
Stratford upon Avon School

Registered number: 7690776

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 August 2020

STRATFORD UPON AVON SCHOOL

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STRATFORD UPON AVON SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 AUGUST 2020

Members

S Drummond (resigned 9 December 2019)
P Heath (resigned 9 December 2019)
N Whan (resigned 9 December 2019)
T Irish (resigned 9 December 2019)
W Mills
J Price
C Rivett (resigned 9 December 2019)
A Scott-Lee (resigned 9 December 2019)
V Hopkins
P Wright

Trustees

S Drummond
P Heath
T Irish
J Price
C Rivett (resigned 5 July 2020)
A Scott-Lee, Staff Trustee (resigned 9 December 2019)
N Wallace, Head Teacher & Accounting Officer
J Baker (appointed 9 December 2019)
T Paxton (resigned 9 December 2019)
L Wretham (resigned 6 March 2020)
G Inglis
S Nicholson
E Heathcote-James
K Scott (appointed 9 September 2019, resigned 16 September 2020)

Committee Members

C Faulkner
K Scott
M Richardson
W Mills
B Barton
V Lerner
A Scott-Lee

Company registered number

7690776

Company name

Stratford upon Avon School

Principal and registered office

Alcester Road, Stratford-upon Avon, Warwickshire, CV37 9DH

STRATFORD UPON AVON SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2020

Advisers (continued)

Company secretary

S Jones

Senior leadership team

N Wallace, Head Teacher
K Berwick, Deputy Head Teacher
N Wood (died 31/05/20), Deputy Head Teacher
M Brennan, Assistant Head Teacher
K Lister, Senior Assistant Head Teacher
C Sampson-Marr, Assistant Head Teacher
A Hodgkinson, Assistant Head Teacher
J Hill, Assistant Head Teacher
P Stacey, Assistant Head Teacher
A Mason, School Business Manager
J McCormick, HR & Training Manager

Independent auditors

Mazars LLP, 45 Church Street, Birmingham, B3 2RT

Bankers

Lloyds Bank Plc, 22 Bridge Street, Stratford upon Avon, CV37 6AG

Solicitors

Harrison Clark Rickerbys Ltd, Ellenborough House, Wellington Street, Cheltenham, GL50 1YD

STRATFORD UPON AVON SCHOOL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The trust operates an academy for students aged 11 to 18 serving a catchment area in the town of Stratford upon Avon and immediate environs.

Structure, governance and management

a. 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 the academy trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Stratford upon Avon School. The governance structure has been amended, inline with NGA recommendations to include members, trustees and committee members (committee members do not have a vote).

Details of the trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

b. 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.

c. Trustees' indemnities

In accordance with normal commercial practice the academy has purchased Insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. See note 11 for further details.

Corporate entities in which one of the trustees is a member have sought and been granted an indemnity in respect of his service as a trustee. The academy holds appropriate liability Insurance in this regard.

d. Method of Recruitment and Appointment or Election of Trustees

Following a review of skills available on the board, appropriately qualified and experience trustees are sought through advertisement or word of mouth, and, if elected, commence their term as a non-voting member, serving on a committee, before being appointed as a trustee, following an Induction and further review period.

Parent trustees may also be sought through notices on the school website, and are subject to election if the level of interest exceeds the number of positions available.

During 2019-20 movements of trustees and members are as noted in the Reference and Administrative Details, on page 1.

The current composition of trustees Includes:

- A minimum of 2 and up to 7 parent trustees who are elected by parents of registered pupils at the academy.
- Up to 14 trustees who are appointed by the members.
- The Head Teacher.

In addition, staff trustees can be appointed by the Members provided that the number of trustees including the Head Teacher, who are employees of the academy, does not exceed the lesser of 4 in number or one third of the total number of trustees.

STRATFORD UPON AVON SCHOOL

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

Trustees are appointed for a four year period, except that the time limit does not apply to the Head Teacher. Subject to remaining eligible, a trustee can be re-appointed or re-elected. When appointing new trustees, the board will give consideration to the skills and experience mix of existing trustees in order to ensure that the group as a whole has the necessary skills to contribute fully to the academy's development.

e. Policies and Procedures Adopted for the Induction of Training of Trustees

Trustees are appointed based on the skills that they will bring to the board of trustees or based on a proposal to the board of trustees by representative groups. On appointment, trustees receive Information relating to the academy, attend a briefing and receive an induction pack on the role and responsibilities of trustees. They are encouraged to visit the school to meet with key staff.

The academy purchases a training programme from an external provider, and, during the year, trustees and committee members were offered all necessary training, through a range of options. They included a training day one Saturday, attendance on courses, and reading material. Trustees and committee members have access to a purchased advice website, and receive the local authority governor newsletter and NGA newsletters. Trustees and committee members are also invited to one or more of the academy's five annual staff learning days, when the agenda is relevant, for example covering safeguarding, child protection or other issues.

Although connected more with familiarisation than training, each committee meets in school time on at least one occasion in the spring term, in lieu of the more usual evening meeting, and takes lunch in the canteen alongside students. During the course of the visit, committee members are encouraged to visit other areas of the school.

f. Organisational structure

The board of trustees met 5 times during 2019-20.

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

There were two main, plus two subsidiary, committees during 2019-20, as follows;

- Resources Committee - meets at least six times in the year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements, receiving Internal Audit reports and drafting the annual budget including staffing levels. It has incorporated the responsibilities of an Audit Committee. A Health and Safety specialist Governor, who is member of the Resources Committee attends meetings of the Staff Health and Safety Committee.
- Quality of Education Committee - meets at least six times in the year to monitor evaluate and review academy policy, practice and performance in relation to curriculum planning, target setting and assessment, any examinations. Plus matters relating to student welfare, safeguarding, special education needs, inclusion, attendance and vulnerable student groups.
- Human Resources Committee, being a subsection of the Resources Committee - meets a minimum of four times in the year to deal with all Human Resources related matters. It is a joint staff and governor committee.
- Additionally, the Appraisal Committee meets, usually annually, to manage the appraisal of the Head Teacher.

The following decisions are reserved for the board of trustees; to consider any proposals for changes to the status or constitution of the academy and its committee structure, to appoint or remove the Chairman and I or Vice Chairman, to appoint the Head Teacher and Clerk to the Trustees, to approve the School Development Plan and budget.

The trustees are responsible for setting general policy, adopting an annual plan and budget, approving the

STRATFORD UPON AVON SCHOOL

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

statutory accounts, monitoring the academy by the use of budgets and other data, and making major decisions about the direction of the academy, capital expenditure and staff appointments.

The trustees have devolved responsibility for day to day management of the academy to the Head Teacher and Senior Leadership Team (SLT).

The academy has a leadership structure which consists of the trustees and The Senior Leadership Team (SLT). The leadership structure aim is to devolve responsibility and encourage involvement in decision making at all levels.

The SL T controls the academy at an executive level, implementing the policies laid down by the trustees and reporting back to them. The Head Teacher, School Business Manager and Finance Committee are responsible for the authorisation of expenditure within agreed budgets, a summary of which is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Head Teacher is responsible for the appointment of staff, though appointment panels for senior leadership posts always include at least one governor.

The Head Teacher is the Accounting Officer.

The School Business Manager is the Chief Financial Officer.

g. Arrangements for setting pay and remuneration of key management personnel

The Academy's Pay Policy, applicable to all staff, broadly follows the provisions of national pay arrangements, according to the School Teachers' Pay and Conditions and the NJC scales for support staff. Exceptions have historically been made to accommodate the Living Wage as recommended by the Living Wage Foundation.

In relation to key management personnel, the Head Teacher's salary is set within the range for the appropriate sized School Group, and salary levels for Deputy Heads and the Assistant Heads are scaled appropriately with each having a 5 point range on the Leadership scale, according to job weight. The School Business Manager and HR and Training Manager are scaled appropriately on the NJC grades.

An annual pay increment is awarded in line with successful performance until the top of the point scale is reached.

