to the Government's 2021 Condition Improvement Fund (CIF). The first of these is in respect to significant improvements in the physical security at both sites of the School. The second in respect to the installation of a forced ventilation system in a number of rooms at the School's York Street site, where adequate ventilation cannot be obtained by natural means, e.g. by opening external windows. It is expected that work on these two projects will be carried out over the course of the 2021/2022 academic year.

Expenditure for the period covered by this report was covered by the GAG received from the DfE and other income, such as a successful CIF bid in 2020, voluntary income, activities for generating funds and investment income.

During the accounting period, total revenue income exceeded total revenue expenditure by £75,000. This meant that the combined General Restricted and Unrestricted Fund show a cumulative reserve at the year end, before the actuarial loss on the defined benefit pension schemes, of £820,000 (2020: £745,000).

There were no restricted funds that could not be used for the general purposes of the school. Some funds (£48,128) were, however, designated in respect to the School's contribution towards two Condition Improvement Fund projects that will be carried out in 2021/2022. Consequently, available reserves at 31 August 2021 were £771,872 or approximately 11% of the DfE funded revenue income received.

Over the past 12 months, the Covid pandemic has adversely affected the School's ability to be able to carry out some of the refurbishment work planned to be carried out over the summer of 2021. Consequently, the level of reserves being carried forward into the next academic year is more than that determined by the Trustees' reserves policy. It is hoped that it will be possible to catch up on this programme of work in the 2021/2022 academic year. Should this be the case, then the Trustees expect the level of reserves to reduce during 2021/2022.

The Trustees, having considered their budgetary forecasts for future years, have continued to maintain a cautious approach in respect to the level of reserves being held, especially given the variability of both revenue funding and the various additional costs brought about by the ongoing Covid pandemic.

It was noted by the Trustees that a surplus or deficit in the Local Government Pension Scheme would generally affect the cash flow of the school in the form of an increase or decrease respectively in employers' pension contributions over a period of years. In this respect the Trustees are concerned with the very large deficit that the Local Government Pension Fund is reporting. (See Note 26 to the Financial Statements).

On conversion on 1 January 2011, all the fixed assets of the former foundation school were transferred to the Academy Trust, and are shown as restricted asset funds. The balance sheet restricted fixed asset fund is reduced by depreciation charges over the expected useful life of the assets concerned, as explained in Note 1 to the Financial Statements.

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4.2 Reserves Policy:

The Finance & Audit Committee has reviewed the School's reserve levels and has determined that a minimum reserve equivalent to 5% of its GAG should provide sufficient adequate working capital to cover delays between spending and receipt of grants, and to cover any emergencies such as urgent maintenance work.

Under its Funding Agreement with the Secretary of State for Education Clitheroe Royal Grammar School currently has no carried forward restriction on its reserves at the year end.

4.3 Investment Policy:

Apart from the cash held for the operation of the School, Clitheroe Royal Grammar School has no realisable investments. With respect to its cash holdings the Trustees have adopted a low-risk strategy. In addition to the main current account the School maintains an instant access deposit account. Suitable sweeping and switching procedures are in place at the School's bankers to ensure that adequate funds are available in the current account whilst maintaining a balance in the deposit account as high as possible.

4.4 Principal Risks and Uncertainties:

Following its conversion to an academy on 1 January 2011 the Board undertook a comprehensive assessment of possible risks to the future of the school (Risk Register).

Following this initial risk assessment, the major risks to which the School is exposed have been reviewed regularly by the Finance & Audit Committee and systems and procedures have been developed to manage and mitigate these.

The chief risks identified include:

- Variations year on year in the numbers of students joining the School at Year 12, with a concomitant effect upon funding levels.
- The continued low level of per capita funding of students in the School's Sixth Form, approx. 20% less than when the School converted to academy status in 2011.
- Deficit in the Local Authority Pension Scheme.
- Increased employment costs brought about by increases in employers National Insurance Contributions, pension contributions and staff pay rises.
- The uncertainties brought about by the on-going Covid pandemic.

5. PLANS FOR THE FUTURE

Clitheroe Royal Grammar School will continue to work to maintain the performance of its students at all levels. Additionally, it will continue its efforts to improve the achievements of all its students, not only in academic subjects but also in extra-curricular activities and in essential life skills; to increase the number of opportunities open to them when they move on to higher education and ultimately employment.

The phased increase in the number of students at the Main School (Years 7 to 11) from 600 to 750 over the course of five years was completed with the Year 7 intake in September 2020. This was achieved by increasing the School's Planned Admission Number (PAN) at Year 7 each year from 120 to 150, with effect from September 2016.

The Trustees note that both staff and students have accommodated the increase in student numbers at the Main School site very well and are confident that the School is well-placed to be able to provide a suitable academic-style education, for the expected increase in the number of secondary school pupils in the local area over the coming years.

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Year Ended 31 August 2021

To help accommodate the increased number of students at the Main School the Trustees are very pleased that, with significant financial help from The Clitheroe Royal Grammar School Foundation, they have been able to complete the second phase of a project to provide extra social space, i.e. a glass-walled pavilion in the quadrangle adjacent to the enlarged canteen. The Trustees are confident that the third and final phase of this project, to turn part of the quadrangle in the centre of the School into an all-weather space for Year 11 pupils, will be completed during 2021/2022. Financial support is again expected, in the form of a further donation from the CRGS Foundation,

The Trustees have noted agreeably the significant number of students at the Sixth Form who have opted to study Design Technology (DT) at A level, since its reintroduction to the School's curriculum in 2020. Currently this is being taught at the Main School site at Chatburn Road. These arrangements, together with the increased numbers studying the subject at GCSE level, are putting an increasing amount of pressure on the DT facilities at Chatburn Road. If the demand for DT at A level continues, the Trustees plan for the medium term is to provide DT facilities at the Sixth Form site at York Street.

6. FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

During the period 1 September 2020 to 31 August 2021 Clitheroe Royal Grammar School did not hold any funds as a custodian trustee on behalf of any other charitable organisation.

7. AUDITOR

In so far as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 8th December 2021 and signed on the board's behalf by:

Dr Andrew David Clayton
Chair of Governors (Trustees)

Clitheroe Royal Grammar School

Governance Statement

Year Ended 31 August 2021

1. Scope of Responsibility:

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Head teacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Clitheroe Royal Grammar School and the Secretary of State for Education. He is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

2. 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 met formally four times during the year. Attendance during the year at meetings of the Board was as follows:

GOVERNOR (TRUSTEE)	MEETINGS ATTENDED	OUT OF POSSIBLE
Mr M Blacklidge (Vice Chairman from 07/10/2020)	4	4
Dr A D Clayton (Chairman)	4	4
Mrs J Pinder (Resigned 07/10/2020)	0	1
Mr J Sutton (Vice Chairman up to 07/10/2020)	2	4
Mrs S Turner	3	4
Mrs C Lehner (Appointed 01/07/2021)	0	0
Mr A Rogers	4	4
Mr A Scholfield	4	4
Mr C P Watson	1	4
Mrs M Brennan-Bargh (Resigned 04/10/2021)	3	4
Mr M N Frankish	4	4
Mr A Hawkins	4	4
Mrs V Hollingsworth	3	4
Mrs J Holden	4	4
Mr A PRIORITY (Resigned 18/03/2021)	2	3
Mrs A Taylor	1	4
Mrs J Wenborn (Resigned 08/11/2020)	0	1
Dr H Whitehead	3	4
Mr J Keulemans (Head teacher)	4	4

In the period from 1 September 2020 to the date of this report the following changes in the make-up of the Board of Trustees took place:

Miss J Pinder resigned as a Foundation Governor on 07/10/2020

Mrs J Wenborn resigned as a Community Governor on 08/11/2020

Mr A PRIORITY resigned as a Staff Governor on 18/03/2021

Mrs C Lehner was appointed as a Community Governor on 01/07/2021

Mrs Brennan-Bargh resigned as a Parent Governor on 04/10/2021

(Continued)

Clitheroe Royal Grammar School

Governance Statement

Year Ended 31 August 2021

The scope of the Board of Trustees work, including the terms of reference of each of its committees, is defined in its Standing Orders. This document is reviewed annually by the Board to ensure that it continues to provide a sound basis for all its work.

The restrictions brought about by the Covid-19 pandemic meant that the Trustees continued to meet remotely using Microsoft Teams during the period of this report. Once any initial teething troubles, experienced by a few Trustees at the start of the pandemic in March 2020, had been overcome, all the Trustees found that Teams was able to provide an extremely effective means of attending meetings. Indeed, it was noted by several Trustees that it had allowed them to attend meetings that they might otherwise have been unable to attend in person, had those meetings been held "live". It was concluded therefore that the use of Teams has enabled the Trustees to continue to carry out their roles very efficiently during the pandemic with little or no reduction in effectiveness. Consequently, it has been resolved by the Trustees that provision will be made for Trustees to be able to attend at all future meetings remotely, including those where the Trustees have agreed to meet primarily "in-person".

The Trustees recognise the importance of reviewing their effectiveness. Consequently, the Trustees regularly carry out a review of the skills available to them within the Board. In this respect each Trustee completes a self-review skills matrix. The resulting amalgamated skills matrix is used as a tool in an internal review of effectiveness. This review uses as a basis a methodology like those published by several Local Authorities, the National Governors Association (NGA) and other interested bodies.

The data collected in the amalgamated skills matrix has consistently shown that the Board is fortunate in being made up of Trustees who collectively possess a wide range of skills, including in the fields of: Health and Safety, Special Educational Needs and Disabilities (SEND), accountancy, banking, legal, medical, HR and business. The Board has been able to draw upon all of these to ensure that it operates in an effective and appropriate manner. The Trustees consider that at the present time they do not have any major gaps in their skills base, although it was recognised that some further expertise in the field of marketing would be beneficial. It is hoped that this skills-gap can be addressed through the appointment or election of future Trustees.

The Trustees have reviewed their effectiveness and have concluded that in nearly all areas of their operations they were very effective, and that the experience and expertise of the Trustees meant that they were able to make decisions in an informed and confident manner. They still felt that they should, however, continue to take steps to increase further their profile amongst the School's staff, students and parents, and the local community. It was noted that the on-going Covid pandemic has severely restricted the opportunities for Trustees to meet and liaise with staff and parents, particularly at open and parents' evening, staff INSET days etc., which were all held on-line during the 2020/2021 academic year. It is hoped that attendance at such events in person will be possible in the not-too-distant future.

The **Finance and Audit Committee** is one of the committees of the main Governing Body. Its Terms of Reference are:

- a) To approve the annual indicative and final budgets, recommending the final budget to the full Board of Trustees.
- b) To act as the Audit & Risk Committee, including responsibilities for all the items listed for such a committee in the Academies Handbook.
- c) To oversee the preparation of the Annual Trustees Report and Accounts.
- d) To recommend to the Board of Trustees and the members of the Trust the annual appointment of the School's accountants, auditors, and internal reviewer.
- e) To agree the Terms of Reference of the accountant, auditor, and internal reviewer.
- f) To review the auditor's findings and any actions taken by the School's managers in response to those findings.
- g) To direct the School's programme of internal scrutiny, ensuring that risks are being adequately addressed.
- h) To report to the Board of Trustees on the adequacy of the School's internal control framework, including financial and non-financial controls and management of risks.
- i) To maintain a 3-year financial plan.