None of the trustees is paid for the role as trustee

STRATFORD UPON AVON SCHOOL

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

h. Trade Union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	3
Full-time equivalent employee number	145

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

£000

Total cost of facility time	-
Total pay bill	6,163,149
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related Parties and other Connected Charities and Organisations

The academy has strong although informal collaborative links with feeder primary schools, including a contract for provision of ICT services, and with the local Shires Teaching School Alliance. The academy is a member of the South Warwickshire Education Partnership (SWEP), sharing practice and development opportunities in the spheres of strategy, resources and curriculum. The academy has a usage agreement for the athletics track, to allow specific usage by the neighbouring Stratford upon Avon Grammar School for Girls, and has agreements in place with Sports Clubs that use the site and facilities, including the local Athletics Club who share use of a sports pavilion on site. In all cases, the building and sports surfaces are managed by the academy.

There are no sponsors or formal Parent Teacher Associations associated with the academy.

Objectives and Activities

a. Core purpose

To enable young people to play a positive role in society by providing them with the knowledge, skills, attributes and qualifications to become educated citizens and flourish in the future.

b. Values

We hold these truths to be self-evident; that everyone is entitled to feel safe, happy and successful. We like and care for young people. We have a growth mindset and believe that everyone can improve through hard work if they are engaged, enthused and inspired. We believe in comprehensive values and a student-centred approach.

STRATFORD UPON AVON SCHOOL

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

We work better and are more productive when we feel good about ourselves and trust each other.

c. Objects and Aims

Objects

Advance for public benefit in the United Kingdom by establishing, maintaining and carrying on a school offering a broad and balanced curriculum; and

Promoting for the benefit of the inhabitants of Stratford Upon Avon and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities.

Aims

- Introduce students to the best that has been thought and said and help to develop an appreciation of human creativity and achievement.
- Provide meaningful, manageable and motivational experiences, enabling our students to acquire the knowledge and skills to Learn, Contribute and Lead.
- Improve achievement and raise standards by adding value to students based on their prior knowledge and attainment.
- Provide rich and deep educational opportunities to help understand and appreciate the wide range of social and cultural influences that have shaped our own heritage and that of others.
- Continue to review and revise our approaches to make them fit for purpose in an ever-changing world, including the development of blended learning.
- Set a balanced budget which supports investment in teaching and learning, development of facilities and provision of a diverse range of cultural experiences.

Impact

We will know that we have achieved this because we will:

- Equip pupils with the knowledge, skills and cultural capital they need to succeed in life.
- Develop students who are proud of their achievements, their school and their community.
- Add value to the lives our students lead and the results they achieve.
- Have a positive, respectful, school culture so that all pupils can thrive together with the ability to understand and appreciate the viewpoints of others.
- Be an influential regional voice and determined to keep improving.

Objectives, Strategies and Activities

The focus of the School Development Plan for 2019-20 was as follows:

A. ESTABLISH THE CONDITIONS

- Strengthen effective behaviour routines: Implement revised lesson grading 1-5.
- Deepen positive relationships: Emphasise "Preferred Practices" of behaviour management.
- Shaping the future: Early closure half termly for curriculum development.

B. DEVELOP THE CURRICULUM AND BUILD KNOWLEDGE

- Curriculum intent: Clear rationale between the design and sequence of the curriculum.
- Teach explicit strategies for the retention of knowledge.
- Make reading explicit within curriculum, including reciprocal reading.
- Ensure cultural capital is mapped, taught & visible throughout the school.
- Departmental action plans to be in place supported by SLT links, leading to improved provision and better outcomes.

STRATFORD UPON AVON SCHOOL

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

d. Public benefit

The academy trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

The academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

Strategic report

a. Achievements and performance

This report in this section relates to the strategic priority areas outlined on the previous two pages.

2019-20 was a challenging year particularly notable for the school receiving a successful Ofsted inspection retaining a 'Good' judgement under the new framework, and the bereavement of a Year 11 student and two members of staff, Deputy Headteacher Dr Neil Wood and Caretaker Matt Alcock. Spring 2020 saw the onset of COVID-19 nationally, the subsequent school closure and partial reopening. Despite these considerable challenges, the academic year was very successful in terms of the performance and reputation of the school.

A. ESTABLISH THE CONDITIONS

- Strengthen effective behaviour routines: Implement revised lesson grading 1-5.

The school embedded effective routines for behaviour management. This involved redefining and streamlining the codes used and ensuring consistent clarity of expectations for staff and students. The lesson grades that effectively underpin the daily operation of the school were revised. Notifications of excellent or poor outcomes are routinely communicated to parents on a daily basis. The effectiveness of behavioural routines was commended in the school's Ofsted report: "All staff have high expectations of pupils' behaviour. Pupils understand these expectations and the vast majority of pupils meet them. This means that pupils learn successfully in a calm and positive environment."

The Ofsted report went on to praise how "Leaders' actions to improve pupils' behaviour have been highly successful. Pupils understand and follow the rules and rarely need reminding of what to do. This means that lessons are seldom disrupted by poor behaviour. It also enables pupils to enjoy calm and relaxing social experiences during break and lunchtimes. When issues arise, leaders ensure that pupils understand what they have done wrong and then provide them with support to improve their behaviour."

Another factor in establishing the conditions was the successful implementation of LEAP contributing to high behavioural standards throughout the school and the avoidance of any permanent exclusions.

- Deepen positive relationships: Emphasise "Preferred Practices" of behaviour management

The prevalence of positive relationships throughout the school was highlighted in the opening lines of the school's Ofsted report: "Everyone at Stratford Upon Avon School is committed to ensuring that pupils feel safe, happy and successful. This is achieved very well."

Regular CPD promoting 'preferred practices' of behaviour management contributed to the establishment of a culture whereby relationships are valued. Again, this was evident to Ofsted inspectors who commented that "There is a very inclusive culture across the school. Pupils are valued and cared for. Because of the positive relationships between pupils and staff, pupils trust staff and readily seek out help and support when needed. Pupils say that bullying is not tolerated and is dealt with effectively if it happens. ... Pupils know that there is always someone they can trust to share any concerns with. Pupils also benefit from structured form periods, which help them to feel part of the whole school community. These sessions also reinforce the importance of the school's values, such as respecting and appreciating others' viewpoints. Older students act as positive role models to their younger peers during these times." Parenting advice was provided for parents via letters and video messages to help promote consistent messages when dealing with students.

- Shaping the future: Early closure half termly for curriculum development

STRATFORD UPON AVON SCHOOL

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

The school had 4 early closes to focus on curriculum development work, one in each of the first four half terms. This enabled teachers to have sustained blocks of time to update the KS3 curriculum and coordinate schemes of work, particularly that for Year 7, throughout the year. Ofsted commented favourably on the impact of this work, noting "Curriculum leaders have worked hard to improve what is taught in all key stages. Teachers work well together to plan and map out what pupils need to know and remember over time. Teachers have a detailed knowledge of their subjects. They use this knowledge to design effective resources and to provide clear explanations for pupils". The early closures will continue in 2020-21 with particular focus on developing the curriculum so that it is adjusted in light of the lockdown of spring/summer 2020.

Recruitment was another key area of achievements in terms of shaping the future with the largest cohorts recruited into Year 7 and Year 12 taking the school to over 1600 students on roll for the first time. As a result of the growing demand for places, the school has been in discussion with the Local Authority about possible future expansion and the further development of the site.

B. DEVELOP THE CURRICULUM AND BUILD KNOWLEDGE

- Curriculum intent: Clear rationale between the design and sequence of the curriculum.

Curriculum areas have developed a shared articulation and understanding of the curriculum. Classroom based staff were issued with a copy of 'The Learning Rainforest' by Tom Sherrington which helped deepen the shared understanding and language relating to curriculum. This is reflected in Middle Leader Healthchecks and other common documentation. Ofsted noted how "Pupils study a wide variety of subjects. They benefit from a carefully planned and organised curriculum. Leaders' careful checks on what is happening mean that they know where learning is really strong and where there is still some work to be done. Curriculum planning is thoughtful and detailed across the school". Curriculum development remains a priority work in progress and there is a need for ongoing adjustments to be made in light of the impact of the enforced school closure.

- Teach explicit strategies for the retention of knowledge

A key area of focus has been the development of explicit strategies for teaching students how to retain knowledge and build on their learning. These have been anchored in Rosenshine's 'Principles of Instruction' but adapted to form 'The Stratford Way'. Retrieval practice, dual coding, connected learning, scaffolding and W.A.G.O.L.L. have formed the basis of CPD for teachers and have been incorporated into new schemes of work. However, progress in this area was affected by the enforced school closure and period of home schooling. During this time, teachers adopted many new working practices including the usage of Seneca Learning and Teams. Staff increasingly developed their skills re. voice-over powerpoints, recording video-messages and delivering live lessons. All of this became a central part of delivering the curriculum in a way that was not envisaged at the start of the academic year.

- Make reading explicit within curriculum, including reciprocal reading

Evidence based research informed strategies were utilised to make reading more explicit within different curriculum areas. Visualisers were issued to all teaching staff and lessons made explicit reference to subject specific Tier 3 vocabulary. Other strategies included promoting reciprocal reading strategies in literary based subjects, instruction through reading in Maths and Science and literacy based comprehension work in other subjects, whilst regular reading activities were introduced during form periods.

- Ensure cultural capital is mapped, taught & visible throughout the school

Middle Leader Healthchecks were used to map opportunities for students to Learn, Contribute and Lead throughout every year group and curriculum area. Assemblies were used to promote cultural capital on a weekly basis and the curriculum was reviewed to ensure that subjects taught the best that has been thought and said in their respective areas.

- Departmental action plans to be in place supported by SLT links, leading to improved provision and better outcomes.

Action plans were used to prioritise curriculum development priorities within subjects rather than necessarily on delivering improved student outcomes. Outcomes were determined by Centre Assessed Grades for the first time rather than by external examination as they were cancelled by the government due to the pandemic. A fair and robust internal process was implemented to ensure effective moderation of grades internally before submission.

STRATFORD UPON AVON SCHOOL

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

As a result, 69.4% of GCSE students achieved grade 4+ in English and Maths, with 45.5% achieving grade 5+. At A Level, 50.7% of grades were A*-B, 81.3% A*-C and 100% A*-E. Value added measures, including Progress 8 have not been produced by the Department for Education due to the awarding of Centre Assessed Grades.

Other notable achievements of the 2019-20 academic year included:

- The implementation of online learning for all students via OneDrive, Seneca Learning and Teams in response to the emergency school closure due to Covid-19, and effective online communication, including recruitment and video-messaging with different stakeholders.
- Creating a Covid-secure environment for partial reopening in the summer term and full reopening from September 2020.
- Tender process and switching to new website provider and introduction of virtual tour in readiness for 2020-21 recruitment.
- Effectively managing a net increase of 100 students on roll from September 2019 – September 2020.
- Ongoing effective financial management including the purchase of tiered seating. The school is in a very healthy position financially with approximately £1.1m reserves. This can help support targeted development of the facilities, planned maintenance priorities and leverage additional funding through a strategy of a contribution of reserves to specific projects.

September 2020 student recruitment and retention remains strong with a net in-year gain of 71 in student numbers for years 7-11 and an increasingly popular sixth form with a net increase of 26 to 264 students. Another record intake of 306 students into Year 7 pushing the number on roll over 1600 for the first time ever.

Key financial performance indicators include:

Monthly management accounts (actual vs budget), including analysis of material variances and balance sheet, reserves and cash flow information.

Performance reports of activities for generating funds (catering and lettings).

Periodic full year forecast management accounts, including analysis of material variances.

There was no GAG carry forward at the end of the year.

Staff absence through sickness (2.56%) (18/19 2.88%).

b. Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

The trustees also have a reasonable expectation that the academy will not be significantly adversely impacted by COVID-19.

STRATFORD UPON AVON SCHOOL

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

Financial Report

a. Financial review

The academy continues to review the use of its finances and provisions for financial risks associated with funding levels and renewal of capital assets. The resources committee manager financial risk through a regular review of the risk register and monthly management accounts.

The lockdown and subsequent Government restrictions to control the spread of COVID-19 in March 2020 has had a significant impact upon trading income from lettings and catering but has been mitigated by some reduction in costs and use of the Covid Job Retention and exceptional covid costs reclaim schemes. It is unlikely the Trust will be able to access these funds in 2020-2021.

The school is in a very healthy position financially despite the impact of the COVID-19 pandemic. Reserves were slightly reduced overall due to lost income and additional commitment of reserves to bring forward capital projects and other building related revenue expenditure. Trading activity continues to be lower due to the pandemic restrictions and the Trust will amend spending decisions to mitigate reduced income from trading activity throughout 2020-2021.

The academy generated an overall loss of £14,644 after capital spending of £270,355 and capital receipts of £29,318. The difference in capital is covered by the transfer of reserves.

Cash balances at year end are £1,419,315 and the net current assets are £1,148,130.

Maintaining a surplus carry forward in the medium term will act as a contingency which allows time to take appropriate decisions and adapt to any risks associated with any possible reductions in income associated with the national funding rates, especially any change due to pandemic economic recovery plans which are likely to place considerable pressure on future government spending decisions. Also any further rise in costs, particularly employment costs associated with employer pension contributions and pay awards. These intangibles can rapidly have a drastic impact on the balance sheet.

Cost pressures associated with the teacher pay award in September 2018 and 2019 (3.1% average) and a higher contribution rate to the teacher pension fund remain challenging but the extra cost associated with these was supported through the additional teacher pay grant receipts totaling £100k and the teacher pension grant £282k. We continue to monitor the long term structural impact upon the Trust reserves as these grants are withdrawn and the costs get subsumed into the general AWPU rate within the GAG funding in future years.

Above inflationary pay rises for support staff on the lower pay scales in 2018-2020, a 2.75% rise in April 2020 and a higher LGPS primary pension contribution rate following the triennial review of the Warwickshire pension scheme introduced April 2020 continue to increase unfunded staffing costs. The Trust continue to monitor all support staff positions to ensure the level of administrative and operational staff provide an effective support to the teaching functions of the School and the education of our students. Long term support for these costs is factored into the Trustees use of reserves.

Additional grants received were:

A supplementary grant of £18.1k for free school meals provision.

A supplementary grant of £30.5k for pupil premium provision.

Growth funding of £64,047 was received for the additional places offered in year 7 for entry September 2019.

The academy generates additional income from its other regular activities, notably lettings and associated sporting and holiday uses, largely by members of the community. In the year, this amounted to £85k (19/20), significantly lower than the £179k (18/19) last year due to the pandemic restrictions. After allowing for all direct staffing costs, unreclaimable VAT and overhead allocation this resulted in a much lower direct contribution of £14k, compared to £98k (18/19) towards the unrestricted reserves to support the upkeep of facilities and contribute towards the educational provision of the academy in this financial year.

STRATFORD UPON AVON SCHOOL

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

Catering for the first 7 months of the year was performing above expectation following a further higher intake of pupils into year 7. Due to the pandemic resulting in the school being closed from mid March sales significantly reduced to £306k compared to £471k (18/19) a reduction of (35%). After direct staffing, supplies and overhead allocation costs this resulted in an £88k loss supported by reserves, a reduction of £90k compared to (18/19). This was mitigated by a £50k receipt from the CJRS for staff furloughed during this period.

The academy is also pleased to acknowledge the generous and welcome ongoing financial support provided by the Stratford Town Trust, which provides funds for qualifying activity, including hardship support, to be used at the Academy's discretion. This has helped us to support many students access music lessons, the young apprentice award and support other opportunities when required.

£146k of Section 106 funding was allocated in 2015 from new housing developments in the area relating to other allocated funds. To date £60k has been received with £86k deferred, and are expected to become payable in subsequent years as receipts are received by Warwickshire County Council.