(Continued)

Clitheroe Royal Grammar School

Governance Statement

Year Ended 31 August 2021

- j) To ensure that the School financial systems are in accordance with the guidance set down in the Academy Trust Handbook.
- k) To ensure that the requirements of the School's Internal Financial Regulations are met.
- l) To receive regular reports from the School's internal auditor.
- m) To be responsible for reviewing the effectiveness of the School's internal systems and procedures, to ensure that the objectives of the School are achieved in an economic and timely manner.
- n) To approve major items of expenditure.

Attendance at meetings of the Finance and Audit Committee in the year was as follows:

GOVERNOR (TRUSTEE)	MEETINGS ATTENDED	OUT OF POSSIBLE
Dr A D Clayton	4	4
Mr J Sutton	1	4
Mrs S Turner	4	4
Mr A Rogers* (Chairman of the Finance & Audit up to 07/10/2020)	4	4
Mr A Scholfield	3	4
Mr M N Frankish* (Chairman of Finance & Audit from 07/10/2020)	4	4
Mr A Hawkins	4	4
Dr H Whitehead	2	4
Mr J Keulemans (Head teacher)	4	4

*Denotes committee members who are qualified accountants.

3. Review of Value for Money:

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

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

- Controlling the staffing budget whilst retaining student numbers and hence income.
- Reducing the staff INSET budget by holding more in-house training.
- Improving educational outcomes at KS4.
- Reducing postage, printing and administration costs by the increased use of electronic communications.

During the Covid-19 pandemic the School has continued to use the services of its regular suppliers as normally as possible and has continued to ensure that they have always been paid in an efficient and timely manner. It has been inevitable, however, that during the pandemic there has been a shift in emphasis in the type of items that have been purchased. Resources have necessarily been directed towards purchases deemed essential towards minimising the impact of the on-going problems raised by Covid-19 on both students and staff, rather than as would have been used previously. It is hoped that, during the 2021/2022 academic year, the emphasis in purchasing will be able to shift back nearer to normality.

(Continued)

Clitheroe Royal Grammar School

Governance Statement

Year Ended 31 August 2021

4. The Purpose of the System of Internal Control:

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Academy Trust's 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 Clitheroe Royal Grammar School for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

5. Capacity to Handle Risk:

The Board of Trustees has reviewed the key risks to which Clitheroe Royal Grammar School 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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

6. The Risk and Control Framework:

Clitheroe Royal Grammar School's system of internal control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees.
- regular reviews by the Finance & Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- setting targets to measure financial and other performance.
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties.
- identification and management of risks.

The School's system of internal financial control was introduced following its conversion to academy status. The system adopted is a natural evolution of that in place as a foundation school (which was compliant with Financial Management Standards in School (FMSIS)) and is in line with the requirements of the Academies Handbook.

The Board of Trustees has considered the need for a specific internal audit function and has appointed Red Rambler Ltd as its internal auditor. Red Rambler's activities in the year to 31 August 2021 have in the main been concerned with performing a wide-ranging review on the School's financial and managerial systems. In the light of the restrictions imposed by the Covid-19 pandemic, this review was conducted remotely in a series of on-line sessions with the relevant school staff.

Over the current period, Red Rambler Ltd, as Internal Auditor, reported to the Board of Trustees, through the Finance & Audit Committee, on the results of its review into the operation of the systems of control and on the discharge of the Board's financial responsibilities. No material control issues of any significance have arisen because of this review. The Trustees have, however, taken due heed of any comments and suggestions made by the Internal Auditor in respect of any minor issues and, especially, any improvements that could be made to the School's systems and practices; and have acted accordingly.

(Continued)

Clitheroe Royal Grammar School

Governance Statement

Year Ended 31 August 2021

7. Review of Effectiveness:

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

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

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

Approved by order of the members of the Board of Trustees on 8th December 2021 and signed on its behalf by:

Dr Andrew David Clayton
Chair of Governors (Trustees)

Mr James Keulemans
Accounting Officer

Clitheroe Royal Grammar School

Statement on Regularity, Propriety and Compliance

Year Ended 31 August 2021

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

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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

Mr James Keulemans
Accounting Officer

Date: 8th December 2021

Clitheroe Royal Grammar School

Statement of Trustees' Responsibilities

Year Ended 31 August 2021

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report and Directors' Report) and the financial statements in accordance with the Academies Accounts Direction published by the Education & 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 the incoming resources and application of resources, including its income and expenditure. In preparing these financial statements, the Trustees are required to:

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

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 to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education & Skills Funding Agency and Department for Education have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 8th December 2021 and signed on its behalf by:

Dr Andrew David Clayton
Chair of Governors (Trustees)

Clitheroe Royal Grammar School

Independent Auditor's Report to the Members of Clitheroe Royal Grammar School

Year Ended 31 August 2021

Opinion

We have audited the financial statements of Clitheroe Royal Grammar School (the 'Academy Trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at the 31 August 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education & 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. Other information includes the Trustees' report (incorporating the strategic report and the directors' report), the governance statement, and the Accounting Officer's 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.