Comparison with previous years is difficult due to the extraordinary impact upon the school due to the pandemic restrictions but where possible costs were reduced to offset the impact of losses of income associated with our trading activities. Generally overhead costs were well controlled within budget with lower repair and maintenance, utility and photocopier lease costs associated with reduced activity during the lockdown period.

Staff costs represent the most significant cost to the School but were well controlled during the year with recruitment, absence and agency cover costs all lower as absence rates decreased and retention of staff was at its best level for many years. Where possible recruitment was delayed between March and August to reduce costs.

The removal of the contracted out pension rate with effect from April 2016 increased the Employers NI rate (from 10.4% to 13.8%) and continues to represent an extra cost of approximately £90,000 per annum.

The introduction of the Apprenticeship levy in April 2017 @ 0.5% of salary bill (excludes on-costs) over £3M, which cost £9,513 compared with £8,020 p.a (18/19). The school is currently looking to offer apprenticeship training to draw down on this funding.

During the year ended 31 August 2020, total income of £8,309,534, total expenditure of £8,324,178 (excluding Depreciation of £762,415 and FRS102 Pensions of £423,000) was covered by recurrent grant funding from the ESFA together with other incoming resources and reserves. This resulted in a deficit of income over expenditure for the year (excluding Depreciation and FRS102 Pensions) of (£14,166), of which a deficit of (£73,837) has been generated from unrestricted activities due to the reduction in income associated with the pandemic restrictions.

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations. The contribution rate of 16.4% rose significantly to 23.6% for the period 1 September 2019 to 31 March 2023. We received funding from the DfE for the financial year 2019/20 to help maintained schools and academies meet the additional costs resulting from the scheme valuation. Recent announcements indicate the teachers pension grant will be paid until 2021/2022.

It is forecast that the increase in contributions for the school would be £260,000 per annum which will be fully funded in 2019/2020 and 2020/2021. If not fully funded by additional resources from Government in future years this would have a significant impact upon the level of school reserves and future cashflow plus implication for maintaining an adequate level of funding as prescribed in the reserves policy.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on

STRATFORD UPON AVON SCHOOL

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

an actuarial basis.

Due to the accounting rules for the Local Government Pension Scheme under FRS17, the academy is recognising a significant pension fund deficit of £4,073,000 at the end of August 2020 and an actuarial loss of £50,000 for the year. This does not mean this is an immediate liability but requires funding over the long term via increased employers contributions following the triennial review. From April 2020 the secondary lump sum of £55k to meet future pension costs was removed and an increased primary rate introduced from 19.8% to 23.2%. The estimated employers LGPS cost for 20/21 is £400k which is £58k more than at the previous primary rate which represents little increase in the overall pension cost overall.

The recognition of this deficit has no direct impact on the free reserves of the academy.

At 31 August 2020 the net book value of intangible and tangible fixed assets were £25,371,212. Movements in intangible fixed assets are shown in note 12 of the financial statements and tangible fixed assets note 13. The assets were used exclusively for providing education and the associated support services to the students of the academy.

A programme of refurbishment and environmental improvements was continued in 2019/2020 replacing computers, providing laptops and bringing forward purchase of additional units to support student access to remote learning during the pandemic, installing smart screens in 4 additional classrooms, continuing investing in LED lighting to stairwells and replacement of the external lighting and provision of a 204 moveable seat tiered seating unit. Many of these will remain a recurring priority in future years, along with improvement to ICT switches and the main server replacement due in 2020/2021. Due to a number of malicious incidents causing damage to the facilities during holiday and lockdown periods we invested in new security measures including a fully monitored external CCTV system to the perimeter of our buildings and sports facilities. To date we have had 2 unsuccessful applications to the capital condition improvement fund but will be committing resources towards a bid in 2020/2021 to replace 2 of our boiler rooms.

Capital expenditure of £270k was funded using £29.3k DFC funding, and £240.7k transferred from reserves.

There is no capital surplus relating to unspent devolved formula capital allocation 19/20 to be carried forward into the 20/21 budget forecast. Capital reserve at the year end is zero.

During the year no historic assets received on transfer to a trust have been written off.

b. Reserves Policy

The trustees review the cash reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of cash reserves. The trustees have determined that the appropriate level of free cash reserves should be equivalent to one month's gross salary expenditure, which for the purposes of this year's report is in the region of £600,000, and the academy does hold a free reserve at this level. The rationale for this value is to provide for unforeseen events and to ensure commitments can be made in the event of a late income payment from the ESFA.

The academy's current level of free reserves (total funds less fixed assets and restricted funds) is £789,909. The value of restricted reserves is £21,656,432.

c. Investments policy

The academy aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long term value of any surplus cash balances against inflation. The academy does not consider the investment of funds as a primary activity, rather as a result of good stewardship as and when circumstances allow.

Nevertheless, the trustees' policy is to invest any surplus funds in low risk short to medium term bank deposits using the products available with our bankers, Lloyds.

STRATFORD UPON AVON SCHOOL

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

Streamlined Energy and Carbon Reporting

Energy Source	Consumption	Scope	Emissions calculation
Gas – total kWh (kilowatt-hours) used for the year taken from gas bills for each academy within the trust	1,023,763 kWh (gross CV (calorific value))	Scope 1	1,023,763 kWh * 0.18387 (2020 fuels, natural gas conversion factor gross CV to kg Co2e) kgCO2e = 188.24 tCO2e
Electricity – total kWh used for the year, taken from the electricity bills for each academy within the trust	622,300 kWh	Scope 2	622,300 kWh * 0.23314 (2020 electricity conversion factor to kgCO2e) kgCO2e = 145.0 tCO2e
Transport – Mini-bus 1 – 6,500 miles in the year Mini-bus 2 - 7,800 miles in the year	3,362 miles * 1.19466 (2020 SECR kWh pass & delivery vehs, vans class 2 – used in lieu of passenger vehicles conversion)= 4,016 kWh	Scope 1	3,362 miles = 4,016 km 4,016 km 0.18900 (2020 managed assets vehicles, vans class 2 – used in lieu of passenger vehicles conversion) = 7,59 kgCO2e = 0.75 tCO2e
Total Intensity ratio	1,650,079 kWh Emissions data (tCO2e) compared with an appropriate business activity (pupil numbers as per Autumn census)		334.07 tCO2e 334.07 tCO2e/1,602 pupils = 0.03 tCO2e per pupil 0.21

Measures to improve energy efficiency and our carbon footprint

- Continue to replace lighting with low energy LED lighting throughout the school
- Apply for CIF funding to replace aging boilers with more efficient ones.
- Ensure timers and thermostats on energy systems are reviewed and adjusted regularly throughout the year to minimize wasted energy
- Encourage lights to be switched off and install more movement sensors
- Reviewing how the facilities as a whole are used across the school and during lettings periods to consolidate use to minimise energy usage..

Principal Risks and Uncertainties

The academy has implemented a risk management policy and created a risk register and risk review process. The trustees have assessed the major risks to which the academy is exposed, in particular those relating to management of student recruitment and attainment, provision of facilities and other operational areas, its finances in the context of the national funding position and reductions in post-16 funding, and local competition for places. including the potential for expansion of school places.

The trustees have implemented a system to assess risks that the academy faces. They have introduced systems in order to minimise risk, including operational procedures (e.g. vetting of new staff and visitors. ICT back-up systems and testing) and internal financial controls. Where significant financial risk still remains, the trustees have ensured there is adequate insurance cover.

The formal risk management process assesses business risks and implements risk management strategies. This process involves identifying the types of risk the academy faces, scoring and prioritising the risks in terms of their potential operational and financial impact, assessing the likelihood of occurrence and identifying means of mitigating the risks. The analysis has been extended in the past year to include a further factor, namely the likelihood of being able to foresee the risk. The Risk Register is maintained and reviewed on a regular basis,

STRATFORD UPON AVON SCHOOL

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

The following general controls are in place.