(Continued)

Clitheroe Royal Grammar School

Independent Auditor's Report to the Members of Clitheroe Royal Grammar School

Year Ended 31 August 2021

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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 directors' 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 set out on page 21, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

(Continued)

Clitheroe Royal Grammar School

Independent Auditor's Report to the Members of Clitheroe Royal Grammar School

Year Ended 31 August 2021

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

Mr Phillip Dennison FCCA ACA (Senior Statutory Auditor)
For and on behalf of CWR Chartered Accountants
20 Mannin Way
Lancaster Business Park
Caton Road
Lancaster
LA1 3SW

Date: 14th December 2021

Clitheroe Royal Grammar School

Independent Reporting Accountant's Assurance Report on Regularity to Clitheroe Royal Grammar School and the Education & Skills Funding Agency

Year Ended 31 August 2021

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

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

Respective responsibilities of Clitheroe Royal Grammar School's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Clitheroe Royal Grammar School's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

- Obtaining evidence including those tests relevant to the circumstances of the Academy Trust as prescribed in Section 4 of the Guide For External Auditors section of the Academies Accounts Direction 2020 to 2021 issued by the ESFA; and
- Planning and performing any additional tests we deemed necessary to express an opinion on regularity.

(Continued)

Clitheroe Royal Grammar School

Independent Reporting Accountant's Assurance Report on Regularity to Clitheroe Royal Grammar School and the Education & Skills Funding Agency

Year Ended 31 August 2021

Conclusion

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

Mr Phillip Dennison FCCA ACA (Senior Statutory Auditor)
For and on behalf of CWR Chartered Accountants
20 Mannin Way
Lancaster Business Park
Caton Road
Lancaster
LA1 3SW

Date: 14th December 2021

Clitheroe Royal Grammar School

Statement of Financial Activities incorporating Income & Expenditure Account

Year Ended 31 August 2021

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2021 £000	Total 2020 £000
Income and endowments from:						
Donations and capital grants	2	13	49	641	703	504
Charitable activities:						
Funding for the School's educational operations	3	-	7,020	-	7,020	6,293
Other trading activities	4	93	-	-	93	254
Investments	5	-	-	-	-	3
Total		106	7,069	641	7,816	7,054
Expenditure on:						
Raising funds		-	-	-	-	-
Charitable activities:						
School's educational operations	6,7	105	7,160	382	7,647	7,147
Total		105	7,160	382	7,647	7,147
Net income/(expenditure)		1	(91)	259	169	(93)
Transfers between funds	15	-	(37)	37	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	15, 26	-	25	-	25	209
Net movement in funds		1	(103)	296	194	116
Reconciliation of funds:						
Total funds brought forward	15	384	(2,140)	14,706	12,950	12,834
Total funds carried forward	15	385	(2,243)	15,002	13,144	12,950

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

Clitheroe Royal Grammar School

Balance Sheet

Year Ended 31 August 2021

	Notes	2021 £000	2021 £000	2020 £000	2020 £000
Fixed assets					
Tangible assets	11		14,701		14,547
Current assets					
Stocks	12	3		3	
Debtors	13	546		318	
Cash at bank and in hand		1,253		1,170	
		<u>1,802</u>		<u>1,491</u>	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(681)</u>		<u>(587)</u>	
Net current assets			<u>1,121</u>		<u>904</u>
Total assets less current liabilities			15,822		15,451
Creditors: Amounts falling due after more than one year			-		-
Net assets excluding pension liability			<u>15,822</u>		<u>15,451</u>
Defined benefit pension scheme liability	26		(2,678)		(2,501)
Net assets including pension liability			<u>13,144</u>		<u>12,950</u>
Funds of the Academy Trust:					
Restricted funds					
Fixed asset fund	15	15,002		14,706	
Restricted income fund	15	435		361	
Pension reserve	15	<u>(2,678)</u>		<u>(2,501)</u>	
Total restricted funds			12,759		12,566
Unrestricted income funds	15		385		384
Total funds			<u>13,144</u>		<u>12,950</u>

The financial statements on pages 27 to 52 were approved by the Trustees, and authorised for issue on the 8th December 2021 and are signed on their behalf by:

Dr Andrew David Clayton
Chair of Governors (Trustees)

Company Limited by Guarantee
Registration Number: 07461173

Clitheroe Royal Grammar School

Statement of Cash Flows

Year Ended 31 August 2021

	Notes	2021 £000	2020 £000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(22)	43
Cash flows from investing activities	21	105	76
Cash flows from financing activities	20	-	-
Change in cash and cash equivalents in the reporting period		<u>83</u>	<u>119</u>
Cash and cash equivalents at 1 September 2020		1,170	1,051
Cash and cash equivalents at 31 August 2021	22/23	<u>1,253</u>	<u>1,170</u>

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

1 Accounting policies

General information and basis of preparation

Clitheroe Royal Grammar School is a company limited by guarantee incorporated in England. The address of the registered office is given in the Reference and Administrative Details given on page 2 of these financial statements and the principal place of business is York Street, Clitheroe, BB7 2DJ. The nature of the Academy Trust's operations and principal activities are set out in the Trustees' Report on page 4.

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102) 2019), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

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 School to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of authorisation for issue of the financial statements and have concluded that the School has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the School's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

- **Grants receivable**

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 period for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is an unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance 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.

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

1 Accounting policies (continued)

Income (continued)

- **Donations**

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

- **Other income**

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

- **Donated goods, facilities and services**

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

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

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.

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

1 Accounting policies (continued)

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 restrictions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Freehold buildings	50 years straight line
Fixtures, fittings and equipment	33% straight line
ICT equipment	33% straight line
Motor vehicles	25% straight line

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

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

Agency arrangements

The School acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 28.

Liabilities

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

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

1 Accounting policies (continued)

Provisions

Provisions are recognised when the School has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

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

Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. 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.

Stocks

Stocks consist of unused stationery. Stocks are valued at the lower of cost or net realisable value.

Taxation

The School 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 School 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.

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

1 Accounting policies (continued)

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the School 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 based on 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 School 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 net operating income/(expenditure) 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 is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund Accounting

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

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

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

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

1 Accounting policies (continued)

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

2 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
ESFA Capital grants	-	301	301	164
Trips and other non-public funds	1	41	42	219
Donations towards quad pavilion project	-	289	289	82
Donations towards kitchen area refurbishment	-	-	-	2
Donations towards computers	-	30	30	30
Donated fixed assets	-	21	21	-
Other donations	12	8	20	7
	<u>13</u>	<u>690</u>	<u>703</u>	<u>504</u>

Income from donations and capital grants was £703,000 (2020 - £504,000) of which £13,000 (2020 - £1,000) was attributable to unrestricted funds, £49,000 (2020 - £225,000) was attributable to restricted general funds and £641,000 (2020 - £278,000) was attributable to restricted fixed asset funds.

£301,000 (2020 - £164,000) of government grants were received for capital and maintenance works.

3 Funding for School's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	6,464	6,464	5,831
Other DfE / ESFA grants:				
Pupil Premium	-	41	41	33
Teacher Pay/Pension grant	-	356	356	348
Rates grant	-	30	30	30
Other grants	-	29	29	33
Other DfE group grants	-	-	-	-
	<u>-</u>	<u>6,920</u>	<u>6,920</u>	<u>6,275</u>
Other Government grants				
Local Authority grants	-	16	16	4
	<u>-</u>	<u>16</u>	<u>16</u>	<u>4</u>
Covid-19 additional funding (DfE/ESFA)				
Coronavirus Catch-up premium	-	60	60	-
Other DfE/ESFA Covid-19 funding	-	9	9	9
Covid-19 additional funding (non DfE/ESFA)				
Coronavirus Job Retention Scheme grant	-	-	-	5
Other Covid-19 funding	-	15	15	-
	<u>-</u>	<u>84</u>	<u>84</u>	<u>14</u>
Other income from the School's educational operations	-	-	-	-
	<u>-</u>	<u>7,020</u>	<u>7,020</u>	<u>6,293</u>

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

3 Funding for School's educational operations (continued)

Funding for School's educational operations was £7,020,000 (2020 - £6,293,000) of which £nil (2020 - £nil) was attributable to unrestricted funds, £7,020,000 (2020 - £6,293,000) was attributable to restricted general funds and £nil (2020 - £nil) was attributable to restricted fixed asset funds.

£7,020,000 (2020 - £6,293,000) of government grants were received for the purposes of the day to day running costs of the Academy and its charitable objectives.

The School received £60,000 of funding for catch-up premium and costs incurred in respect of this funding totalled £40,000, with the remaining £20,000 to be spent in 2021/22.

The School furloughed some of its peripatetic music teachers under the government's CJRS in 2019/20. The funding received of £5,000 related to staff costs in respect of 3 staff members which are included within note 8 below as appropriate.

4 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Catering income	52	-	52	195
Sale of educational goods and services	22	-	22	24
Exam related fees	3	-	3	17
Music tuition	16	-	16	18
	<u>93</u>	<u>-</u>	<u>93</u>	<u>254</u>

Income from other trading activities was £93,000 (2020 - £254,000) of which £93,000 (2020 - £254,000) was attributable to unrestricted funds, £nil (2020 - £nil) was attributable to restricted general funds and £nil (2020 - £nil) was attributable to restricted fixed asset funds.

5 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Short term deposits	-	-	-	3
	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>

Investment income was £nil (2020 - £3,000) of which £nil (2020 - £3,000) was attributable to unrestricted funds, £nil (2020 - £nil) was attributable to restricted general funds and £nil (2020 - £nil) was attributable to restricted fixed asset funds.

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

6 Expenditure

	Staff Costs £000	Non Pay Expenditure Premises £000	Other Costs £000	Total 2021 £000	Total 2020 £000
Expenditure on raising funds					
Direct costs	-	-	-	-	-
Allocated support costs	-	-	-	-	-
School's educational operations					
Direct costs	5,324	259	412	5,995	5,465
Allocated support costs	886	424	342	1,652	1,682
	<u>6,210</u>	<u>683</u>	<u>754</u>	<u>7,647</u>	<u>7,147</u>

£105,000 (2020 - £259,000) of the above expenditure on the School's educational operations was attributable to unrestricted funds, £7,160,000 (2020 - £6,548,000) was attributable to restricted general funds and £382,000 (2020 - £340,000) was attributable to restricted fixed asset funds.

Net income/expenditure for the year includes:

	2021 £000	2020 £000
Operating lease rentals	3	3
Depreciation	382	340
(Gain)/loss on disposal of fixed assets	-	-
Fees payable to the auditor for:		
Audit	3	3
Payroll	3	5
Other services	7	7

No additional transactions have taken place under Section 5.2 of the 2020 Academies Financial Handbook which require additional disclosure.