- Terms of reference for all board of trustees and delegated committees under the direction of the board of trustees;
- Business and Pecuniary interests of trustees reviewed at each meeting.
- Comprehensive budgeting and management reporting.
- Established organisational structure and clear lines of reporting.
- Formal written policies.
- Clear authorisation and approval levels.
- Vetting procedures as required by law for the protection of the vulnerable.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Fundraising

Trustees and senior staff are mindful of the provisions of the Charities (Protection and Social Investment) Act 2016.

Grants have been applied for and received, as described in the Financial Review.

Donations are welcomed from parents and other friends of the school, although are not currently actively sought. Where applicable, donations are Gift Aided. Care is taken to protect privacy under the prevailing Data Protection regulation.

There have been no complaints about fundraising during the period covered.

Plans for future periods

a. Future developments

SCHOOL DEVELOPMENT PLAN SUMMARY OF PRIORITIES 2020-21

1. Provide an agile response to managing coronavirus
 - a) Ongoing adaptation of risk assessment & fluid planning for likely scenarios.
 - b) Efficient means of communication with staff, parents and students, including development of new website.
 - c) Effective use of coronavirus Catch up funding/ National Tutoring Programme.
2. Develop an outstanding quality of education
 - a) Agile response to curriculum planning & effective use of Assessment for Learning - Quality Assurance identifies any gaps in provision. Monitor the impact of new schemes of work to ensure they are of the highest quality and are delivered consistently. Monitor the impact on groups to ensure there is no unconscious bias.
 - b) Development of ongoing blended learning by use of Microsoft Teams to support in-class and home impact of new schemes of work to ensure they are of the highest quality and are delivered consistently.
 - c) Teach explicit strategies for the retention of knowledge and ensure these are used consistently across the school.
 - d) Make reading explicit within the curriculum, including reciprocal reading and ensure it is used effectively across the school.
 - e) Ensure cultural capital is mapped, taught & visible throughout the school.
3. Meet the needs of an inclusive school
 - a) Review the Inclusion provision in school to ensure it is fit for purpose and develop our capacity to meet a range of needs by creating the right environment in KS3 supportive provision, KS4 alternative provision & flexible learning.

STRATFORD UPON AVON SCHOOL

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

- b) Introduction of Stratford Scholars programme to better cater for the needs of our most able and disadvantaged students with targeted enhancement opportunities.
- c) Reduce the digital divide including investigating options re. devices for students.
- 4. Expansion of the school and site development
 - a) Continue to make provision for an additional form entry into year 7.
 - b) Continue progress with two-part building expansion; dining hall by Sept 2021, followed by acquisition of the College car park & further expansion of the School September 2023.
 - c) Try to source additional STT funding and make strategic use of our reserve to ensure site meets needs beyond LA commissioned work.
 - d) Seek additional funding to support the maintenance and expansion of community sports facilities such as the athletics track.
 - e) Review staffing structures to ensure they are fit for purpose as the school grows, including retention and recruitment of staff.

The immediate priority is provide a safe learning/working environment and agile response to managing coronavirus. A series of control measures have been introduced to try and manage the risk effectively with significant operational changes on a daily basis.

The educational focus remains continuing to develop the quality of education by focusing on curriculum planning and building and retaining student knowledge. In doing so, the academy will continue to improve still further the levels of performance of its students at all levels, particularly disadvantaged students.

The academy will continue to aim to attract high quality teachers and support staff in order to meet the needs of an inclusive school and ensure that staffing structures are fit for purpose as the school grows.

Strategic planning will focus on liaising with the local authority in order to plan for the provision of additional places. As the academy is the only non-selective secondary school in Stratford town the number on roll is expected to continue to increase in the next couple of years as larger primary cohorts move through into secondary. There are also some large housing developments with permission still to build out. The local authority are projecting that an additional two forms of entry will be required increasing our published admission number to 350.

The school will prioritise spending on appropriate staffing, on any necessary maintenance and capital investment in order to extend provision, and on development of the curriculum. Our financial planning allows for the utilisation of the Reserves, built up over a period of time, as capital developments are realised.

We are aware that the uncertainty currently surrounding Brexit could potentially impact our operations, trips and visits abroad, service users and suppliers. We are reviewing and monitoring the impact of this on an ongoing basis.

Funds Held as Custodian Trustee on Behalf of Others

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

STRATFORD UPON AVON SCHOOL

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

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The auditors, Mazars LLP, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of trustees, as the company directors, on 7/12/20 and signed on its behalf by:



Jane Price
Chair of Trustees

STRATFORD UPON AVON SCHOOL

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that Stratford upon Avon 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 Stratford upon Avon School and the Secretary of State for Education. They are also responsible for reporting to the Board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the Board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Drummond	5	5
P Heath	5	5
T Irish	4	5
J Price	5	5
C Rivett (resigned 05/07/20)	4	4
A Scott-Lee, Staff Trustee (resigned 09/12/19)	2	2
N Wallace, Head Teacher & Accounting Officer	5	5
J Baker (appointed 09/12/19)	3	3
T Paxton (resigned 09/12/19)	1	
L Wretham (resigned 06/03/20)	1	3
G Inglis	5	5
S Nicholson	5	5
E Heathcote-James	4	5
K Scott	2	5

Note: For those appointed as Trustees during the course of 2019-20, but having previously joined the board as a committee member, their attendance at meetings as a committee member / observer is included in the totals shown.

Note: Members are only required to attend the AGM

Governance Review

During 2018-2019 a review of the governance arrangements for 2019-2020 took place. The main aim was to reduce the size of the Board, separate the academy members from the Board of Directors (Trustees) and ensure the Trustees have the appropriate skill set for strategic management of the academy and these are reflected within the members. Some staff members and trustees reverted to committee members in attendance at committee meetings. The Finance Committee was renamed as the Resources Committee to reflect a wider brief to include health and safety reports and responsibility for the scrutiny and recommend approval for the use of all the Academy assets.

The Resources Committee is a sub-committee of the main board of trustees and includes committee members in addition to trustees. Its purpose is to secure the financial position of the academy, and ensure compliance and propriety in the planned and actual use of funds. Audit matters are covered by the Finance Committee.

STRATFORD UPON AVON SCHOOL

GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
T Paxton (resigned 09/12/19)	0	1
K Scott	1	5
P Heath	5	5
J Price	3	5
N Wallace	5	5
G Inglis	4	5
E Heathcote-James	5	5
Committee Member	Meetings attended	Out of a possible
C Faulkner	2	2
W Mills	4	5

Note: For those appointed as Trustees during the course of 2019-20, but having previously attended the meeting as an observer, their attendance at meetings as an observer is included in the totals shown..

REVIEW OF VALUE FOR MONEY

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

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

1. Making use of an interactive deployment planning tool, curriculum planning and development plans , to ensure recruitment only where we can evidence the need. This is supported by a justification being made for every post, prior to recruitment. This is an open and transparent system.
2. Provision of external services to other schools where we have skills and capacity to help their development, providing value for money to those schools, and a valuable income stream to the academy.
3. Making maximum use of external grants and funding streams to expand and enhance our provision of facilities, environmental improvements and services to support student learning, careers and progression.
4. Continuing work with other local academies into shared procurement and using joint benchmarking to drive costs down.
5. Making use of the published DfE spending breakdowns to benchmark the academy spend.
6. Making use of brokerage and crown commercial services frameworks to reduce operational costs.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy 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 Stratford upon Avon School for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of

STRATFORD UPON AVON SCHOOL

GOVERNANCE STATEMENT (continued)

approval of the annual report and financial statements. This process is regularly reviewed by the Board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and monthly financial reports which are reviewed and agreed by the Board of trustees;
- regular reviews by the finance 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 board of trustees has continued in 2019-20 to purchase an external independent internal audit service reduced to one visit during February this year due to the pandemic restrictions.

The decision has been taken by the trustees to continue to purchase the external service for two visits during 2020-21.