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

7 Charitable activities

	Total 2021 £000	Total 2020 £000
Direct costs – educational operations	5,995	5,465
Support costs – educational operations	1,652	1,682
	<u>7,647</u>	<u>7,147</u>

Analysis of direct costs	Educational operations £000	Total 2021 £000	Total 2020 £000
Direct staff costs	5,324	5,324	4,643
Learning resources	167	167	162
Examination fees	137	137	138
School trips and visits	40	40	223
Other direct costs	327	327	299
Total direct costs	<u>5,995</u>	<u>5,995</u>	<u>5,465</u>

Analysis of support costs	Educational operations £000	Total 2021 £000	Total 2020 £000
Support staff costs	882	882	919
Depreciation	65	65	59
Technology costs	28	28	28
Premises costs	378	378	249
Other support costs	284	284	411
Governance costs	15	15	16
Total support costs	<u>1,652</u>	<u>1,652</u>	<u>1,682</u>

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

8 Staff

(a) Staff costs

	2021	2020
	£000	£000
Staff costs during the period were:		
Wages and salaries	4,436	4,002
Social security costs	431	385
Pension costs	1,220	1,105
	<u>6,087</u>	<u>5,492</u>
Apprenticeship Levy	7	5
	<u>6,094</u>	<u>5,497</u>
Agency staff costs	116	70
Staff restructuring costs	-	-
	<u>6,210</u>	<u>5,567</u>
Staff restructuring costs comprise:		
Redundancy payments	-	-
Severance payments	-	-
Other restructuring costs	-	-
	<u>-</u>	<u>-</u>

(b) Staff numbers

The average number of persons employed by the School during the year, and the full-time equivalents, was as follows:

	2021	2021	2020	2020
	Number	Full-time equivalent	Number	Full-time equivalent
Teachers	77	70	76	67
Administration and support staff	80	45	61	39
Senior Leadership Team	7	7	7	7
	<u>164</u>	<u>122</u>	<u>144</u>	<u>113</u>

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

8 Staff (continued)

(c) Higher paid staff

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

	2021 No.	2020 No.
£60,001 - £70,000	3	2
£70,001 - £80,000	1	1
£100,001 - £110,000	1	1
	<u>5</u>	<u>4</u>

(d) Key management personnel

The key management personnel of the School comprise the Trustees and the Senior Leadership Team as listed on page 2. 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 School was £661,000 (2020: £628,000).

9 Related party transactions - Trustees' remuneration and expenses

One or more Trustees have been paid remuneration or have received other benefits from employment with the School. The Head Teacher and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and 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:

J Keulemans (Head teacher and Trustee):	
Remuneration	£105,000 - £110,000 (2020: £100,000 - £105,000)
Employers' pension contributions	£25,000 - £30,000 (2020: £20,000 - £25,000)
A F PRIORITY (Staff Trustee resigned 18.03.21):	
Remuneration	£20,000 - £25,000 (2020: £35,000 - £40,000)
Employers' pension contributions	£5,000 - £10,000 (2020: £5,000 - £10,000)
J Holden (Staff Trustee):	
Remuneration	£15,000 - £20,000 (2020: £10,000 - £15,000)
Employers' pension contributions	£0 - £5,000 (2020: £0 - £5,000)

During the year ended 31 August 2021, travel and subsistence expense claims in performing the role of Trustee totalled £nil (2020: £nil).

No other transactions with Trustees were undertaken during the course of the year ended 31 August 2021.

10 Trustees' and officers' insurance

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

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

11 Tangible fixed assets

	Freehold Land and Buildings £000	Furniture and Equipment £000	Computer Equipment £000	Motor Vehicles £000	Total £000
Cost					
At 1 September 2020	17,295	428	97	27	17,847
Additions	370	42	124	-	536
Disposals	-	-	(3)	-	(3)
At 31 August 2021	<u>17,665</u>	<u>470</u>	<u>218</u>	<u>27</u>	<u>18,380</u>
Depreciation					
At 1 September 2020	2,847	400	46	7	3,300
Charged in period	304	19	52	7	382
Disposals	-	-	(3)	-	(3)
At 31 August 2021	<u>3,151</u>	<u>419</u>	<u>95</u>	<u>14</u>	<u>3,679</u>
Net book values					
At 31 August 2020	14,448	28	51	20	14,547
At 31 August 2021	<u>14,514</u>	<u>51</u>	<u>123</u>	<u>13</u>	<u>14,701</u>

12 Stocks

	2021 £000	2020 £000
Stationery	<u>3</u>	<u>3</u>
	<u>3</u>	<u>3</u>

13 Debtors

	2021 £000	2020 £000
VAT recoverable	68	33
Other debtors	386	195
Prepayments and accrued income	<u>92</u>	<u>90</u>
	<u>546</u>	<u>318</u>

14 Creditors: amounts falling due within one year

	2021 £000	2020 £000
Trade creditors	171	47
Other taxation and social security	105	96
Other creditors	161	188
Accruals and deferred income	<u>244</u>	<u>256</u>
	<u>681</u>	<u>587</u>

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

15 Funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains, Losses and Transfers £000	Balance at 31 August 2021 £000
Restricted general funds					
General Annual Grant (GAG)	359	6,464	(6,374)	(37)	412
Pupil premium grant	-	41	(41)	-	-
Teacher Pay/Pension grant	-	356	(356)	-	-
Rates grant	-	30	(30)	-	-
Other DfE/ESFA grants	-	29	(29)	-	-
Local Authority grants	-	16	(16)	-	-
Coronavirus Catch-up premium	-	60	(40)	-	20
Other DfE/ESFA Covid-19 funding	-	9	(7)	-	2
Other non DfE/ESFA Covid-19 funding	-	15	(15)	-	-
Other restricted funds	2	49	(50)	-	1
Pension reserve	(2,501)	-	(202)	25	(2,678)
	<u>(2,140)</u>	<u>7,069</u>	<u>(7,160)</u>	<u>(12)</u>	<u>(2,243)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	114	301	-	(114)	301
Other restricted fixed asset funds	45	340	-	(385)	-
Capitalised assets post conversion	2,147	-	(122)	536	2,561
Assets on conversion	12,400	-	(260)	-	12,140
	<u>14,706</u>	<u>641</u>	<u>(382)</u>	<u>37</u>	<u>15,002</u>
Total restricted funds	<u>12,566</u>	<u>7,710</u>	<u>(7,542)</u>	<u>25</u>	<u>12,759</u>
Total unrestricted funds	<u>384</u>	<u>106</u>	<u>(105)</u>	<u>-</u>	<u>385</u>
Total funds	<u>12,950</u>	<u>7,816</u>	<u>(7,647)</u>	<u>25</u>	<u>13,144</u>