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

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- cash management
- governance and committee terms of reference
- budget setting and control processes
- risk register
- finance regulations manual

On a periodic basis, the auditor reports to the Board of trustees through the audit committee on the operation of the systems of control and on the discharge of the Board of trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the 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 auditor;
- the work of the external auditors;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of trustees on 7 December 2020 and signed on their behalf, by:



Jane Price
Chair of Trustees



Neil Wallace
Accounting Officer

STRATFORD UPON AVON SCHOOL

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Stratford upon Avon 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 2019-2020.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of 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 2019-2020.

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.



Neil Wallace
Accounting Officer

Date: 07/12/2020

STRATFORD UPON AVON SCHOOL

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

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

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

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

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

Approved by order of the members of the Board of trustees on 7/12/20 and signed on its behalf by:



Jane Price
Chair of Trustees

STRATFORD UPON AVON SCHOOL

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF STRATFORD UPON AVON SCHOOL

OPINION

We have audited the financial statements of Stratford Upon Avon School ("the 'Academy Trust'") for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and 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, the United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Stratford Upon Avon School's affairs at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended ;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and the Charities SORP 2019 and Academies Accounts Direction 2019 to 2020.

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 charitable company 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.

THE IMPACT OF UNCERTAINTIES DUE TO THE UNITED KINGDOM EXITING THE EUROPEAN UNION ON OUR AUDIT

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

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

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditors' reports thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

STRATFORD UPON AVON SCHOOL

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF STRATFORD UPON AVON SCHOOL

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement set out on page 22, the Trustees (who are directors 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.

STRATFORD UPON AVON SCHOOL

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF STRATFORD UPON AVON SCHOOL

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.

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.

USE OF THE AUDIT 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.

David Hoose (Senior statutory auditor)

for and on behalf of

Mazars LLP

Chartered Accountants
Statutory Auditor

45 Church Street
Birmingham
B3 2RT

STRATFORD UPON AVON SCHOOL

INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO STRATFORD UPON AVON SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 13 July 2020 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Stratford Upon Avon School during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Stratford Upon Avon School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Stratford Upon Avon School and the ESFA those matters we are required to state to it 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 Stratford Upon Avon School and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF 'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Stratford Upon Avon School's funding agreement with the Secretary of State for Education dated 21 March 2011 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the 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 to our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

STRATFORD UPON AVON SCHOOL

INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO STRATFORD UPON AVON SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)

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 period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Mazars LLP

Chartered Accountants
Statutory Auditor

45 Church Street
Birmingham
B3 2RT

STRATFORD UPON AVON SCHOOL

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

	Note	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
INCOME FROM:						
Donations and capital grants	2	59	12	29	100	173
Charitable activities	3	389	7,567	-	7,956	7,507
Other trading activities	4	38	210	-	248	245
Investments	5	6	-	-	6	4
TOTAL INCOME		492	7,789	29	8,310	7,929
EXPENDITURE ON:						
Raising funds		2	184	-	186	165
Charitable activities		483	7,759	762	9,004	8,350
TOTAL EXPENDITURE	6	485	7,943	762	9,190	8,515
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	17	7	(154)	(733)	(880)	(586)
		-	(241)	241	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		7	(395)	(492)	(880)	(586)
Actuarial losses on defined benefit pension schemes	22	-	(50)	-	(50)	(1,066)
NET MOVEMENT IN FUNDS		7	(445)	(492)	(930)	(1,652)
RECONCILIATION OF FUNDS:						
Total funds brought forward		783	(3,270)	25,863	23,376	25,028
TOTAL FUNDS CARRIED FORWARD		790	(3,715)	25,371	22,446	23,376

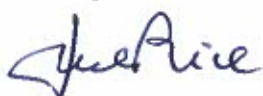
STRATFORD UPON AVON SCHOOL

Registered number: 7690776

BALANCE SHEET AS AT 31 AUGUST 2020

	Note	£000	2020 £000	£000	2019 £000
FIXED ASSETS					
Intangible assets	12		3		4
Tangible assets	13		25,368		25,859
			<u>25,371</u>		<u>25,863</u>
CURRENT ASSETS					
Stock	14	11		7	
Debtors	15	223		252	
Cash at bank and in hand		1,419		1,291	
		<u>1,653</u>		<u>1,550</u>	
CREDITORS: amounts falling due within one year	16	(505)		(387)	
NET CURRENT ASSETS			<u>1,148</u>		<u>1,163</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>26,519</u>		<u>27,026</u>
Defined benefit pension scheme liability	22		(4,073)		(3,650)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>22,446</u></u>		<u><u>23,376</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	17	358		380	
Restricted fixed asset funds	17	25,371		25,863	
		<u></u>		<u></u>	
Restricted income funds excluding pension liability		25,729		26,243	
Pension reserve		(4,073)		(3,650)	
		<u></u>		<u></u>	
Total restricted income funds			21,656		22,593
Unrestricted income funds	17		790		783
			<u></u>		<u></u>
TOTAL FUNDS			<u><u>22,446</u></u>		<u><u>23,376</u></u>

The financial statements on pages 28 to 52 were approved by the Trustees, and authorised for issue, on and are signed on their behalf, by:



J Price
Chair of Trustees

STRATFORD UPON AVON SCHOOL

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by operating activities	19	364	298
Cash flows from investing activities:			
Dividends, interest and rents from investments		6	4
Purchase of tangible and intangible fixed assets		(271)	(201)
Capital grants from DfE Group		29	132
Net cash used in investing activities		(236)	(65)
Change in cash and cash equivalents in the year		128	233
Cash and cash equivalents brought forward		1,291	1,058
Cash and cash equivalents carried forward	20	1,419	1,291

STRATFORD UPON AVON SCHOOL

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the 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)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

The trustees also have a reasonable expectation that the academy will not be significantly adversely impacted by COVID-19.

STRATFORD UPON AVON SCHOOL

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

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities incorporating income and expenditure account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities incorporating income and expenditure account in the year 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of Financial Activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Certain types of income are shown in the Statement of Financial Activities incorporating income and expenditure account net of expenditure as follows:

STRATFORD UPON AVON SCHOOL

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

1. ACCOUNTING POLICIES (continued)

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'.

When the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and 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.

The assets and liabilities transferred on conversion from Stratford upon Avon High School to an academy trust are valued at their fair value, being a reasonable estimate of the current market value that the trustees would expect to pay on the open market for an equivalent item at the date of conversion. Their fair value is in accordance with the accounting policies set out for Stratford upon Avon School. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in donations and capital grants income as a gift / net expenditure in other expenditure in the Statement of Financial Activities in a prior period and analysed under unrestricted, restricted general and restricted fixed assets funds.

1.4 Expenditure

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

Expenditure on raising funds

Charitable activities

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

STRATFORD UPON AVON SCHOOL

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

1. ACCOUNTING POLICIES (continued)

1.5 Intangible fixed assets and amortisation

Intangible assets costing £2,500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Intangible assets will be amortised over their useful economic life.

1.6 Tangible fixed assets and depreciation

All assets costing more than £2,500 and portable electronics over £400 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. 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, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long leasehold land and buildings -	2% straight line
Fixtures, fittings and equipment -	10% straight line
Computer equipment -	25% straight line

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

1.7 Stocks

Catering stocks are valued at the lower of cost or net realisable value.

1.8 Debtors

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

1.9 Cash at Bank and in hand

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

STRATFORD UPON AVON SCHOOL

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

1. ACCOUNTING POLICIES (continued)

1.10 Liabilities and provisions

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

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

1.11 Financial instruments

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy and their measurement 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 15. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

1.12 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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.

STRATFORD UPON AVON SCHOOL

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

1. ACCOUNTING POLICIES (continued)

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.14 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

STRATFORD UPON AVON SCHOOL

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

1. ACCOUNTING POLICIES (continued)

1.15 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

Critical areas of judgment:

Pension scheme

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 21, will impact the carrying amount of the pension liability.

Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Depreciation

The assessment of the useful economic lives and the method of depreciating fixed assets requires judgement. Depreciation is charged to profit or loss based on the useful economic life selected, which requires an estimation of the period and profile over which the Academy Trust expects to consume the future economic benefits embodied in the assets.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Donations	59	12	-	71	41
Capital grants	-	-	29	29	132
	59	12	29	100	173
Total 2019	4	37	132	173	

STRATFORD UPON AVON SCHOOL

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

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Educational Operations	304	7,567	7,871	7,327
Hire of facilities	85	-	85	180
	<u>389</u>	<u>7,567</u>	<u>7,956</u>	<u>7,507</u>
Total 2019	<u>645</u>	<u>6,862</u>	<u>7,507</u>	

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
DfE/ESFA grants				
General Annual Grant	-	6,699	6,699	6,493
Other DfE/ESFA grants	-	701	701	290
Local authority grants	-	167	167	79
Other income from the academy trust	304	-	304	465
	<u>304</u>	<u>7,567</u>	<u>7,871</u>	<u>7,327</u>
Total 2019	<u>465</u>	<u>6,862</u>	<u>7,327</u>	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
External catering	2	-	2	6
School trips	-	186	186	164
Sundry income	36	24	60	75
	<u>38</u>	<u>210</u>	<u>248</u>	<u>245</u>
Total 2019	<u>54</u>	<u>191</u>	<u>245</u>	

School trip income has been recognised as trading activity income during the current period as per ESFA guidance.

STRATFORD UPON AVON SCHOOL

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

5. INVESTMENT INCOME

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Short term deposits	6	-	6	4
Total 2019	4	-	4	

6. EXPENDITURE

	Staff costs 2020 £000	Premises 2020 £000	Other costs 2020 £000	Total 2020 £000	Total 2019 £000
Educational Operations:					
Direct costs	5,356	762	482	6,600	5,943
Support costs (note 7)	1,444	416	470	2,330	2,321
Hire of facilities :					
Support costs (note 7)	27	44	3	74	86
Expenditure on Raising Funds:					
Direct costs	-	-	184	184	160
Support costs	1	-	1	2	5
	6,828	1,222	1,140	9,190	8,515
Total 2019	6,072	1,158	1,285	8,515	

School trips have been recognised as a trading activity during the current period and so expenditure is now recognised in expenditure on raising funds.

7. ANALYSIS OF SUPPORT COSTS

	Educational Operations £000	Hire of Facilities £000	Total 2020 £000	Total 2019 £000
Technology costs	15	-	15	16
Premises costs	417	44	461	441
Other support costs	439	3	443	591
Governance costs	21	-	21	25
Support staff costs	1,439	27	1,466	1,329
Legal fees	1	-	1	5
	2,332	74	2,407	2,407

Included within governance costs are any costs associated with the strategic as opposed to day-to-day management of the charity's activities. These costs include staff costs, auditors remuneration, HR and legal professional services, health and safety advice, support and training of Trustees.

STRATFORD UPON AVON SCHOOL

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

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2020 £000	2019 £000
Depreciation of tangible fixed assets:		
- owned by the charity	762	715
Amortisation of intangible fixed assets	1	2
Auditor's remuneration - audit	10	10
Auditor's other services	4	3
Operating lease rentals	24	27
	<hr/> <hr/>	<hr/> <hr/>

STRATFORD UPON AVON SCHOOL

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

9. STAFF

a. Staff costs

Staff costs were as follows:

	2020 £000	2019 £000
Wages and salaries	4,916	4,571
Social security costs	475	437
Operating costs of defined benefit pension schemes	1,405	1,027
	<u>6,796</u>	<u>6,035</u>
Supply teacher and other agency costs	32	37
	<u>6,828</u>	<u>6,072</u>

b. Staff numbers

	2020 No.	2019 No.
Teachers	77	72
Administration and support	138	138
Management	10	10
	<u>225</u>	<u>220</u>

Average headcount expressed as a full time equivalent:

	2020 No.	2019 No.
Teachers	69	64
Administration and support	69	71
Management	10	10
	<u>148</u>	<u>145</u>

STRATFORD UPON AVON SCHOOL

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

9. STAFF COSTS (continued)

c. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1
In the band £100,001 - £110,000	1	1

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £891,436 (2019: £707,717).

10. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2020 £000	2019 £000
N Wallace (Head teacher & Accounting officer)	Remuneration	105-110	100-105
	Pension contributions paid	20-25	15-20
C Faulkner (Staff trustee)	Remuneration	0	5-10
	Pension contributions paid	0	0-5
A Scott-Lee (Staff trustee)	Remuneration	5-10	15-20
	Pension contributions paid	0-5	0-5

During the year ended 31 August 2020, no Trustees received any reimbursement of expenses (2019 - £NIL to no Trustees).

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 (2019: £5,000,000) on any one claim and the cost for the year ended 31 August 2020 was £332 (2019 - £330).

STRATFORD UPON AVON SCHOOL

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

12. INTANGIBLE FIXED ASSETS

	Software licenses £000
Cost	
At 1 September 2019 and 31 August 2020	8
Amortisation	
At 1 September 2019	4
Charge for the year	1
At 31 August 2020	5
Carrying amount	
At 31 August 2020	3
At 31 August 2019	4

13. TANGIBLE FIXED ASSETS

	Long Leasehold Land and Buildings £000	Fixtures, Fittings and Equipment £000	Computer Equipment £000	Total £000
Cost				
At 1 September 2019	30,197	688	279	31,164
Additions	-	125	146	271
At 31 August 2020	30,197	813	425	31,435
Depreciation				
At 1 September 2019	4,800	424	81	5,305
Charge for the year	603	77	82	762
At 31 August 2020	5,403	501	163	6,067
Net book value				
At 31 August 2020	24,794	312	262	25,368
At 31 August 2019	25,397	264	198	25,859

All assets are recognised at cost with the exception of Long Leasehold Land and Buildings donated to the Academy Trust upon conversion in 2012. These assets are recognised based on a valuation on 22 June 2012 less accumulated depreciation.

STRATFORD UPON AVON SCHOOL

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

14. STOCK

	2020 £000	2019 £000
Catering	11	7

15. DEBTORS

	2020 £000	2019 £000
Trade debtors	-	44
VAT recoverable	69	74
Other debtors	8	8
Prepayments and accrued income	146	126
	223	252

16. CREDITORS: Amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	272	140
Taxation and social security	113	108
Other creditors	51	1
Accruals and deferred income	69	138
	505	387

	2020 £000	2019 £000
Deferred Income		
Deferred income at 1 September 2019	100	100
Resources deferred during the year	51	100
Amounts released from previous years	(100)	(100)
Deferred income at 31 August 2020	51	100

As at 31 August 2020, the academy trust was holding funds received in advance for music tuition booked for the Autumn term 2020. These funds amounted to £0 (2019: £6,785).

ESFA funding relating to the reimbursement of rates has also been deferred as at 31 August 2019. This income totalled £0 (2019: £32,107). Income of £37,960 (2019: £50,145) relates to educational trips, £13,032 (2019: £6,289) relates to Biometric deposits, and £0 (2019: £5,147) relates to ICT service support invoiced in advance to a neighbouring school.

STRATFORD UPON AVON SCHOOL

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

17. STATEMENT OF FUNDS

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers In/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
Unrestricted funds	783	492	(485)	-	-	790
Restricted general funds						
General Annual Grant (GAG)	344	6,699	(7,132)	(241)	-	(330)
Other ESFA and DfE grants	(19)	702	(120)	-	-	563
Other government grants	3	167	(102)	-	-	68
Donations	48	197	(191)	-	-	54
Other	4	24	(25)	-	-	3
Pension reserve	(3,650)	-	(373)	-	(50)	(4,073)
	<u>(3,270)</u>	<u>7,789</u>	<u>(7,943)</u>	<u>(241)</u>	<u>(50)</u>	<u>(3,715)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	-	29	(29)	-	-	-
Capital expenditure from GAG	521	-	(98)	241	-	664
Private sector capital grants	288	-	(2)	-	-	286
Transfer on conversion to academy	25,054	-	(633)	-	-	24,421
	<u>25,863</u>	<u>29</u>	<u>(762)</u>	<u>241</u>	<u>-</u>	<u>25,371</u>
Total restricted funds	<u>22,593</u>	<u>7,818</u>	<u>(8,705)</u>	<u>-</u>	<u>(50)</u>	<u>21,656</u>
Total funds	<u>23,376</u>	<u>8,310</u>	<u>(9,190)</u>	<u>-</u>	<u>(50)</u>	<u>22,446</u>

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

(i) General Annual Grant is used for the educational operations of the academy. Transfers to the restricted fixed asset funds represents the shortfall in capital grant funding.