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

The General Annual Grant (GAG) must be used for the normal running costs of the School. Under the funding agreement with the Secretary of State, the School is not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021. At the year end the carry forward of GAG funding was £412,000.

Other DfE/ESFA Group Grants, and Local Authority Grants include monies received outside of GAG funding and these Grants are all related to the furtherance of education within the School. All of this funding was spent during the year.

Other restricted funds include monies from trips and non-public funds and donations, whose purpose is restricted. As at the year end £1,000 was unspent.

The pension reserve represents the value of the school's share of the deficit in the Local Government Pension Scheme. The value of the deficit had increased to £2,678,000 at the 31 August 2021.

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

15 Funds (continued)

DfE Group capital grants represent capital monies received during the period from the ESFA. This included funding from the Capital Improvement Fund for mechanical ventilation works of £143,000 and £128,000 towards safeguarding measures all of which was unspent at the year end. £30,000 in respect of the Devolved Formula Capital grants remains unspent at the year end and is carried forward to the next accounting period.

Other restricted fixed asset funds received during the year predominantly include donations towards the Garden Pavilion erection and associated external works in the Quad at main school and computers. During the year these were used in full.

Assets purchased post conversion is the fund balance relating to all fixed assets purchased since the School became an Academy.

Assets on conversion represent the transfer of the freehold assets valued at £15,000,000 into the School on conversion to Academy status depreciated over a 50-year period.

Unrestricted funds represent funds generated via activities such as sale of materials, catering and music lessons to students, income from the Office of National Statistics for taking part in an infection survey and income from universities with respect to student teachers. It also includes the brought forward surplus on conversion to Academy status. The surplus on this fund at the year end was £385,000 and these funds can be used at the discretion of the Governors to meet the charitable objectives of the School.

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

15 Funds (continued)

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

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Gains, Losses and Transfers £000	Balance at 31 August 2020 £000
Restricted general funds					
General Annual Grant (GAG)	172	5,831	(5,655)	11	359
Pupil premium grant	-	33	(33)	-	-
Teacher Pay/Pension grant	-	348	(348)	-	-
Rates grant	-	30	(30)	-	-
Other DfE/ESFA grants	-	33	(33)	-	-
Local Authority grants	-	4	(4)	-	-
Other DfE/ESFA Covid-19 funding	-	9	(9)	-	-
Coronavirus Job Retention Scheme grant	-	5	(5)	-	-
Other restricted funds	7	225	(230)	-	2
Pension reserve	(2,509)	-	(201)	209	(2,501)
	<u>(2,330)</u>	<u>6,518</u>	<u>(6,548)</u>	<u>220</u>	<u>(2,140)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	44	164	-	(94)	114
Other restricted fixed asset funds	53	114	-	(122)	45
Capitalised assets post conversion	2,022	-	(80)	205	2,147
Assets on conversion	12,660	-	(260)	-	12,400
	<u>14,779</u>	<u>278</u>	<u>(340)</u>	<u>(11)</u>	<u>14,706</u>
Total restricted funds	<u>12,449</u>	<u>6,796</u>	<u>(6,888)</u>	<u>209</u>	<u>12,566</u>
Total unrestricted funds	<u>385</u>	<u>258</u>	<u>(259)</u>	<u>-</u>	<u>384</u>
Total funds	<u>12,834</u>	<u>7,054</u>	<u>(7,147)</u>	<u>209</u>	<u>12,950</u>

16 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	14,701	14,701
Current assets	385	1,116	301	1,802
Current liabilities	-	(681)	-	(681)
Pension scheme liability	-	(2,678)	-	(2,678)
Total net assets	<u>385</u>	<u>(2,243)</u>	<u>15,002</u>	<u>13,144</u>

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

16 Analysis of net assets between funds (continued)

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

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	14,547	14,547
Current assets	384	948	159	1,491
Current liabilities	-	(587)	-	(587)
Pension scheme liability	-	(2,501)	-	(2,501)
Total net assets	384	(2,140)	14,706	12,950

17 Capital commitments

	2021 £000	2020 £000
Contracted for, but not provided in the financial statements	28	435

18 Commitments under operating leases

Operating leases

At 31 August 2021 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £000	2020 £000
Amounts due within one year	2	1
Amounts due between one and five years	2	-
Amounts due after five years	-	-
	4	1

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

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

	2021 £000	2020 £000
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	169	(93)
Adjusted for:		
Depreciation (note 11)	382	340
Capital grants from DfE and other capital income	(641)	(278)
Interest receivable (note 5)	-	(3)
Defined benefit pension scheme cost less contributions payable (note 26)	160	159
Defined benefit pension scheme finance cost (note 26)	42	42
(Increase) in debtors	(228)	(73)
Increase/(decrease) in creditors	94	(51)
Net cash (used in)/provided by operating activities	(22)	43

20 Cash flows from financing activities

	2021 £000	2020 £000
Repayments of borrowing	-	-
Cash inflows from borrowing	-	-
Net cash provided by/(used in) financing activities	-	-

21 Cash flows from investing activities

	2021 £000	2020 £000
Dividends, interest and rents from investment	-	3
Proceeds from sale of tangible fixed assets	-	-
Purchase of tangible fixed assets	(536)	(205)
Capital grants from DfE/ESFA	301	164
Capital funding received from sponsors and others	340	114
Net cash provided by investing activities	105	76

22 Analysis of cash and cash equivalents

	2021 £000	2020 £000
Cash at bank and in hand	1,253	1,170
Total cash and cash equivalents	1,253	1,170

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

23 Analysis of changes in net debt

	At 1 September 2020	Cash flows	Acquisition / disposal of subsidiaries	Finance leases	Other non-cash changes	At 31 August 2021
Cash	1,170	83	-	-	-	1,253
Cash equivalents	-	-	-	-	-	-
Overdraft facilities repayable on demand	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,170	83	-	-	-	1,253
Loans falling due within one year	-	-	-	-	-	-
Loans falling due after more than one year	-	-	-	-	-	-
Finance lease obligations	-	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-	-	-
Total	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,170	83	-	-	-	1,253

24 Contingent Liabilities

During the period of the funding agreement, in the event of the sale or disposal by other means of any capital asset for which a Government Capital grant was received, the School is required to either re-invest the proceeds or to repay the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State, as the Secretary of State may require.

25 Members' Liability

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

26 Pension and similar obligations

The School'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 Lancashire County Pension Fund. Both are multi-employer defined-benefit schemes.

The latest actuarial valuation of the TPS was 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £114,539 (2020: £105,838) were payable to the schemes at 31 August 2021 and are included within creditors.

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

26 Pension and similar obligations (continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5th 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 pension costs paid to TPS in the period amounted to £1,085,000 (2020: £985,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

26 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £308,000 (2020: £248,000), of which employer's contributions totalled £250,000 (2020: £200,000), and employees' contributions totalled £58,000 (2020: £48,000). The agreed contribution rates for future years are 19.9% for employers and the rate for employees remains dependant on the earnings of the employee.

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

As described in note 1 the LGPS obligation relates to the employees of the School, 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 period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the School at the balance sheet date.

Principal Actuarial Assumptions

	At 31 August 2021	At 31 August 2020
Rate of increase in salaries	4.2%	3.9%
Rate of increase for pensions in payment / inflation	2.8%	2.5%
Discount rate for scheme liabilities	1.7%	1.8%
Inflation assumption (CPI)	2.7%	2.4%

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

	At 31 August 2021	At 31 August 2020
<i>Retiring today</i>		
Males	22.4	22.3
Females	25.1	25.0
<i>Retiring in 20 years</i>		
Males	23.9	23.8
Females	26.9	26.8

Sensitivity analysis

	Sensitivity 1	Sensitivity 2	Sensitivity 3	Sensitivity 4
	+0.1% pa discount rate	+0.1% pa inflation	+0.1% pa pay growth	1 year inc in life expectancy
	£000	£000	£000	£000
Liabilities	6,263	6,151	6,377	6,466
Assets	(3,585)	(3,585)	(3,585)	(3,585)
Deficit	2,678	2,566	2,792	2,881
Projected service cost	443	432	454	458
Projected net interest	43	44	45	47

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

26 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Fair value at 31 August 2021	Fair value at 31 August 2020
Equities	1,810	1,329
Other Bonds	190	201
Property	359	396
Cash	75	52
Other	1,151	935
Total market value of assets	3,585	2,913

The actual return on scheme assets was £424,000 (2020: (£27,000)).

Amounts recognised in the statement of financial activities

	2021 £000	2020 £000
Current service cost (net of employee contributions)	(154)	(123)
Past service costs	-	(31)
Interest income	55	60
Interest expense	(97)	(102)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	-
Admin expenses	(6)	(5)
Total operating charge	(202)	(201)

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

	2021 £000	2020 £000
At 1 September	5,414	5,722
Current service cost	404	323
Past service cost	-	31
Interest cost	97	102
Employee contributions	58	48
Actuarial loss/(gain)	344	(751)
Benefits paid	(54)	(61)
At 31 August	6,263	5,414

Clitheroe Royal Grammar School

Notes to the Financial Statements

Year Ended 31 August 2021

26 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2021 £000	2020 £000
At 1 September	2,913	3,213
Interest income	55	60
Return on plan assets (excluding interest income)	-	-
Assets distributed on settlements	-	-
Actuarial gain/(loss)	369	(542)
Employer contributions	250	200
Employee contributions	58	48
Benefits paid	(54)	(61)
Administration expense	(6)	(5)
At 31 August	<u>3,585</u>	<u>2,913</u>

27 Related Party Transactions

Owing to the nature of the School's operations 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 School's financial regulations and normal procurement procedures.

The following related party transactions took place in the financial year:

The School received donations totalling £324,000 from the associated charity Clitheroe Royal Grammar School Foundation (charity number 1174177). These donations were for a variety of educational purposes which included £289,000 towards the garden pavilion erection and associated external works in the Quad at main school and £30,000 towards new computers. At the year end all of these donations had been fully utilised.

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 9.

28 Agency arrangements

The School distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting year ending 31 August 2021 the trust received £57,000 (2020: £45,000) and disbursed £45,000 (2020: £38,000) from the fund.

An amount of £19,000 (2020: £13,000) is included in other creditors relating to undistributed funds. These funds are to be utilised after the end of the year.