(ii) Other DfE and local authority grants are used for the specific purpose provided.

(iii) Other restricted general funds include Town Trust grant, payments towards trips / activities and examinations.

(iv) The pension reserve is the surplus / deficit in the Local Government Pension Scheme.

(v) Fixed assets funds include fixed assets transferred on conversion, capital grants, additions and

STRATFORD UPON AVON SCHOOL

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

17. STATEMENT OF FUNDS (continued)

depreciation. Transfers from the General Annual Grant are used to subsidise the shortfall in capital grant funding.

(vi) Unrestricted funds includes surpluses from activities for generating funds (catering and hire of facilities), surpluses transferred on conversion (cash), donations, investment income and miscellaneous income to be spent at the discretion of the trustees.

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

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers In/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
General funds						
Unrestricted funds	659	707	(583)	-	-	783
Restricted general funds						
General Annual Grant (GAG)	267	6,430	(6,283)	(70)	-	344
Other ESFA and DfE grants	(8)	353	(364)	-	-	(19)
Other government grants	-	79	(76)	-	-	3
Donations	14	201	(167)	-	-	48
Other	2	27	(25)	-	-	4
Pension reserve	(2,284)	-	(300)	-	(1,066)	(3,650)
	<u>(2,009)</u>	<u>7,090</u>	<u>(7,215)</u>	<u>(70)</u>	<u>(1,066)</u>	<u>(3,270)</u>
Restricted fixed asset funds						
Capital expenditure from GAG	493	-	(42)	70	-	521
Private sector capital grants	198	132	(42)	-	-	288
Transfer on conversion to academy	25,687	-	(633)	-	-	25,054
	<u>26,378</u>	<u>132</u>	<u>(717)</u>	<u>70</u>	<u>-</u>	<u>25,863</u>
Total restricted funds	<u>24,369</u>	<u>7,222</u>	<u>(7,932)</u>	<u>-</u>	<u>(1,066)</u>	<u>22,593</u>
Total of funds	<u>25,028</u>	<u>7,929</u>	<u>(8,515)</u>	<u>-</u>	<u>(1,066)</u>	<u>23,376</u>

STRATFORD UPON AVON SCHOOL

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances as at 31st August 2020 are represented by:

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Intangible fixed assets	-	-	3	3
Tangible fixed assets	-	-	25,368	25,368
Current assets	783	870	-	1,653
Current liabilities	-	(505)	-	(505)
Pension scheme liabilities	-	(4,073)	-	(4,073)
	<u>790</u>	<u>(3,715)</u>	<u>25,371</u>	<u>22,446</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Intangible fixed assets	-	-	4	4
Tangible fixed assets	-	-	25,859	25,859
Current assets	783	767	-	1,550
Current liabilities	-	(387)	-	(387)
Provisions for liabilities and charges	-	(3,650)	-	(3,650)
	<u>783</u>	<u>(3,270)</u>	<u>25,863</u>	<u>23,376</u>

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £000	2019 £000
Net expenditure for the year (as per Statement of Financial Activities)	(880)	(586)
Adjustment for:		
Depreciation and amortisation charges	764	717
Dividends, interest and rents from investments	(6)	(4)
Increase in stocks	(4)	(1)
Decrease/(increase) in debtors	26	(34)
Increase in creditors	120	38
Capital grants from DfE and other capital income	(29)	(132)
Defined benefit pension scheme cost less contributions payable	301	233
Defined benefit pension scheme finance cost	72	67
Net cash provided by operating activities	<u>364</u>	<u>298</u>

STRATFORD UPON AVON SCHOOL

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

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £000	2019 £000
Cash in hand	1,419	1,291
Total	1,419	1,291

21. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019 £000	Cash flows £000	At 31 August 2020 £000
Cash at bank and in hand	1,291	128	1,419
	1,291	128	1,419

22. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Warwickshire Pension Fund. Both are Multi-employer defined benefit pension schemes.

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

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried

STRATFORD UPON AVON SCHOOL

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

22. PENSION COMMITMENTS (continued)

out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £751,186 (2019 - £478,911).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £405,000 (2019 - £390,000), of which employer's contributions totalled £319,000 (2019 - £310,000) and employees' contributions totalled £86,000 (2019 - £80,000). The agreed contribution rates from April 2020 to March 2023 are 23.2% for employers and between 5.5% and 8.3% for employees.

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

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

Principal actuarial assumptions:

	2020	2019
Discount rate for scheme liabilities	1.70 %	1.90 %
Rate of increase in salaries	3.00 %	2.90 %
Rate of increase for pensions in payment / inflation	2.20 %	2.30 %

STRATFORD UPON AVON SCHOOL

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

22. PENSION COMMITMENTS (continued)

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

	2020	2019
Retiring today		
Males	21.6	21.4
Females	23.8	23.6
Retiring in 20 years		
Males	22.5	22.4
Females	25.4	25.0

Sensitivity analysis	At 31 August 2020 £000	At 31 August 2019 £000
Discount rate -0.5%	1,033	1,030
Salary increase rate +0.5%	95	131
Pension increase rate + 0.5%	921	880

The academy's share of the assets in the scheme and the expected rates of return were:

	Fair value at 31 August 2020 £000	Fair value at 31 August 2019 £000
Equities	2,413	2,453
Bonds	1,005	1,045
Property	523	482
Cash and other liquid assets	80	41
Total market value of assets	4,021	4,021

Amount recognised in the Statement of Financial Activities

	2020 £000	2019 £000
Current service cost	(620)	(543)
Interest on obligations	(152)	(168)
Interest on assets	80	101
Total	(692)	(610)

STRATFORD UPON AVON SCHOOL

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

22. PENSION COMMITMENTS (continued)

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

	2020 £000	2019 £000
Opening defined benefit obligation	7,671	5,728
Current service cost	620	543
Interest cost	152	168
Employee contributions	86	80
Actuarial (gains)/losses	(237)	1,189
Benefits paid	(57)	(37)
	<hr/>	<hr/>
Closing defined benefit obligation	8,235	7,671
	<hr/>	<hr/>

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

	2020 £000	2019 £000
At 1 September	4,021	3,444
Interest income	80	101
Actuarial (losses)/gains	(287)	123
Employer contributions	319	310
Employee contributions	86	80
Benefits paid	(57)	(37)
	<hr/>	<hr/>
At 31 August	4,162	4,021
	<hr/>	<hr/>

23. OPERATING LEASE COMMITMENTS

At 31 August 2020 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £000	2019 £000
Amounts payable:		
Within 1 year	26	28
Between 1 and 5 years	5	33
	<hr/>	<hr/>
Total	31	61
	<hr/>	<hr/>

24. 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.

STRATFORD UPON AVON SCHOOL

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

25. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year the school received an annual grant, given to all Stratford Schools based upon pupil numbers within the Trust's defined postcode areas of £Nil (2019: £37,231) from Stratford Town Trust for who S Mitchell was the CEO.

During the year the school made purchases of £Nil (2019: £2,138) from Lifespace Trust for who P Wright was a director. At the year end £Nil (2019: £682) was owed to Lifespace Trust.

26. POST BALANCE SHEET EVENTS

The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the United Kingdom. Since the balance sheet date the global pandemic from the outbreak of COVID-19 has continued to evolve.